



MONTANA DEPARTMENT OF COMMERCE

2023 Biennium Goals and Objectives

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Department of Commerce:

The Department of Commerce partners with communities, businesses, and organizations across the state to strengthen Montana's economy. The Department supports the development of affordable and vibrant communities, promotes Montana's spectacular unspoiled nature and charming towns, and supports the innovative and sustainable industries which strengthen Montana's economy.

The Department is composed of four major operational divisions, and four administratively attached entities as follows:

Major Operational Divisions:

Office of Tourism and Business Development Division

- Budget & Operations Bureau
- Marketing Bureau
- Industry Services and Outreach Bureau
- Business Assistance Bureau
- Research & Information Services Bureau

Community Development Division

- Community Development Block Grant Program (CDBG)
- Community Technical Assistance Program (CTAP)
- HOME Investment Partnership Program (HOME)
- Montana Main Street Program
- Montana Historic Preservation Grant Program (MHPG)
- Housing Trust Fund (HTF)
- Treasure State Endowment Program (TSEP)
- Coal Board
- Hard Rock Mining Impact Board

Housing Division

- Board of Housing
- Housing Assistance Bureau

Director's Office

- Offices of Accounting and Budget; Legal Affairs, Human Resources, Information Technology, and Communications
- Montana Council on Developmental Disabilities

Administratively Attached Entities:

Montana Facility Finance Authority

Board of Investments

Board of Horse Racing

Montana Heritage Commission

The Department is mandated in 2-15-18, MCA.

Mission:

The Department of Commerce through its employees, community partners, public outreach, and media contacts enhances economic prosperity in Montana; fosters community lead diversification and sustainability of a growing economy; maintains and improves our infrastructure, housing and facilities; and promotes and enhances Montana's positive national and international image.

"The Department of Commerce will enhance and sustain a healthy economy, so Montana businesses, communities, and people can prosper."

Goals and Objectives:

- Work to improve the state's economy through business creation, expansion, retention, and diversification of the state's economic base.
- Provide direct technical assistance and training for Montana's entrepreneurs, businesses, and their employees in partnership with communities, counties, and local and regional development groups.
- Enhance the growth of the Montana economy through the promotion of tourism development, promoting and protecting historic sites, and the marketing of Montana as a travel and filmmaking destination.
- Promote access to new markets, both foreign and domestic, for Montana goods and services.
- Provide financing for homeownership and rental assistance opportunities for Montana families.
- Develop and improve public infrastructure and housing opportunities for the state's citizens by providing grants and technical assistance to Montana communities and counties.
- Prudently manage the investments of state and local government funds.
- Provide fair and equal treatment of our fellow employees and our customers.

Website: <http://commerce.mt.gov/>

Office of Tourism and Business Development Division:

Please note that these goals and objectives were designed and projected based upon a pre-COVID19 outbreak world. As a result of the dramatic and ever changing COVID19 impact on the economy, it is impossible at this juncture to determine what new baseline activity can or should be.

The Montana Office of Tourism and Business Development (MOTBD) markets Montana's spectacular unspoiled nature, vibrant and charming small towns, breathtaking experiences, relaxing hospitality, and competitive business climate to promote the state as a place to visit and do business. Its goal is to sustain and enhance the quality of life for all Montanans and their communities by strengthening the economy through job creation and business development. In conjunction with other divisions of the Montana Department of Commerce and partners around the state. MOTBD's programs aim to support businesses through technical assistance, research, and access to grants and loans while inspiring visitation to maximize the economic impact of tourism, encourage private sector investment and ensure that Montana is a great place to live, work and play today and for future generations.

The Office of Tourism and Business Development Division responsibilities are mandated primarily in Title 2, Chapter 15, Title 15, Chapter 31, Part 10, Title 15, Chapter 35, Section 108; Title 15, Chapter 65, Sections 121-122, Title 17, Chapter 6, Part 4; Title 39, Chapter 11; Title 90, Chapter 1, MCA.

Funded projects can be reviewed at <http://commerce.mt.gov/About/FundedProjects>

Mission:

The mission of the Office of Tourism and Business Development Division is to provide the tools to create good jobs, build strong communities, and grow Montana's economy.

The division is comprised of five bureaus funded by House Bill 2 and statutory appropriations:

- Budget and Operations Bureau
- Marketing Bureau
- Industry Services and Outreach Bureau
- Business Assistance Bureau
- Research & Information Services Bureau

The Montana Office of Tourism and Business Development funds its travel and tourism marketing programs through a statewide selective sales tax assessed on the rate charged for lodging at Montana's hotels, motels, B&Bs, guest ranches, campgrounds, and other lodging facilities. This tax, currently at 8%, breaks down into two categories: 4% Lodging Facility Sales Tax which a majority of which goes into the State's General Fund and a 4% tax, the Montana Lodging Facility Use Tax, or "bed tax", which finances several tourism-related programs, including the Montana Office of Tourism.

Currently, 63% of the 4% bed tax collected is used for the Montana Department of Commerce's Montana Office of Tourism and Business Development and Montana Film Office programs. Tribal tourism promotion is supported with 0.5% of the bed tax.

Budget and Operations Bureau

The Budget and Operations Bureau manages the division's House Bill 2 and various statutorily appropriated budgets, oversees customer relationship management, fulfills orders of division publications, and provides internal administrative support.

Operations supports the mission by providing front desk services to all programs, direct customer service, financial oversight, and fulfillment of the inquiries received via marketing efforts with publications, emails and customer interaction via a contact center. The front desk also processes direct requests for commercial publication orders. Our fulfillment process utilizes a contact center and provides mailroom services to distribute our publications expeditiously.

Goals and Objectives:

- To provide the highest degree of support to agency services.
- To respond to visitor inquiries through superior contact center management.

Marketing Bureau: Promoting Tourism and Film Production for Montana

The Marketing Bureau is responsible for promoting visitation and film production to the state of Montana.

The bureau inspires out-of-state residents to visit Montana through domestic and international campaigns that increase awareness of Montana as a world-class tourism destination. This is achieved through innovative research that informs domestic and international advertising, public relations, digital web-based marketing, social media, publications and partnership strategies.

Tourism in Montana is made up of and supports an industry of small businesses from a variety of sectors, including lodging accommodations, restaurants and bars, outfitters and guides, ski areas and private attractions, museums and cultural facilities, farmers and ranchers, gas stations and convenience store owners, and retail shops. The industry counts various state and federal agencies as critical partners and works in close collaboration with Indian Country Economic Development partners to promote tribal tourism.

To help increase accessibility and grow air service in the state, the bureau works closely with airports and air service committees throughout the state as additional partners.

In addition to tourism promotion, the Montana Film Office is also housed within the marketing bureau. The film office utilizes advertising, social media, public relations, events and festivals, grants and technical assistance strategies to attract productions (feature films, commercials, documentaries, television programs and still shoots) into the state for economic development. A successful production leads to ancillary promotion of Montana as a tourism destination for the populations across the globe that view our state's landscapes, towns and character in the finished pieces.

A single production can infuse a small community with hundreds of thousands to millions of dollars in a short amount of time through the hiring of crew, talent, and trades, who then fill hotel rooms for the duration of production.

(Note: The COVID-19 virus will alter spending in FY 2020 and FY 2021 for both tourism and film industries, possibly affecting marketing ROI, commercial production and tax incentive applications.)

Goals and Objectives:

Tourism

- Create increased demand for Montana as a premiere global travel destination through engaging and provocative communications that inspire, delight, and guide our audience.
- Increase internal and external collaboration to drive awareness of Montana as a travel destination and convert travel interest to action, focusing on the optimal audience that will increase revenue for the state while ensuring the health and vitality of our natural and cultural treasures into the future.
- Assist with and track the recovery of visitation post COVID-19 to Montana to bring the industry back to previous levels.

Film

- Promote the state as a location for feature films, commercials, documentaries, television programs and other multimedia projects by providing information, grants, and support services to the motion picture industry.
- Grow the media manufacturing sector, including in-state company expansion, new companies and/or company relocation to Montana, and in increase in production-related jobs, and job training program availability.
- Position the MEDIA Act as an effective, useful tool offered by the State of Montana to producers who seek to utilize income tax credit programs in their productions.
- Continue support of Montana film festivals and appearances at major film festivals, reinforcing our support of filmmakers and Montana as a place to create high quality independent films.

Marketing Bureau Performance Indicators:

MARKETING PERFORMANCE	Actual FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
Maintain consistent Return on Investment ROI (ROI) per \$1 spent YOY for each fiscal year. (Due to the necessity of changing the marketing focus from revenue generation from out of state visitors to travel safety messaging in FY 21 and FY 22 the ROI	\$63	\$63	\$20	\$40	\$63

MARKETING PERFORMANCE	Actual FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
is expected to decrease with a return to "normal" marketing in FY 23.)					

MT FILM OFFICE PERFORMANCE	Actual FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
Maintain interest in Big Sky Film Grant, incrementally provide grant awards in category divisions as funding becomes available. Assist current grantees with publicity.	21% (\$3,629,825 requested: \$750,000 awarded) 14 projects	10% (\$4,906,900 requested \$500,000 awarded) 15 Projects	Program Paused due to COVID19 (\$5,313,224.06 requested by 42 projects) TBD Funding	Goal 23% TBD Funding of \$500,000	Goal 23% TBD Funding of \$500,000
Maintain level of name-brand, lifestyle-driven commercial ad productions	24 commercials @ \$25,000-200,000/ productions	15 commercials @ \$25,000-200,000/ production	20-30 commercials @ \$25,000-200,000/ production	40-60 commercials @ \$25,000-200,000/ production	50-70 commercials @ \$25,000-200,000/ production
Promote the MEDIA Act tax incentive program to the industry	N/A	14 applications	15 applications Goal: \$10 mil credits issued	15 applications Goal: \$10 mil credits issued	15 applications Goal: \$10 mil credits issued

Industry Services and Outreach Bureau

The bureau coordinates and aligns industry opportunities to grow the Montana economy by improving the visitor experience, visitor spending, and increasing industry capacity through destination development, workshops, trainings, public relations, programs, and grants.

Goals and Objectives:

- Connect tourism industry stakeholders to marketing campaign initiatives and objectives to coordinate marketing efforts across the state of Montana
- Manage the Department of Commerce's lodging facility use tax finance and accounting controls including 22.5% that contributes to the region and CVB marketing plans
- Facilitate Tourism Advisory Council (TAC) meetings for approval of region and CVB marketing plans and other TAC responsibilities pursuant to statute
- Increase value added production supporting the Made in Montana program and development of the agritourism industry across Montana
- Convene tourism industry stakeholders at the Governor's Conference on Tourism and Recreation
- Incentivize investment into tourism infrastructure and marketing across Montana through the tourism grant and destination development programs based on available funding
- Provide training and education opportunities to rural and underserved regions in Montana to enhance the visitor experience and grow the tourism economy

The following programs support the bureau's mission:

- Destination Development
- Outreach and Signature Events

- Tourism Partner Services
- Made in Montana and Agritourism
- Tourism Grants

Destination Development

The Destination Development program awards funds to identified collaborative projects that strengthen Montana’s economy, and enhance and develop sustainable tourism initiatives through infrastructure and niche product promotion across Montana.

Outreach and Signature Events

The outreach program organizes workshops and other training opportunities for tourism and economic development constituents to learn more about the Montana Brand, business and marketing practices, and available resources. Two signature events are offered: The Governor’s Conference on Tourism and Recreation is the premiere annual event where the state’s tourism and recreation industry gathers for education, networking, and strategic planning; and the Made in Montana Trade Show offers members of the Made in Montana program the opportunity to exhibit their products to wholesale buyers and the public.

Tourism Partner Services

Industry Services and Outreach supports Montana’s nonprofit tourism Regions and Convention Visitor Bureaus (CVB) by overseeing the distribution of lodging facility use tax revenue, participating in the marketing plan development process, and ensuring compliance with lodging facility use tax regulations.

Made in Montana and Agritourism

Made in Montana (MIM) is a multi-faceted marketing program that provides a unique branding effort for Montana made or grown value added products. MIM offers an online directory of program members to facilitate searching and selecting products directly from members. The annual tradeshow is a business development opportunity for members to offer products to wholesale buyers and members of the public. Collaboration with Department of Agriculture encourages development of Grown in Montana products and producers and the joint Taste our Place agritourism branding strategy connects producers and establishments to encourage “farm to table” experiences.

Tourism Grants

The Tourism Grant Program awards funds to projects that strengthen Montana’s economy through the development and enhancement of the State’s tourism and recreation industry. Funds are awarded annually to projects that develop and enhance tourism and recreation products that have the potential to increase non-resident visitation. Entities in Montana that are eligible to apply for a Tourism Grant include a primary, registered non-profit 501(c) organization; a Tribal government; or a City or County government. The annual application cycle runs July 1-September 30 of each fiscal except for 2020 where the application was delayed due to the pandemic. Should additional funding be available, a special application cycle for events only runs in the spring months. The Tourism Event Grant Program was created to elevate local events to become destination events through additional marketing and upgrading the visitor experience. This attracts additional non-resident or out-of-area visitors to the event or extends their stay, enhancing attendance and increasing visitor generated revenues. Awards, and funding amount awarded, is based on the number of total applications received in each cycle as well as by a review and evaluation process. A high-level of award concentration is provided to rural communities, under-served regions of Montana, and to tribal communities.

Industry Services and Outreach Bureau Performance Indicators:

PERFORMANCE	Actual FY 2019	Projecte d FY 2020	Projecte d FY 2021	Projected FY 2022	Projected FY 2023
Made in Montana					

Sustain as many members as possible anticipating significant loss of Made in Montana retail businesses in 2020. Beginning in 2021, increase the total number of active Made in Montana members by 5% annually	2,391	2,310	2,425	2,546	2,674
Increase the total number of Grown in Montana members by 8% annually	243	263	284	307	338
Increase the total number of Native American Made in Montana members by 5% annually	48	51	54	57	60
Total program members	2,682	2,624	2,763	2,910	3,072

Tourism Grant Program

Expand the awareness and accessibility of the Annual Tourism Grant to rural communities, under-served regions of Montana, and tribal communities by increasing the number of applications from these geographies by 5% each year.	36	34	36	38	40
Continue to expand the Tourism Grant program by greater geographic	34	25	28	31	35

distribution and applicant diversity measured by increasing the number of Annual Tourism Grant recipients by 10% annually					
Expand the Tourism Event Grant program (if funds are available) and geographic reach by increasing the number of Tourism Event Grant recipients by 5% annually	64	0	64	68	72

Business Assistance Bureau

The Business Assistance Bureau connects emerging entrepreneurs, economic development organizations, local governments and existing businesses with responsive technical and finance assistance through a comprehensive portfolio of success-driven trainings, one-on-one counseling, loan and grant programs to grow the economy and create and retain jobs. It assists in identifying new market and business opportunities within the state and beyond our borders. Additionally, the bureau assists economic development projects through grants, planning support and coordinating available funding opportunities.

Goals and Objectives:

- Assist with the creation and/or retention of good-paying jobs for Montana residents
- Promote long-term, stable economic growth in Montana
- Retain or expand existing businesses
- Encourage a regional approach to economic development facilitating the efficient delivery of economic development programs by supporting regional capacity building
- Assist Montana businesses in obtaining financing
- Grow capacity and the local economy in tribal and reservation-based communities
- Assist Montana companies in entering new domestic and international markets
- Strengthen and maintain diplomatic relationships with leaders in key countries

The following programs support the bureau's mission:

- Montana Finance Information Center
- Certified Regional Development Corporations (CRDC)
- Micro Business Finance Program (MBFP)
- Montana Distressed Wood Products Revolving Loan Fund Programs
- Primary Sector Workforce Training Grant Program (WTG)
- Big Sky Economic Development Trust Fund Program (BSTF)
- Montana SBIR/STTR Matching Funds Program
- Small Business Development Center (SBDC)
- Montana Innovation Partnership (MTIP)
- Indian Country Economic Development Program (ICED)
- State Tribal Economic Development Commission (STED)

- Montana Indian Language Program (MILP)
- Export Montana
- Diplomacy and International Relations

Certified Regional Development Corporations (CRDC)

This program provides statutory funding for up to 12 regional economic development organizations called Certified Regional Development Corporations (CRDCs) on a matching grant basis of \$1 state dollar for every local \$1. CRDCs encourage a regional approach to economic development, provide resources for local development, offer technical assistance and counseling, and manage regional revolving loan funds. The bureau works with all counties in the state including those not included in a CRDC region.

Website: <http://marketmt.com/CRDC>

Montana Micro Business Finance Program (MBDC)

Montana's Micro Business Development Corporations (MBDCs) provide financing and technical assistance to help businesses get started or expand. The Montana Department of Commerce loans money to the MBDCs who in turn loan the money at a slightly higher interest rate. The MBDCs make loans up to \$100,000 for working capital, equipment, or other fixed assets for qualified micro-businesses. A qualified micro-business must be a Montana-based business that has ten or fewer than ten full-time equivalent employees and less than \$1,000,000 in gross annual revenues. To qualify for a loan the businesses need to meet local lending criteria. Since the intent of the program is to finance business projects that would not otherwise be able to obtain financing from sources such as their local banks, the interest rates charged on the loans are slightly higher than bank rates.

Website: <http://marketmt.org/MBFP>

Montana Distressed Wood Products Revolving Loan Fund Programs

The Montana Distressed Wood Products Revolving Loan Fund (MT WP RLF) established in 2009, is comprised of three different funding sources that were used to implement the distressed wood products loan program with the intent to keep a viable timber and wood products industry in Montana. Loans are made to wood and timber related businesses that have suffered a hardship that need to retain or create jobs. The fund was originally comprised of \$7.5 million in state funds, \$2.7 million from the Montana Department of Commerce by the Economic Development Administration, and \$1.5 million from the US Department of Housing and Urban Development.

Website: <http://marketmt.com/WPRLF>

Primary Sector Workforce Training Grant Program (WTG)

In 2005, the Montana Legislature passed the Primary Sector Business Workforce Training Grant Act to encourage the creation and retention of good-paying jobs in primary sector businesses. The program provides an incentive for out-of-state companies to locate to Montana and for Montana companies to expand their operations. The program provides training for Montana citizens enabling them to increase their skills and standard of living. Companies with 50% or more of their sales from outside Montana are eligible to apply for the program and they must pay each eligible worker a wage that meets or exceeds the lesser of 170% of Montana's current minimum wage or the current average weekly wage of the county in which the business is located (wages can include provided benefits).

Website: <http://marketmt.com/WTG>

Big Sky Economic Development Trust Fund (BSTF)

The legislative purpose of the Big Sky Economic Development Fund is to:

- Create good-paying jobs for Montana residents,
- Promote long-term, stable economic growth in Montana,

- Encourage local economic development organizations,
- Create partnerships between the state, local governments, tribal governments, and local economic development organizations that are interested in pursuing these same economic development goals,
- Retain or expand existing businesses,
- Provide a better life for future generations through greater economic growth and prosperity in Montana, and
- Encourage workforce development, including workforce training and job creation, in High-Poverty Counties by providing targeted assistance.

The Big Sky Economic Development Fund is a sub-trust fund within the Coal Severance Tax Trust Fund. Investment earnings (interest only; not principal) from the Big Sky Economic Development Fund are statutorily appropriated to the Montana Department of Commerce to provide financial assistance to local and tribal governments and economic development organizations to support job creation and economic development planning.

Website: <http://marketmt.com/BSTF>

Montana SBIR/STTR Matching Funds Program (MSMFP)

The SBIR/STTR Matching Funds Program assists technology-based Montana companies by providing additional funding that can be used for technology development or other uses during the time that the company is working on a Small Business Innovation Research or Small Business Technology Transfer (SBIR/STTR) project with a federal agency. This additional funding increases the likelihood that technology-based Montana companies will be able to develop products and services that can be successfully marketed.

Website: <http://marketmt.com/MSMFP>

Small Business Development Center (SBDC)

The Montana Small Business Development Center (SBDC) is Montana's premier provider for entrepreneurial and small business assistance. The program is funded through a partnership with the Small Business Administration (SBA), Montana Department of Commerce, economic development organizations and higher education institutions. Montana SBDC's Business Consultants assist business owners and aspiring entrepreneurs with low-cost training opportunities and no cost, one-on-one advising that is customized to meet their needs. The SBDC network supports ten centers across the state, focusing on counseling and training in areas such as financial analysis, business planning, strategic planning, loan packaging, financial projections, business management and market research to help small businesses achieve their goals of growth, innovation and success.

Website: <http://sbdc.mt.gov>

Montana Technology Innovation Partnership (MTIP)

The Montana Innovation Partnership (MTIP) is powered by MSU TechLink, and is a strategic partner for Montana innovators, entrepreneurs and inventors to help them access critical Research and Development funding and craft effective commercialization plans. MTIP is funded through the Montana Department of Commerce.

Website: <https://montanainnovationpartnership.org>

Indian Country Economic Development Program (ICED)

Since FY 2006 the ICED program has led efforts in assisting tribal governments and Native entrepreneurs to start tribal enterprises, grow the small business sector and provide business counseling to reservation-based communities. Through direct grants to tribal governments, the ICED program funds business and feasibility planning to support tribes in launching tribal enterprises or expanding revenue-producing activities. Small business grants are awarded to Native entrepreneurs to expand businesses and build equity to increase the potential of accessing commercial capital.

Website: <http://marketmt.com/ICP>

State Tribal Economic Development Commission (STED)

The State Tribal Economic Development Commission (STEDC) is charged with assisting, promoting, encouraging, developing, and advancing economic prosperity and employment on Indian reservations in Montana which includes the expansion of tribal tourism. STED identifies policy barriers, commissions economic demographic studies, highlights economic barriers and providing potential solutions to grow tribal economies.

Website: <http://marketmt.com/STEDC>

Montana Indian Language Program (MILP)

Managed by the STED Commission at the Montana Department of Commerce, MILP perpetuates Native languages in Montana by providing funding to the 8 tribal nations in the state. Resources are leveraged to develop and implement language perpetuation strategies, to develop audio/video language recordings, and to create reference materials and curricula. The program is assisting in preserving the 12 Native languages that have been affected by rapid language loss over the last century.

Website: <http://marketmt.com/MILP>

Export Montana

ExportMontana helps Montana manufacturers and service providers sell outside the USA. Assistance provided includes market assessment, access, and development so Montana-based employers can take advantage of regional, national and international trade promotions and grants for developing new markets. Available programs include the Trade Show Assistance Program grant for exhibiting at national trade shows, and the federally-funded State Trade Expansion Program grant for international marketing. The state's \$300,000 statutory appropriation is used to access federal matching funds from the Small Business Administration which was \$401,818 in FFY 2018.

Website: <http://marketmt.com/Export>

Diplomacy and International Relations

The Office of Trade and International Relations provides coordination services for diplomacy related opportunities with state agencies and organizations that focus on strengthening government to government relationships with countries outside the United States. It assists in setting up meetings with Consul Generals, executing in-bound and out-bound trade/diplomacy missions and is central in matching diplomats and foreign businesses with state and business leaders.

Website: <http://marketmt.com/trade>

Business Assistance Bureau Performance Indicators:

PERFORMANCE	Actual FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
Certified Regional Development Corporations Program (CRDC)					
Certified CRDCs	11	11	11	11	11
Counties Served	51	51	51	51	51
Montana Micro Business Finance Program (MBFP)					

PERFORMANCE	Actual FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
Dollar Amount of Outstanding Loans to MBDCs	\$4,689,00	\$4,689,000	\$4,689,000	\$4,689,000	\$4,689,000
Full Time Positions Supported	162	170	180	190	200
EDA WP RLF Performance					
Number of EDA WP RLF Loans Funded	1	2	0	2	2
Amount of EDA WP RLF Loans Funded	\$1,600,000	\$2,000,000	\$0	\$800,000	\$800,000
Amount of EDA WP RLF Loan Repayments	\$672,726	\$773,775	\$792,000	\$850,000	\$900,000
State WP RLF Performance					
Number of State WP RLF Loans Funded	0	1	1	2	3
Amount of State WP RLF Loans Funded	\$0	\$1,250,000	\$400,000	\$400,000	\$500,000
Amount of State WP RLF Loan Repayments	\$465,905	\$448,356	\$428,411	\$413,347	\$407,380
EDA and State WP RLF Performance					
Number of Jobs Retained	0	281	15	120	150
Number of Jobs Created with WP RLF Funds	83	4	5	35	35
Amount of Private/Public Leveraged Funds	\$2,245,638	\$1,600,000	\$2,500,000	\$1,800,000	\$2,600,000
Montana SBIR/STTR Matching Funds Program					
Total MSMFP Stage 1 apps funded	7	8	6	6	6
Total MSMFP Stage 2 apps funded	1	3	5	5	5
Total Funds Awarded	\$240,000	\$330,000	\$330,000	\$330,000	\$330,000
Primary Sector Workforce Training Grant Program					

PERFORMANCE	Actual FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
Jobs projected to be provided training (*includes reversions)	122*	84*	120	140	150
Awards provided to Montana businesses (*includes reversions)	\$644,522*	\$411,923*	\$450,000	\$500,000	\$550,000
Funds leveraged from other sources *Anticipate a decrease in leveraged funds as companies try to regain lost capital due to COVID 19	\$14,546,624	\$40,875,433	\$5,000,000*	\$5,000,000*	\$5,000,000*

Big Sky Economic Development Trust Fund

\$ Awarded for Job Creation	\$2,506,200	\$2,908,800	\$ 3,000,000	\$3,100,000	\$3,200,000
\$ Awarded for Economic Development Planning Projects	\$0	\$259,650	\$500,000	\$500,000	\$500,000
Projected New Jobs Created	406	520	550	600	650
Funds leveraged***	\$20,892,351,	\$38,666,730	\$30,000,000	\$35,000,000	\$35,000,000

PERFORMANCE	Actual FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
Small Business Development Center Network					
Businesses Started	35	50	75	100	125
Total Clients Served	719	800	900	1,000	1,100
# jobs supported by businesses receiving counseling	1944	2,000	2,250	2,500	2,750
\$\$ borrowed by small businesses from lenders after counseling	\$28,248,916	\$30,000,000	\$32,000,000	\$34,000,000	\$36,000,000

Montana Technology Innovation Partnership

PERFORMANCE	Actual FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
# of Clients Served	89	100	110	120	130
SBIR/STTR Proposals Submitted	20	14	15	15	15
Training Session Attendees	151	168	175	200	225
MTIP Training Events	14	10	12	15	17
Export Montana					
Total annual Montana exports	\$1.66 Billion	\$1.7 Billion	\$1.75 Billion	\$1.8 Billion	\$1.85 Billion
Businesses supported through grants, consultations, trainings	376	390	400	410	420
Funding provided for market development activities (trade shows, etc.)	\$492,390	\$300,000	\$305,000	\$310,000	\$310,000
Sales from market development activities (trade shows, etc.)	\$52 million	\$55 million	\$65 million	\$75 million	\$85 million
Jobs retained or created from market development activities (trade shows, etc.)	269	270	300	320	340
Indian Country Economic Development					
Indian Equity Fund, (IEF) \$ Awarded	\$319,992	\$320,000	\$320,000	\$320,000	\$320,000
IEF \$ Matched	\$1.13 Million	\$1.14 Million	\$1.14 Million	\$1.14 Million	\$1.14 Million
IEF Jobs Created	65	70	75	80	85
IEF Businesses Supported	28	30	32	35	40
Native American Business Advisors, (NABA) \$ Awarded	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000
NABA Counseling Sessions	741	750	760	770	780
NABA Training Activities/Capacity Building	1125	1200	1200	1200	1250
NABA Assisted IEF Applications	189	200	210	220	230

PERFORMANCE	Actual FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
Tribal Business Planning Grant, (TBPB) \$ Awarded	\$224,000	\$224,000	\$224,000	\$224,000	\$224,000
TBPB \$ Matched, (Not Required)	\$656,000	\$675,000	\$700,000	\$725,000	\$750,000
TBPB Businesses Supported	7	10	15	20	20

Research & Information Services (RIS) Bureau

The Research and Information Services Bureau (RIS) fulfills the Department of Commerce's statutory mandate MCA 90-1-109: "State Census and Economic Information Center. The Department of Commerce shall, in cooperation with other state, federal, and local agencies, establish and maintain a central depository of information, including computer-retrievable files, concerning the significant characteristics of the state, its people, economy, land, and physical characteristics. The department shall analyze and disseminate such information to state, federal, and local agencies and to the general public." In this role the RIS Bureau provides Montana businesses, communities, and government access and use of the right information for decision-making and facilitates processes related to siting, permitting, workforce and financing all to grow the Montana economy, create jobs and improve communities. The three pillars of RIS are information, analysis and design, and facilitation. A key indicative RIS accomplishment includes the significant effort by the bureau's Census and Economic Information Center (CEIC) to support the Montana 2020 Census count through significant outreach and coordination efforts. To obtain a complete count of all Montana residents, the bureau distributed videos, radio spots, newsletters and over 1.3 million pieces of literature designed to inform and educate Montanans on the importance of the Census to the state.

RIS Website: <http://marketmt.com/RIS>

Census and Economic Information Center (CEIC) Website: <http://ceic.mt.gov>

Goals and Objectives:

- Analyze and publish the data from the 2020 Decennial Census
- Educate and train various Montana stakeholders on the U.S. Census Bureau's Programs for an annual average of 200 participants
- Participate in U.S. Census Bureau Programs
- Enhance network of RIS partners
- Provide assistance and technical support to local stakeholders
- Encourage local stakeholders to use/participate in Census Bureau offerings
- Participate in the State Data Center (SDC) annual meeting, steering committee meetings, and at least one alternative format meeting (webinar, conference call, Ideal scale etc.) monthly
- Collaborate and share best practices within the SDC network and complete the SDC annual report documenting activities
- Enhance the RIS website to provide access to federal, state and local commerce, business, population and geographic data
- Prepare value added products specific to Montana geography from the Census Bureau data as necessary and appropriate
- Develop Analysis and Publications for Program Administration for the Department of Commerce including information from the CRM system
- Provide on-demand Data Products, Outreach and Client Research Services
- Process an average of 400 annual customer data requests
- Process resort tax community / area applications

- Provide key information and analysis to support Montana’s leading industries and economic development organizations to foster economic development in the state
- Facilitate project development in Montana’s leading industries working in partnership with the Governor’s Office of Economic Development (GOED) and other state agencies
- Use research to identify new industries and markets to grow the Montana economy
- Promote Montana as a business worthy environment to attract future investment capital
- Engage in initiatives and activities including survey programs and product and tool development
- Analyze and report on various tourism data to grow Montana’s tourism industry
- Create and display tourism data through various means including website dashboards, maps, reports and presentations
- Develop and improve tourism research relationships with in-state partners (Regions, CVBs, etc.)

Research and Information Services Performance Indicators:

PERFORMANCE	Actual FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
RIS - Customer data requests processed	140	150	500	300	300
RIS - Number of persons attending presentations, educational and training events conducted by RIS	200	1,000	200	200	200
RIS- initiatives and activities including survey programs, product and tool development	20	20	50	50	50
RIS – Increase the Tableau dashboard views posted/embedded by RIS on varying Commerce webpages	42,000	50,000	55,000	55,000	55,000

Some RIS metrics are cyclical in nature with peaks every 10 years coinciding with the Decennial Census.

Community Development Division:

The Community Development Division strengthens Montana communities by supporting sustainable development of our charming, vibrant towns. Our staff are experts in the growth and development of communities to promote affordable housing, improved public infrastructure, economic resilience, and downtown revitalization through comprehensive planning and locally determined goals and objectives.

Alongside our community, local and tribal government partners we are building vibrant places where people want to live and visit.

The missions of the Community Development Division (CDD) are set forth in Title 90, Chapters 1 and 6, MCA. CDD is funded primarily through federal funds and state-special revenue account grant programs with additional direct appropriations provided in HB 2. CDD administers seven programs directly:

- Community Development Block Grant Program (CDBG);
- Community Technical Assistance Program (CTAP);
- HOME Investment Partnerships Program (HOME);
- Montana Main Street Program;
- Montana Historic Preservation Program (MHPG);
- Housing Trust Fund (HTF);
- and
- Treasure State Endowment Program (TSEP).

Two citizen boards, appointed by the governor, are attached to CDD for administrative purposes. The division provides office facilities, staff, and administrative support for the:

- Montana Coal Board; and
- Montana Hard Rock Mining Impact Board.

Each of the nine programs has a specific mission and goals and objectives, based on its legislative history, as described below. To meet the mission, goals, and objectives of the programs, Division, and Department, and to support the governor's overarching mission and long-term agenda, Division staff always strive to meet the following mission pillars:

- Help build resilient communities through planning and financial resources;
- Empower local leaders by providing technical and financial resources;
- Provide awareness and training on planning best practices;
- Make the cost of facilities more affordable and within easier reach of Montana communities;
- Support those communities in all stages of planning, implementation, and long-term maintenance of resources;
- Facilitate a comprehensive sense of place for communities and help them adopt a process to accomplish those goals; and
- Promote local community self-sufficiency in the distribution of grants.

Community Development Block Grant Program:

Montana's Community Development Block Grant Program (CDBG) is a federally funded competitive grant program designed to help communities of less than 50,000 in population with their greatest community development needs. The program was established by the federal Housing and Community Development Act of 1974 and is administered by the U.S. Department of Housing and Urban Development (HUD).

The Department of Commerce administers Montana's state CDBG program and is authorized to adopt implementing administrative rules (Section 90-1-103(1)(e), MCA). All projects funded by CDBG must principally benefit persons of low to moderate income (LMI). Five categories of CDBG grants are administered by CDD:

- 1) Planning. CDBG helps local governments prepare or update land use planning documents such as growth policies, zoning ordinances, housing plans, or capital improvements plans, as well as the preliminary engineering or architectural studies necessary for a particular project. These planning documents help communities identify, prioritize, finance, and successfully complete their infrastructure, housing, community service, and economic development projects.
- 2) Community and Public Facilities. Through a competitive application process, CDBG directly funds public infrastructure projects, such as water, sewer, and solid waste systems, in communities where a majority of the residents are LMI. If a majority of the residents are not LMI, CDBG helps the community pay hook-up fees for LMI households. CDBG can also fund community facilities designed to principally serve persons of LMI, such as food banks, Head Start centers, mental health centers, senior centers, group homes for abused children, and hospitals or nursing homes.
- 3) Affordable Housing Development and Rehabilitation. Through a competitive application process, CDBG funds multi-family housing projects with more than four units for rent or sale to persons of LMI. Eligible activities include acquiring land and structures; demolishing existing substandard housing or non-residential structures; constructing new housing units; rehabilitating existing substandard housing; converting existing non-housing structures into housing units; and related site improvements.
- 4) Housing Stabilization. CDBG provides funds to communities seeking to build new or rehabilitate existing substandard single-family homes or multi-family housing projects with four or fewer units for rent or sale to persons of LMI. Eligible activities include acquiring land and structures; demolishing

existing substandard housing or non-residential structures; constructing new housing units; rehabilitating existing substandard housing; converting existing non-housing structures into housing units; and related site improvements.

- 5) Economic Development. CDBG helps stimulate economic development activities that create or retain jobs in Montana communities. More than half of the awarded funds must benefit persons of LMI. The program assists businesses by providing grants and flexible interest rates and loan terms to complement conventional bank financing and other federal and state finance programs.
- 6) CDBG CARES. CDBG CARES funds are specific funds that have been awarded to address impacts related to the novel coronavirus or COVID19. Awarded in April 2020, the funds are intended to support communities seeking to address housing, community and public facility, or economic development needs, as applicable to the federal CDBG CARES guidance. Additional federal guidance and funding allocation is anticipated throughout the 2020 calendar year.

CDD currently conducts two formal CDBG grant competitions annually: one for Affordable Housing Development and Rehabilitation and Community and Public Facilities grants, and one for planning projects. Housing Stabilization and Economic Development applications are accepted on an on-going basis. CDD staff scores each application under the criteria adopted for each category and recommends awards to the Department Director.

In addition, technical assistance funds from CDBG continue to leverage the state-funded Community Technical Assistance Program (CTAP), providing expanded training and additional templates for community planning efforts in Montana communities.

Mission:

Under federal law, the primary objective of the CDBG program is “the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.” Under state law, CDD is charged with administering the Montana CDBG Program and adopting implementing rules.

Goals and Objectives:

Under federal law, CDBG program funds are for the support of community development activities that are directed towards the following specific objectives:

- The elimination of slums and blight and the prevention of blighting influences and the deterioration of property and neighborhood and community facilities of importance to the welfare of the community, principally persons of low and moderate income;
- The elimination of conditions that are detrimental to health, safety, and public welfare, through code enforcement, demolition, interim rehabilitation assistance, and related activities;
- The conservation and expansion of the nation's housing stock in order to provide a decent home and a suitable living environment for all persons, but principally those of low and moderate income;
- The expansion and improvement of the quantity and quality of community services, principally for persons of low and moderate income, which are essential for sound community development and for the development of viable urban communities;
- A more rational utilization of land and other natural resources and the better arrangement of residential, commercial, industrial, recreational, and other needed activity centers;
- The reduction of the isolation of income groups within communities and geographical areas and the promotion of an increase in the diversity and vitality of neighborhoods through the spatial de-concentration of housing opportunities for persons of lower income and the revitalization of deteriorating or deteriorated neighborhoods;
- The restoration and preservation of properties of special value for historic, architectural, or esthetic reasons;

- The alleviation of physical and economic distress through the stimulation of private investment and community revitalization in areas with population outmigration or a stagnating or declining tax base; and
- The conservation of the Nation's scarce energy resources, improvement of energy efficiency, and the provision of alternative and renewable energy sources of supply.

Through the CDBG Program, the State of Montana supports existing Montana communities, invests in vital public infrastructure, enhances Montana's economic competitiveness, promotes equitable, affordable housing, and reduces homelessness.

Funding Source:

The Montana CDBG program is funded with federal funds allocated annually through the U.S. Department of Housing and Urban Development (HUD) based on a statutory formula and the amount budgeted by Congress. State general funds provide the federally required share of the administrative costs for CDBG, equal to three percent of the annual federal CDBG allocation. For FFY 2019, the State of Montana has received an allocation of \$6,356,042 for its CDBG programs. For FFY 2020, the State of Montana has received an allocation of \$6,680,700. Lastly, in April 2020, the State of Montana was notified about an allocation of CDBG CARES funding to address COVID-19 impacts. There are a total of three allocations of CDBG CARES funding, it is expected that the state will receive two of three allocations of funding, with the first listed being \$3,925,296 and the second amount is expected in May 2020.

Performance Indicators:

PERFORMANCE	Actual FY 2018	Actual FY 2019	Estimated FY 2020	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023
Planning Applications Reviewed	40	51	45	45	50	50
Community and Public Facilities Applications Reviewed	13	19	20	20	20	20
Housing Development and Rehabilitation Applications Reviewed	2	3	2	2	3	3
Housing Stabilization Applications Reviewed	1	2	1	1	1	2
Economic Development Applications Reviewed	4	8	7	7	7	7
Planning Grants Awarded	17	29	25	25	25	25
Community and Public Facilities Grants Awarded	6	12	10	10	10	10
Housing Development and Rehabilitation Grants Awarded	2	3	2	2	2	2
Housing Stabilization Grants Awarded	1	2	1	1	1	2
Economic Development Grants Awarded	4	8	7	7	7	7

PERFORMANCE	Actual FY 2018	Actual FY 2019	Estimate d FY 2020	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023
Active CDBG Grants	105	90	85	80	80	80

Website: <http://comdev.mt.gov/Programs/CDBG>

Community Technical Assistance Program (CTAP):

CTAP provides technical assistance to encourage the planning and sustainable development of Montana communities by working with local governments, planning departments, private developers, non-profit organizations and the public. CTAP brings a statewide and national problem-solving perspective to every community by staying abreast of how other local governments, the private sector, and state and federal courts are handling specific planning issues. CTAP enjoys broad support from the Legislature's Education and Local Government Interim Committee, the Montana Association of Counties, the League of Cities and Towns, the Montana Association of Planners, the Montana Association of Realtors, the Montana Building Industry Association, the Montana Economic Developers Association, and the Montana Smart Growth Coalition. CTAP staff includes two professional planners and a land use attorney.

CTAP shares professional knowledge, conducts training and workshops, provides "model" documents, and maintains a library of planning publications and research materials. Some of the more common topics that CTAP provides technical assistance on include:

- Growth policy development and implementation;
- Subdivision regulations development and administration;
- Exemptions from subdivision review and the use of Certificates of Survey and deeds;
- Zoning regulations development and administration;
- Annexation and extension of services;
- Making defensible, legally sound legislative and quasi-judicial decisions regarding land use; and
- Other planning tools available to local communities, including capital improvements planning, downtown master plans, housing plans, active transportation planning, and more.

During the 2021 biennium, CTAP staff continued to provide technical assistance to all Montana communities. CTAP has continued to utilize planning consultants to assist communities that have urgent needs or are experiencing great changes due to economic conditions through training workshops on subdivision and exemption review, interim zoning and conditional use permit ordinance preparation and adoption, public meeting and public notice requirements, annexation policies, water and sanitation review, buildings for lease or rent, and other topics as requested. CTAP anticipates a continued and growing need for its technical assistance across the state, beyond what is currently able to be provided with limited staff; as a result, CTAP has contracted for continued professional planning and engineering services to provide the necessary level of assistance.

Mission:

Sections 90-1-102 and 103, MCA, set out the community technical assistance functions of the Department of Commerce:

- Serve as the consultative, coordinating, and advisory agency for state departments, officials, and agencies in state planning and for encouraging and aiding local planning bodies, either directly or by securing planning assistance, consulting services, and technical aid, which may include land use,

- demographic, and economic studies and surveys and comprehensive plans;
- Cooperate with and provide technical assistance to county and municipal governments and similar agencies created for the purposes of aiding and encouraging the orderly, productive, and coordinated development of the communities of the state;
 - Assist the governor in coordinating the activities of state agencies that have an impact on the solution of community development problems and implementation of community plans;
 - Serve as a clearinghouse for information, data, and other materials that may be helpful or necessary to local governments to discharge their responsibilities and provide information on available federal and state financial and technical assistance; and
 - Carry out studies and analyses of the problems faced by communities within the state and develop those recommendations for administrative or legislative action as appear necessary, paying attention to the planning and financing of public facilities and to the problems of metropolitan, suburban, and other areas in which economic and population factors are rapidly changing.

Goals and Objectives:

- Meet needs and priorities of clients by monitoring trends and periodically surveying clientele to determine their priorities for technical assistance;
- Maintain a quality level of service in providing basic assistance to clients, i.e. prompt and thorough responses to phone calls and emails, either directly through staff or through use of consultants;
- Expand and enhance educational outreach to clients by providing more opportunities for training and workshops to be conducted throughout the state;
- Sponsor and attend local and regional workshops throughout the state in an effort to provide education and training opportunities to a broad range of clients;
- Conduct site-specific workshops to provide education and training for entities such as county commissions and municipal councils, planning board members, professional planning staff, realtors, developers, and interested citizens;
- Maintain and enhance the CTAP digital library in order to cost effectively provide training to clients through electronic media such as webinars and online publications. Continue to grow and promote the CTAP traditional resource library to provide expanded resource options available to clients;
- Assist with the coordination of statewide planning initiatives, legislative studies related to land use planning, and other related tasks, as directed;
- Enhance the CTAP website to provide clients access to more “self-service” educational information and resources, such as model documents and topic-specific training materials;
- Encourage and assist local governments in the use of geographic information system (GIS) mapping capabilities to produce maps for documents, such as local growth policies and capital facilities plans. Utilize *Esri* software in the creation of maps, data analysis, and resource documents for local governments;
- Expand outreach and assistance to tribal governments and tribal planning organizations in Montana;
- Update CTAP publications to ensure they comply with statutory changes and provide guidance on the best practices available;
- Continue to log and respond to client contacts and specific requests for assistance.
- Develop and publish land use statute books, model subdivision regulations, annexation policies, capital improvements plans, and other planning document templates as technical assistance for local governments, private sector, and local and state officials.

Funding Source:

CTAP is funded with state general funds.

Performance Indicators:

PERFORMANCE	Actual FY 2018	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023
Requests for Technical Assistance	250	220	210	300	350	400
Training Workshops & Presentations	5	5	10	10	10	10
Publications Printed	2000	200	2500	200	2500	200
Clients Utilizing Training Library	35	17	35	37	40	43
Clients for GIS Mapping	5	2	5	5	10	10

Website: <http://comdev.mt.gov/Programs/CTAP>

HOME Investment Partnerships Program (HOME):

The HOME Program provides federal grant funds to eligible local government entities who apply directly or on behalf of Public Housing Authorities, Community Housing Development Organizations, and other non-profit organizations to help finance the new construction or rehabilitation of individual homes or rental units and other eligible activities for Montanans of low to very low income. Eligible applicants can obtain funds for homebuyer assistance on a noncompetitive basis; other eligible activities are distributed using a competitive application process.

Mission:

As set forth in Subpart A, Title III of the Cranston-Gonzalez National Affordable Housing Act, the purpose of the HOME Program is to increase the number of families served with decent, safe, sanitary, and affordable housing and expand the long-term supply of affordable housing. This mission fits within the Department's statutory functions to survey and investigate housing needs in Montana, maintain and disseminate information on housing assistance programs, and promote research and development in matters relating to, or affecting the provision of decent, safe, and sanitary housing in a suitable living environment. (Section 90-1-106, MCA.)

Goals and Objectives:

- Continue restructuring and streamlining HOME Program grant application and administration policies and procedures to expand program accessibility for Montana's communities;
- Continuously improve HOME project screening, technical assistance efforts, and project monitoring to ensure that high quality, long lasting affordable housing investments are made in Montana;
- Continue to provide technical assistance to rural portions of the state by HOME Program personnel and through technical assistance contracts;
- Continue cooperation with other federal, state and local affordable housing programs in the state to ensure the efficient use of scarce resources; and
- Provide on-going training for grantees, property management, and developers.

Funding Source:

The HOME program is funded with federal funds allocated annually through HUD based on a statutory formula and the amount budgeted by Congress. For FFY 2019, the State of Montana will receive an allocation of \$3,005,732 and FFY 2020 an allocation of \$3,134,369 for its HOME program.

Performance Indicators:

PERFORMANCE	Actual FY 2018	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023
Applications Reviewed (Units Provided)						
Multifamily Construction and Rehab	194	368	72	80	80	80
Down Payment Assistance	39	61	42	40	40	40
Grants Awarded (Units Provided)						
Multifamily Construction and Rehab	194	144	72	80	80	80
Down Payment Assistance	39	61	42	80	80	80

Website: <http://comdev.mt.gov/Programs/HOME>

Montana Main Street Program:

The Montana Main Street program serves as a coordinating resource for communities seeking to revitalize their historic downtowns and to provide technical assistance and expertise to communities of all sizes, based on their individual needs. Montana Main Street provides technical assistance training in the areas of downtown development and historic preservation to communities of all sizes and capacity. In addition, the Montana program sponsors regional workshops and an annual conference for all downtown revitalization organizations in Montana.

During the 2021 biennium, the Montana Main Street program provided grant funds for a historic preservation plan in Shelby, Wayfinding Plan in Glasgow, Downtown Master Plan in Stevensville, Pedlet Placemaking Project in Great Falls, Creekside Marketplace development in Lewistown, and a preliminary architectural report for the reuse of a historic Finlen Hotel and building in downtown Butte, Downtown Master Plan in Boulder, Kalispell Trail and Economic Development and Design Plan, and Streetscape design plan in Dillon..

The Department is statutorily authorized to administer the Montana Main Street program and adopt rules to implement the program. (Section 90-1-151, MCA.) The Program currently provides technical assistance to 34 designated and affiliate Main Street communities across Montana.

Mission:

As set forth in Section 90-1-151, MCA, the purpose of the Montana Main Street program is to:

- Assist communities in restoring and retaining the historic character of their downtown areas and historic commercial districts;
- Stimulate business investment, assist in retaining existing small businesses, and promote new businesses in those areas;
- Strengthen the local tax base;
- Create employment opportunities in community downtown areas and historic districts; and
- Generally enhance the economic viability of downtown areas and historic districts.

Goals and Objectives:

- Serve as a coordinating resource, provide networking opportunities, and advocate for communities interested in downtown renewal, economic development, and historic preservation;
- Assist designated and affiliate communities in the organization and administration of their Main Street programs, providing technical assistance and training;
- Host regional workshops on downtown renewal, economic development, and historic preservation;
- Participate in the annual Montana Downtown Conference as well as other state and regional conferences and workshops focused on economic development and revitalization;
- Provide grant funding to communities who apply for assistance in the completion of projects related to economic growth and development, downtown revitalization, and historic preservation;
- Actively promote opportunities for communities to combine funding sources in the completion of long range planning and economic development related projects;
- Maintain and enhance the Main Street resource library in order to cost-effectively provide training and resources to Main Street communities;
- Actively grow and develop the Main Street program statewide commensurate with the availability of resources to provide services to all members;
- Enable small business owners to succeed by creating vibrant and healthy downtown districts.

Funding Source:

Main Street is funded with lodging facility tax funds through a collaborative effort between CDD and the Office of Tourism and Business Development in the Department.

Performance Indicators:

PERFORMANCE	Actual FY 2018	Actual FY 2019	Actual FY 2020*	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023
Participating Communities	28	29	34	36	38	40
Projects Awarded	9	8	9	9	9	9
Funds Allocated	\$100,000	\$105,000	\$100,000	\$100,000	\$100,000	\$100,000
Net new jobs	176.5	226	21.5	160	175	190
Net new businesses	75	104	9	70	80	90
Annual Conference Attendees	56	72	80	85	90	100

PERFORMANCE	Actual FY 2018	Actual FY 2019	Actual FY 2020*	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023
Presentations & Trainings	67	88	68	85	90	95

*Data compiled through third FY quarter

Website: <http://comdev.mt.gov/Programs/MainStreet>

Montana Historic Preservation Grant Program (MHPG):

The Montana Historic Preservation Grant program is a state-funded program created in 2019 as a result of Senate Bill 338, Sections 1 through 17. The MHPG Program is designed to support public or private entities with the preservation of historic sites, historical societies, or history museums through grant funding. The MHPG Program provides the opportunity to stimulate economic development, community revitalization, and statewide tourism through increased investment, job creation or retention, business expansion, and local tax base growth. Combined with such return on investment, the program supports the preservation of Montana's historic structures, sites, societies, and museums, contributing to the maintenance and demonstrating the economic impact of historical resources throughout the state. The program coordinates with wider historic preservation technical assistance available and utilizes the diversity of funds to address both the financial and preservation gaps of projects. The program funding invests in the critical point to help projects move forward, catalyzing local revitalization and economic growth.

During the 2021 biennium, the Montana Historic Preservation Grant Program received 93 applications from across the state. Proposed projects include requests for the rehabilitation and upgrades to museums and historic sites. The Department will review the proposed applications in coordination with the Tourism Advisory Council and State Historical Preservation Office. The Department's recommendations will be provided to the Legislature, as advisory, no later than the 15th day of the 2021 Legislative session.

The Department is statutorily authorized to administer the Montana Historic Preservation Grant program and adopt rules to implement the program.

Mission:

The mission of MHPG is to preserve historic sites, historical societies, or history museums in the state that will safeguard Montana's rich history by providing grants to public or private entities seeking to preserve and sustain historic sites, historical societies, and history museums to be enjoyed and celebrated by current and future generations.

Goals and Objectives:

The statutory criteria of MHPG are to fund projects that consider the following:

- the degree of economic stimulus or economic activity, including job creation and work creation for Montana contractors and services workers;
- the purpose of the project, including whether it provides features that establish or enhance security, climate control, or fire protection for museums or address infrastructure, maintenance, or building code issues;
- the timing of the project, including access to matching funds, if needed, and approval of permits so that work can be completed without delay;
- the historic or heritage value related to the state of Montana;
- the successful track record or experience of the organization directing the project; and
- the expected ongoing economic benefit to the state as a result of the project completion.

Funding Source:

MHPG is funded by state special revenue consisting of tax collections allocated in 15-68-820(3)(b) and (4)(c), MCA and deposited in the Historic Preservation Grant Program account.

Performance Indicators:

PERFORMANCE	Actual 2021 Biennium	Estimated 2023 Biennium
Project Applications Reviewed	93	100
Project Grants Awarded	*0	35
Active Projects	0	30

* Projects will be awarded for the first time during the 2021 Legislative session

Website: <https://comdev.mt.gov/Programs-and-Boards/Montana-Historic-Preservation-Grant>

Housing Trust Fund (HTF):

The Housing Trust Fund (HTF) Program provides federal grant funds through a competitive application process to eligible local government and non-profit housing development entities who apply directly or apply on behalf of Public Housing Authorities, Community Housing Development Organizations, and other non-profit organizations to help finance the new construction or rehabilitation of multi-family rental units and other eligible activities for Montanans of extremely low income.

Mission:

The HTF was established under Title I of the Housing and Economic Recovery Act of 2008, Section 1131. The HTF Rule found in 24 CFR Part 93 made the consolidated plan regulations at 24 CFR Part 91 applicable to the HTF. HTF is an affordable housing production program that will complement existing federal, state and local efforts to increase the supply of decent, safe, and sanitary affordable housing for extremely low income (ELI) families, particularly the homeless, disabled, elderly, and other disadvantaged populations. The HTF program will help qualified subrecipients direct funds to foster and maintain the construction, rehabilitation, and preservation of affordable rental housing for Montana’s most vulnerable families. This mission fits within the Department’s statutory functions to survey and investigate housing needs in Montana, maintain and disseminate information on housing assistance programs, and promote research and development in matters relating to, or affecting the provision of decent, safe, and sanitary housing in a suitable living environment. (Section 90-1-106, MCA.)

Goals and Objectives:

- Continue to develop HTF program application and guidelines that is responsive to Montanans that earn 0-30% of area median income and determined to be extremely low income and at risk of homelessness
- Continuously improve HTF project screening, technical assistance efforts, and project monitoring to ensure that high quality, long lasting affordable housing investments are made in Montana;
- Continue to provide technical assistance to rural portions of the state by HTF Program personnel and through technical assistance contracts;
- Continue cooperation with other federal, state and local affordable housing programs in the state to ensure the efficient use of scarce resources; and
- Provide on-going training for grantees, property management, and developers.

Funding Source:

The HTF program is funded with federal funds allocated annually through HUD based on a statutory formula and the amount budgeted by Congress. For FFY 2019 and FFY 2020, the State of Montana will receive an allocation of \$3,000,000 for its HTF program.

Performance Indicators:

PERFORMANCE	Actual FY 2018	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023
Applications Reviewed (Units Provided)						
Multifamily Construction and Rehab	102	262	432	150	150	150
Grants Awarded (Units Provided)						
Multifamily Construction and Rehab	74	189	367	80	80	80

Website: <http://comdev.mt.gov/Programs/HTF>

Treasure State Endowment Program (TSEP):

TSEP is a state-funded grant program created to help local governments fund infrastructure projects, including water, wastewater, sewer or storm sewer systems, solid waste systems, and bridges. TSEP was authorized by Montana voters through the passage of Legislative Referendum 110 in June 1992 (Sections 90-6-701, *et seq.*, MCA).

TSEP receives applications for infrastructure projects the spring prior to each legislative session. In June 2020, TSEP anticipates receiving approximately 45 infrastructure projects and 15 bridge project applications for 2023 biennium funds. The Department will review and rank applications for recommended funding by the 2021 Legislature. During the 2017 Special Legislative Session, House Bill 6 transferred \$7.5 million from the Treasure State Endowment Fund into the General Fund. Of the 38 projects awarded funding, three were contingently awarded funds which are expected to reapply for 2021 biennium funding, and 14 projects were placed on hold due to shortage of transfer and available revenue in the account. These 14 projects were funded during the 2019 Legislative Session in House Bill 11. Also in House Bill 11 and during the 2019 Legislative Session, TSEP infrastructure projects 1 through 14 and bridge projects 1 through 4 received grants from the Treasure State Endowment Fund. The remaining infrastructure projects 15 through 40 and bridge projects 5 through 11 were funded from the proceeds of the sale of bonds under 17-5-701(2), as established in House Bill 652.

TSEP also provides grants for planning for future infrastructure projects, and emergency grant funds to address immediate urgent public health and safety problems.

Mission:

The mission of TSEP is to assist local governments in funding infrastructure projects that will:

- create jobs for Montana residents;

- promote economic growth in Montana by helping to finance the necessary infrastructure;
- encourage local public facility improvements;
- create a partnership between state and local governments to make public projects affordable;
- support long-term, stable economic growth in Montana;
- protect future generations from undue fiscal burdens caused by financing necessary public works;
- coordinate and improve infrastructure financing by federal, state, local government, and private sources; and
- enhance the quality of life and protect the health, safety, and welfare of Montana citizens.

Goals and Objectives:

The statutory objectives of TSEP, in order of priority, are to fund infrastructure projects that:

- solve urgent and serious public health or safety problems, or that enable local governments to meet state or federal health or safety standards;
- reflect greater need for financial assistance than other projects;
- incorporate appropriate, cost-effective technical design and that provide thorough, long-term solutions to community public facility needs;
- reflect substantial past efforts to ensure sound, effective, long-term planning and management of public facilities and that attempt to resolve the infrastructure problem with local resources;
- enable local governments to obtain funds from sources other than the funds provided under this part;
- provide long-term, full-time job opportunities for Montanans, that provide public facilities necessary for the expansion of a business that has a high potential for financial success, or that maintain the tax base or that encourage expansion of the tax base; and
- are high local priorities and have strong community support.

Funding Source:

TSEP is funded by state special revenue consisting of interest earnings on the state Treasure State Endowment Fund (TSEF), a sub-fund of the coal tax trust fund.

Performance Indicators:

PERFORMANCE	Actual 2019 Biennium	Actual 2021 Biennium	Estimated 2023 Biennium
Project Applications Reviewed	60	51	*60
Planning Applications Reviewed	66	72	60
Emergency Applications Reviewed	10	**2	10
Project Grants Awarded	60	***65	35
Planning Grants Awarded	63	68	60
Emergency Grants Awarded	6	2	7
Active Projects	145	165	135

*Anticipated as applications have not yet been received

** Application and award data as of end of 2020 FY

***Awards included projects that were previously put on hold as a result of the \$7.5 million transfer during the 2019 special session and those included in HB 652 funding

Website: <http://comdev.mt.gov/Programs/TSEP>

Coal Board:

The Montana Coal Board provides financial assistance in the form of grants to communities experiencing impacts from coal development activities or major declines in those activities. The Coal Board consists of seven members, appointed by the governor, and funds applications for grants from cities, towns, counties, or school districts, or any other local or state governmental unit or agency, or the governing body of a federally recognized Indian tribe. CDD staff provides administrative support to the Board.

During the 2021 biennium, projects funded included water and wastewater system improvements, road repairs and equipment, community growth policies, school facility improvements, hospital and health care center renovations and equipment, fire and sheriff department equipment, and preliminary engineering studies.

Mission:

The statutory mission of the Coal Board, as set forth in 90-6-201, MCA, is to assist local governmental units that have been required to expand the provision of public services as a consequence of large-scale development of coal mines and coal-using energy complexes or as a consequence of a major decline in coal mining or in the operation of coal-using energy complexes, to assist in the construction and reconstruction of designated portions of highways that serve the area affected by the large-scale development, to support county land planning, and to support public schools throughout the state.

Goals and Objectives:

The objective of the Coal Board is to award grants that are consistent with five statutory funding criteria:

- need;
- degree of severity of impact from an increase or decrease in coal development or in the consumption of coal by a coal-using energy complex;
- availability of funds;
- degree of local effort in meeting these needs; and
- need for community planning before the full impact is realized, and how the proposed project reasonably fits into an overall plan for the orderly management of the existing or contemplated growth or decline problems.

Funding Source:

The Coal Board is funded from state special revenue consisting of coal severance taxes deposited into the Coal Natural Resource Account.

Performance Indicators:

PERFORMANCE	Actual 2019 Biennium	Actual FY 2020	Estimated FY 2021	Estimated 2023 Biennium
Applications Received and Reviewed	89	31	40	90
Grants Awarded	44	20	25	40
Active Grants	56	60	50	60

Coal Board Meetings	9	5	4	9
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Website: <http://comdev.mt.gov/Boards/Coal>

Hard Rock Mining Impact Board:

The five-member Hard Rock Mining Impact Board (HRMB), appointed by the governor and administratively attached to the Department, administers the Hard-Rock Mining Impact Act (HRMI) (Sections 90-6-301, *et seq.*, MCA) and the companion Property Tax Base Sharing Act (PTBS) (Sections 90-6-401, *et seq.*, MCA). Montana law requires mine developers and affected local governments to prepare and implement impact plans intended to ensure that services and facilities are available to impacted communities without imposing additional costs on existing local taxpayers. Mine developers pay new capital and net operating costs through prepaid property taxes with a subsequent tax credit, grants, or facility impact bonds.

The Board and its CDD staff provide technical assistance with metal mines license tax distributions, including analysis, mitigation, and mediation services to local governments and hard rock mine developers where potentially adverse public fiscal impacts from large-scale development are identified. When necessary, the HRMB adjudicates disputes between affected entities and mine developers.

Mission:

The mission of the HRMB is to mitigate the local government service, facility, and fiscal impacts from new large-scale hard-rock mineral developments in Montana.

Goals and Objectives:

- Provide technical assistance as hard-rock mining impact plans are being developed;
- Assist local government units in meeting the initial financial impact of large-scale mineral development;
- Mitigate the long-term local government service, facility, and fiscal impacts from new large-scale hard-rock mineral developments in Montana; and
- Adjudicate disputes between affected entities.

Funding Source:

The HRMB is funded by state special revenues consisting of a 2.5% allocation of the state metalliferous mines license tax.

Performance Indicators:

PERFORMANCE	Actual 2019 Biennium	Estimated 2021 Biennium	Estimated 2023 Biennium
Responses to Technical Assistance Requests	12	15	20
Impact Plans Reviewed	1	1	0
Impact Plans Approved	1	0	1
Board Meetings	5	6	5
Disputes Adjudicated	0	0	0

Website: <http://comdev.mt.gov/Boards/HRMI>

Housing Division:

The Housing Division, known as Montana Housing, strengthens our vibrant communities by supporting access to safe, affordable and sustainable homes for Montanans whose housing needs are not met by the market.. Montana Housing works with community partners across the state to create a variety of housing opportunities for Montana families and offers financial and technical resources to facilitate the development of affordable homes. Montana Housing also supports educational opportunities for first-time homebuyers, offers qualified Montanans down payment assistance and access to an affordable 30-year fixed rate mortgage when they are ready to purchase a home, and provides rental assistance to those who need it.

Montana Housing is composed of two units, the Board of Housing and the Housing Assistance Bureau. Housing Division responsibilities are mandated primarily in Title 2, Chapter 15; Title 90, Chapter 1, and Chapter 6, MCA; Executive Order 2-87; 24 CFR 5, 792, 813, 887, 982, and 984; and the Governor's Executive Order 27-81.

Vision:

Where Montanans can afford a safe home.

Mission:

Montana Housing works with community partners across the state, and together we ensure Montana families have access to safe and affordable homes.

Goals and Objectives:

To fulfill its mission, the Housing Division is committed to achieving the following goals and objectives:

- Explore new financing methods of multifamily rental housing, including methods to increase efficiency of the Housing Credit program.
- Assess and implement opportunities with HUD and USDA-RD to preserve existing affordable homes.
- Create conventional financing opportunities in partnership with lenders.
- Support cooperative efforts to provide homebuyer education and foreclosure prevention counseling.
- Facilitate training and educational opportunities to our partners, including lenders, realtors, owners, developers, property managers and Field Agencies.
- Explore opportunities to administer additional rental assistance contracts and/or apply for newly available rental assistance programs to increase resources in Montana.

Website: <http://housing.mt.gov/>

Board of Housing:

The Montana Board of Housing was created under the Montana Housing Act of 1975 and is comprised of seven members appointed by the Governor and confirmed by the state senate. The Board provides policy direction for all of Montana Housing's programs, except the Housing Assistance Bureau programs. The Board is self-supporting, does not receive appropriations from the state's general fund and is administratively attached to the Montana Department of Commerce. The Board authorizes bond issues, approves development financing, and evaluates Board of Housing programs. These programs include:

- Low-Income Housing Tax Credit (LIHTC)
- Multifamily Coal Trust Homes Program
- Housing Montana Fund
- Homeownership Loan Programs

- Montana Veterans' Home Loan Program
- Mortgage Credit Certificate Program (MCC)
- Reverse Annuity Mortgage Program (RAM)
- Local Mortgage Loan Servicing

The Board of Housing is funded by five enterprise funds with revenues derived from an administrative charge applied to projects and mortgages financed. Under the Montana Housing Act of 1975, the Board does not receive any general fund, and is completely self-supporting.

Goals and Objectives:

- Continue effective management and reporting of Board assets, including reinvestment of program earnings into new mortgages or call bonds.
- Continuously review programs for operational efficiencies and effectiveness, including use of automation technology; identify and implement process improvements as needed.
- Provide oversight through compliance site visits and file audits.
- Explore opportunities to lower the cost of housing.
- Explore ways to meet the needs of underserved populations.

Housing Assistance Bureau:

The Housing Assistance Bureau is Montana's state-wide Public Housing Authority (PHA) and administers the following federally funded U.S. Department of Housing and Urban Development (HUD) programs:

- Project-Based Section 8 Housing Contract Administration (PBS8)
 - Section 811 Project Rental Assistance Program (PRA)
- Housing Choice Vouchers (HCV)
 - U.S. Department Housing and Urban Development Veteran Affairs Supportive Housing (HUD-VASH)
 - Mainstream Voucher Program
- Moderate Rehabilitation Contract Administration (Mod Rehab)

All Housing Assistance Bureau programs are funded by enterprise funds with revenues derived under HUD performance based Annual Contribution Contracts.

- Project Based Section 8 (PBS8): The PBS8 program is the HUD contract administrator for low-income rental properties throughout the state. The program provides rental assistance to projects at fixed locations. Landlords perform administrative tasks at the local level. The agency performs annual property reviews, oversees property management, and makes rent subsidy payments to owners. The agency earns fees from HUD under a performance-based contract for the tasks performed. The PBS8 program renews rent contracts to project owners as they expire. Contract Managers prepare special damage claims, annual rent increases, respond to emergencies, check compliance for fair housing and waiting lists, on-site management reviews, follow-up to physical inspections, review of management decisions, and budget assistance to local property owners. The program provides approximately 4,200 units of rental housing in 87 projects, for low income and elderly families throughout the state.

In addition, the program administers the Section 811 Supportive Housing for Persons with Disabilities (PRA) program. The PRA program enables persons with a disability to live independently in their community by supporting new or existing multifamily properties with the availability of supportive services for individuals and families who meet program requirements. Montana Housing has partnered with the Montana Department of Public Health and Human Services to provide supportive services. The program currently has seven contracts with multifamily projects.

- **Housing Choice Voucher (HCV):** HCV provides approximately 3,500 rental assistance vouchers for very low-income families (including veterans, elderly and disabled) to ensure they have safe and affordable housing. The program operates primarily on a first come, first serve basis statewide, through a network of Field Agencies the department contracts for administration of local operations. Families enter into leases on the open rental market with private landlords. The landlords execute a contract with HUD to receive subsidy payment on behalf of the tenant. Payments are based on applicable unit rent limits and tenants generally pay 30% of their income towards rent and utilities.

The HCV program also includes administration of the HUD-Veteran Affairs Supportive Housing (HUD-VASH) and Mainstream Voucher programs. HUD-VASH provides rental assistance in combination with case management and clinical services provided by local Department of Veterans Affairs Medical Centers (VAMC) for homeless veterans. Mainstream Vouchers serve non-elderly persons with disabilities in combination with supportive services delivered in partnership with the Department of Public Health and Human Services.

- **Moderate Rehabilitation Contract Administration (Mod Rehab):** Mod Rehab is an older HUD program that ended in 1991. The agency manages the contracts on 18 projects assisting approximately 300 units that are project based. Duties for this program are similar to PBS8 above.

Goals and Objectives:

- Continue collaboration with federal, state, and local affordable housing programs.
- Expand on-site and desk reviews of local field agent operations to support consistent administration of program requirements across agencies.
- Continue administration of Housing Choice Voucher homeownership program.
- Develop and implement a robust landlord and external stakeholder outreach and education strategy.

Director's Office:

The Director's Office provides overall leadership, communication, and management support to the Department of Commerce staff, programs, bureaus, divisions and administratively attached boards. The office provides executive, administrative, legal, and policy direction along with offering problem-solving guidance. The office keeps abreast of department related issues and acts in a public relations and informational capacity to ensure the public is informed of the important services provided by the Department. The office works closely with economic and community development organizations, businesses, communities, governmental entities, elected official and the public to diversify and expand the state's economic base. The office acts as the liaison with private business, local governments, administratively attached boards, public and private interest groups, the Legislature, Indian tribes, individuals, other governmental agencies, and the Governor's Office.

The Director's Office also provides effective and efficient internal support to Department of Commerce staff, programs, bureaus, divisions and administratively attached boards in a positive customer service-oriented manner. Services are provided by the Offices of Accounting and Budget, Legal Affairs, Human Resources, Information Technology, and Communications.

Every division, bureau, and program in the agency uses the support services in the Director's Office in some capacity. Staff act as the administrative contacts for the agency and the "central services" aspect enhances the overall effectiveness and efficiency of the agency by standardizing business processes and

employing best practices in as many areas of the agency as possible, while keeping the costs to supported programs as low as possible.

The Director's Office analyzes, with department managers, the statutory, administrative, and programmatic objectives of their programs to develop performance measures where appropriate that maximize the benefits of the services provided to the citizens of Montana while minimizing the resources required achieving those objectives.

The Director's Office responsibilities are mandated primarily in Title 2, Chapter 15 and Title 90, Chapter 1, MCA.

Mission:

To provide leadership in the department's mission of economic and community development and to provide effective, efficient, friendly, and sustainable internal support to the Departments programs and staff.

Goals and Objectives:

The Director's Office is committed to achieving the following goals and objectives:

- Provide effective leadership to the State of Montana and its citizens in the areas of economic development and community development.
- Provide quality management, communication and leadership support to the department's programs and customers while assuring the legislature, the public, and management that the department is in compliance with applicable laws, rules, policies, and internal controls.
- Assist program managers with statutory, administrative, and program objectives and develop measures of success where appropriate that maximize the benefits of the services provided to the citizens of Montana while minimizing the resources required to achieve those objectives.
- Encourage a work environment that analyzes, develops, and implements work processes that increases government efficiency, effectiveness, and sustainability; including empowering staff to remedy problems at the earliest point.
- Promote teamwork by encouraging, assisting, and respecting others.

Website: <http://commerce.mt.gov/>

Montana Council on Developmental Disabilities (MCDD):

The Montana Council on Developmental Disabilities is a citizen-based advocacy group. Its members, appointed by the Governor, work to provide increased independence, integration and productivity for persons with developmental disabilities.

The Council administers federal funds in three major areas; 1) assistance in the provision of comprehensive services to persons with developmental disabilities; 2) assistance to the state in appropriate planning activities; and 3) contracting with public and private agencies to establish model programs, demonstrate innovative habilitation techniques and to train professional and paraprofessional personnel in providing services to persons with developmental disabilities.

MCDD responsibilities are mandated primarily in Title 53, Chapter 20, MCA.

Website: <http://mtcdd.org/>

Facility Finance Authority:

The Facility Finance Authority was created by the 1983 Legislature to assist health care and related facilities contain future health care costs by offering debt financing at low-cost, tax-exempt interest rates for capital construction and improvements. The Legislature extended eligible facilities to include community pre-release centers and for-profit manufacturing facilities. Cost savings are shared with consumers in the form of lower fees.

The Facility Finance Authority is funded entirely by proprietary funds (enterprise accounting entities 06012 and 06015) with revenues collected from interest, fees, and charges from participating institutions. There are no direct appropriations provided in HB 2.

The Authority is primarily mandated in Title 90, Chapter 7 and Title 2, Chapter 15, MCA.

Mission:

Enhance Montana healthcare and community capabilities through access to cost-effective capital financing and development services.

Goals and Objectives:

Goal 1. Implementation:

Implement identified opportunities to expand or enhance services including adding or modifying programs to better serve constituents and fulfill our mission.

Goal 2. Service Efficiency and Effectiveness:

Continue making our services more cost effective and beneficial for constituents. Maximize value for clients.

Goal 3. Outreach:

Educate clients, policy makers, and the public about the benefits and importance of programs and services offered by the Authority. Support facility and community development by promoting good public policy, advocating for clients, and supporting planning and development efforts.

Website: <http://mtfacilityfinance.com/Home>

Board of Investments:

Article VIII, Section 13 of the Montana Constitution created the Unified Investment Program, which includes all state agency funds. The Board of Investments (the "Board"), by law, invests the Unified Investment Program. Local governments may also invest with the Board. As of June 30, 2018, the Board managed over \$18.5 billion in pension funds, trust funds, insurance reserves, state operating funds, and certain local government funds. To facilitate management of the Unified Investment Program, a combination of investment pools and separate accounts are utilized to meet the financial goals and expectations of the agencies and entities which entrust these funds to the Board. Investments not managed in pools are included in All Other Funds-Direct Holdings.

<u>Name of Pool</u>	<u>Eligible Participants</u>
1. Consolidated Asset Pension Pool	Retirement systems funds only
2. Trust Funds Investment Pool	Various state trust funds
3. Short Term Investment Pool	Eligible local & state agencies
4. All Other Funds-Direct Holdings	Non-pool state agency investments

The Board issues a "consolidated" financial statement for the investment pools and All Other Funds -Direct Holdings that provides a comprehensive view of total pool and All Other Funds-Direct Holdings' assets.

In addition to the Board's investment responsibilities, it is charged with creating solutions to financial issues facing new and expanding businesses in the state of Montana. To accomplish this goal, the Board administers several different loan programs that can be specifically tailored to meet an individual business' or local government's needs. The In-State Investment Program consists of commercial loans funded by the Coal Tax Trust, low interest loans for first time home buying Montana Veterans, and loans for the development and preservation of homes and apartments to assist eligible low- and moderate-income applicants.

The Board also issues tax-exempt bonds and lends the proceeds to Montana state agencies, universities, and local governments for various projects.

The Board of Investments is funded with both enterprise and internal service type proprietary funds, and no direct appropriations are provided in HB 2.

The Boards of Investments' responsibilities are mandated primarily in Article VIII, Section 13 of the Montana Constitution, Title 2, Chapter 15, and Title 17, Chapters 5 and 6, MCA.

Goals and Objectives:

To provide prudent investment management of state and local government funds; work with financial institutions, state agencies, and local governments to enhance and expand Montana's economy and assist new and expanding Montana businesses; and to lend low-interest funds to eligible governments for a variety of projects.

To meet these challenges, the Board of Investments is committed to employing proven, long-term investment strategies and finding creative solutions to financial issues facing government entities and new and expanding businesses in the state.

The Board of Investments is also committed to transparency. Its website has been and will continue to be a source of specific and quantifiable information addressing many areas, including:

Board Meetings;
Annual Reports;
Policies;
Program Descriptions;
Performance Measures; and
Portals to Access Programs

Website: <http://investmentmt.com>

Montana Board of Horse Racing:

The Board of Horse Racing program is responsible for:

1. Regulating the live, simulcast and advance deposit wagering horse racing industry;
2. Ensuring compliance by approximately 900 licensees with state laws and board rules;
3. Licensing all racing personnel, establishing race dates for various communities, and establishing veterinary practices and standards in connection with horse racing meets;
4. Auditing, supervising and conducting investigations related to the pari-mutuel racing system in Montana. The program work is mandated in Title 2, Chapter 15, and Title 23, Chapter 4, MCA.

The Board of Horse Racing is funded with state special revenue derived from licenses and fees, as well as the collection of a percentage of wagering on live and remote racing events.

Mission:

To ensure the integrity of the state's horse racing industry, live, simulcast and advance deposit wagering, through customer-oriented regulation and monitoring of compliance with the Montana State Board of Horse Racing Laws and Rules.

Goals and Objectives:

To monitor and regulate the horse racing industry in Montana; to allow the racing industry, live, simulcast and advance deposit wagering, to grow and perform at a level which would be beneficial to all racing interests in the State of Montana while at the same time providing and promoting public confidence. Economic impacts include Montana's agricultural sector, county fairgrounds, and the communities (lodging, meals, supplies, feed, etc.) in which race meets are held as well as the racehorse breeding industry.

Website: <http://commerce.mt.gov/horseracing>

Montana Heritage Commission:

In 1997, the 55th Montana Legislature established the Montana Heritage Preservation and Development Commission (MHC) to acquire and manage historic properties for the State of Montana. This legislation approved the purchase of Virginia and Nevada City which comprised 248 buildings, 1.2 million Americana artifacts residing on 260 acres. These large historic town sites were the first properties managed by the MHC.

Since 1997, the Montana Board of Land Commissioners approved two additional acquisitions of historic Reeder's Alley and the Pioneer Cabin in Helena. Reeder's Alley was received through a private donation on November 19, 2001. The Pioneer Cabin at the front of Reeder's Alley was received from a private donation on June 19, 2006.

The Montana legislature authorizes MHC to care for heritage resources "in a manner that protects the properties and encourages economic independence" (MCA 22-3-1001). Our statutory purpose is to acquire and manage, on behalf of the state, properties that possess outstanding historical value, display exceptional qualities worth preserving, and are genuinely representative of the state's culture and history. MHC has worked hard to expand the economic and revenue generating uses for our state buildings. MHC is responsible for the management and economic use of these historic properties including; building improvements, structural stabilization, site maintenance, artifact conservation, and protection of diverse historic features. MHC serves as a resource for the public and professionals interested in learning more about Montana history, historic building preservation, archaeology, conservation of artifacts, education, living history, and historic site management.

Virginia City was Montana's Territorial Capital from (1864-1875). The size, scope, and quality of the historic site help make Virginia City one of the first National Historic Landmark Districts in Montana (1961). Nevada City is an assemblage of approximately 60 historic buildings, some original to the site, and from across Montana and Yellowstone National Park. Nevada City operates as an outdoor museum and hosts dozens of public educational events, with unique hands-on experiences for visitors of all ages. Reeder's Alley and Pioneer Cabin are the oldest remaining miner's settlements in Helena. These historic sites are significant to Montana and national history as places of western settlement and the formation of Montana society. Virginia and Nevada City are considered to be one of the largest historic sites in the United States.

Based on the latest Economic Impact Analysis completed by Northern Rocky Mountain Economic Development district the economic footprint for Virginia and Nevada City was 74.4 million statewide and employed over 1226 people. In 2012-2020 Virginia and Nevada City were ranked as the number one state owned tourist destination according to the collected traffic counts. The average tourist count is over 500,000 tourists from Memorial Day to Labor Day each year. The Montana Heritage Commission also boasts the 2nd largest Americana artifact collection site (Next to the Smithsonian) and was featured in the New York Times. The Montana Heritage Commission has over 100 signed volunteers that help and assist with historic

interpretation preservation and artifact collection management. The Montana Heritage Commission leases its buildings to over 42 different concessionaires as well as running several of its own business operations.

Mission:

The Montana Heritage Commission preserves and promotes Montana's Territorial Capital's historic resources through preservation of state-owned buildings and artifacts and the promotion of quality visitor experiences.

Goals and Objectives:

- Implement approved preservation and maintenance projects based on available funding from revenue generated from tourists, and funding from the Montana Legislature and Governor's Office.
- Promote at key locations that have demonstrated higher traffic referrals such as National Parks, visitor centers and expand our collection of tourism data through e-commerce and trackable marketing venues.
- Engage and educate state, local and non-profit partners to increase a sustainable funding resource for the long-term stabilization of state-owned resources and continue to enhance the visitor experience under our stewardship.
- Improve and increase educational outreach programs, internships and interpretation programs to enhance the visitor experience and understanding of our history.
- Seek all available funding support through grants, donations and legislative appropriations to further our preservation of state-owned buildings and resources; and increase our economic footprint, job creation, and business development.
- Recruit and utilize volunteers/interns to give educational opportunities and to increase efficiency of operations with limited state funding.
- Continue to educate and implement best practices from other historic and tourism sites on financials, marketing and enhancement of visitor experiences.
- Improve ways to streamline inventory for artifacts and historic buildings to make it transparent to the public, visitors to historic site and compliance with insurance and protection of state-owned assets.

Website: <http://montanaheritagecommission.mt.gov/>