

Montana Tourism Development Grant Program

Frequently Asked Questions

- **What is tourism?** Tourism refers to the activity of people traveling to and staying in places at least 50 miles from their usual environment for leisure, recreation, business or other purposes.
- **What is the purpose of the Montana Tourism Development Grant Program?**
The purpose of the MTDGP is to strengthen rural and under-visited communities across Montana by increasing their economic appeal and vibrancy as welcoming visitor destinations. The Program is intended to help strengthen local communities through infrastructure, accommodations and amenities improvements, improving visitation assets, product development, attractions, wayfinding, access and transportation.
- **What is a visitation asset?** A visitation asset is any feature of a destination that either attracts leisure visitation or supports a leisure visitor's ability to travel to, stay at or engage with a travel behavior at the destination. Visitation assets can be categorized as an attraction asset or a support asset.

An **attraction asset** is a feature or experience that impacts visitors' leisure travel destination selection and draws visitors to the destination. This could include things like man-made attractions, natural resources or attractions, and experiences.

A **support asset** is a feature that supports a visitor's ability to travel for leisure to a destination, is needed to stay at a destination or gives access to a leisure travel behavior or experience. This could include lodging and dining, features that provide access (boat ramps, trailheads, etc.), or transportation.

- **What does economic appeal and economic vibrancy mean? Economic appeal** refers to the positive financial impact a destination or attraction has on a region, including, but not limited to, job creation, revenue generation and increased investment. **Economic vibrancy** refers to a thriving tourism sector that positively impacts a destination's overall economy, creating jobs, generating revenue and enhancing quality of life for residents of present and future generations with a focus on fostering a sustainable and beneficial relationship between tourism and the local economy.
- **What is an economic development organization?** An Economic Development Organization (EDO) is either: (i) "a private, nonprofit corporation, as provided in Title 35, chapter 2, that is exempt from taxation under section 501(c)(3) or 501(c)(6) of the Internal Revenue Code, 26 U.S.C. 501(c)(3) or 501(c)(6);" or (ii) "an entity actively engaged in economic development and business assistance work in a region of the state." See § 90-1-201(2)(b), MCA.
- **Who is eligible to apply for the MTDGP?** While the program funding must benefit a community(s) as a whole, the application must be submitted by a lead entity. A lead entity refers to the eligible organization or agency that will take primary responsibility and fiscal obligations for the project(s) and/or goals approved within the contract and will become the grantee for the MTDGP. This entity, if awarded, will enter into a contract with the Department and is

responsible for ensuring the successful management of approved activities and adherence to established goals and contractual and program requirements and will receive all funding for the program. Eligible lead entities are:

- An economic development organization
 - Local governments, including city, town, county, and consolidated governments
 - A tribal government
 - A non-profit organization
- **What if the applicant is not registered with the Montana Secretary of State?**
If the applicant is not registered with the Secretary of State, they should explain in the text box in the application why the entity is not registered. There might be a variety of reasons why an applicant is not registered with the SOS.
- **What is a Destination Marketing/Management Organization?** A Destination Marketing/Management Organization (DMO), also referred to as a Convention and Visitors Bureau (CVB), refers to a nonprofit corporation organized under Montana law and recognized by a majority of the governing body in the city, consolidated city-county, resort area, or resort area district in which the bureau is located. “DMO” refers to Destination Marketing/Management Organization. A Destination Marketing/Management Organization (DMO) is defined as a community asset responsible for programs promoting a community as an attractive travel destination and enhancing its public image as a dynamic place to live and work. Through the impact of travel, it strengthens the community’s economic position and vitality which provides opportunity for all the people in the destination. While destination marketing helps to position a particular destination as an attractive brand, the role of destination management is to ensure its sustainability over a prolonged period of time. More information regarding the



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DMOs can be found here: <https://commerce.mt.gov/Business/Programs-and-Services/Tourism-Marketing/Regions-DMOs-and-CVBs/>

- **Is a match required for the program?** No, a match is not a program requirement.
- **Can an applicant request partial funding for the program?** No, the program awards up to \$2.75 million to each selected applicant. Applicants may not request less than the full amount of funding available. Interested communities must develop a cohesive plan for development to occur for up to 60 months or five (5) years.
- **How does a grantee receive their grant funding?** MTDGP funding recipients may be reimbursed for approved expenses after they sign a contract with the Department and submit detailed invoices to the Department utilizing required reimbursement forms and processes.
- **What are reasonable costs?** A reasonable cost is generally defined as the amount a prudent person would spend for the same goods or services under similar circumstances, ensuring the cost is justifiable and not excessive. It's a cost that is ordinary, necessary, and consistent with market prices for comparable items.
- **What is administration for the grant? Can project management be billed separately?** Administration for the grant are costs that are tied directly to the delivery of a particular project, service or activity undertaken by a grantee to

achieve an outcome intended by the Montana Tourism Development Grant Program in accordance with the most current guidelines and the contract.

No, project management cannot be billed separately from administration. MTDGP funding will only reimburse a maximum of 15% of administration and project management for eligible expenses that meet the following criteria:

- Are directly related to the approved grant for an eligible project
- Are itemized and documented in detail
- Are reasonable

The grantee may be denied/disallowed the reimbursement of administrative costs that are not approved in the contract or any approved amendments.

- **Is there a preference for one large project or multiple small to medium projects?** Interested applicants should engage heavily with their community to ascertain community commitment and readiness to tourism as a shared community-wide initiative. Through collaborative efforts and readily available resources, interested applicants should identify a baseline for their community as it currently stands, determine where they want their community to be after being in the Program for five (5) years, and then strategically create a plan to achieve that vision. This may result in a community(s) that identifies one large project or various projects that will help strengthen their appeal as a tourism destination.
- **Can MTDGP funding support the creation of a Tourism Master Plan or other planning documents or should interested applicants already have a plan completed prior to applying?** Yes, Program funding can be utilized to reimburse the creation of a Tourism Master Plan or other project relevant/specific plans. In addition, Program funding can be utilized to reimburse a preliminary architectural report (PAR), preliminary engineering report (PER), and/or feasibility

studies. However, the findings and/or initiatives that result from any proposed plan creation must be utilized for implementation within the proposed scope of work over the course of the Program.

- **Why are maintenance costs for projects considered an ineligible use of funds?** MTDGP funding is intended to act as a catalyst for a community(s) to reimburse major expenses associated with a project(s). Interested applicants should consider and plan for long-term maintenance of proposed project(s).
- **What is meant by a “significant and long-term commitment to the Program”?** A significant and long-term commitment requires clear expectations for multi-year funding programs such as the MTDGP, measurable milestones and a demonstrated path to last impacting.
- **What is a Letter of Support?** A Letter of Support is a written endorsement that expresses an individual and/or organization’s backing of a project. These letters help to validate the proposal by showing that others believe in its potential and are willing to endorse it. Letters of Support should contain the following information:
 - They should be written on the letterhead of the individual or organization
 - They should be addressed to either the applicant or the funding agency
 - For MTDGP, Letters of Support may be addressed to the Montana Department of Commerce, Destination MT. The project title should be referenced in the introduction/opening statement.
 - In a concise manner, they should identify why the organization supports the applicants’ submission/projects and how the work will benefit tourism development in the rural/under-visited community(s).

- **Who do I need a Letter of Support from for my application?** A minimum of three (3) letters of support are required with an application submission. A maximum of four (4) letters of support may be submitted:
 - One (1) letter must be from a tourism partner (CVB/DMO). If an interested community does not have a designated CVB, they should connect with the regional DMO. A regional DMO includes:
 - Central Montana Tourism Region
 - Western Montana's Glacier Country Tourism Region
 - Missouri River Country Tourism Region
 - Southeast Montana Tourism Region
 - Southwest Montana Tourism Region
 - Yellowstone Country Tourism Region
 - Contact information for regional DMOs can be found [here](#)
 - One (1) letter must be from the community's local government (city/town/county).
 - One (1) letter must be from a partner organization, key personnel or stakeholder, community leader, elected official and/or an additional funder.
- **Can MTDGP funding support the purchase of a motorized vehicle?** Certain costs, while potentially eligible, will be evaluated against specific terms and conditions and decisions may be made on a case-by-case basis. Such terms may generally include:
 - If the purchase of a motorized vehicle is for the purpose of creating a new tourism asset or expanding an existing tourism asset
 - If and/or how the purchase of a motorized vehicle will benefit the whole of the community(s)
 - If the applicant has considered and created a plan for things such as, maintenance costs, registration, repairs, insurance, and fuel. These items are ineligible uses of MTDGP funding



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- What organization will own and be responsible for the motorized vehicle
 - If the purchase of a motorized vehicle is approved, the vehicle cannot be sold during the lifecycle of the grant and must be maintained in working order and available for inspection upon request by the Department
- **Can MTDGP funding support the creation of sub-grant programs?** Yes, Program funding can be utilized to support the creation of sub-grant programs to a reasonable extent. Applicants interested in creating a sub-grant program must consider the following:
 - Applicants are responsible for creating their own sub-grant guidelines, application, and scoring criteria
 - All sub-grant submissions should be reviewed and awarded on a competitive basis with the avoidance of conflict of interest
 - Grantees are responsible for creating their own sub-grant contract
 - Grantees are responsible for ensuring compliance of sub-grantees
 - All Ineligible Uses of Funds in the MTDGP Guidelines are also considered ineligible within sub-grant programs
 - Sub-grant programs are still funded on a reimbursement basis through the grantee. The grantee must review invoices for compliance and distribute funding to the sub-grantee once received by the grantee from the Department.
 - Approval by the grantee of sub-grantee scopes of work and budget does not guarantee approval and reimbursement by the Department.
 - **Can the Department of Commerce review sub-grantee or sub-contractor contracts or other written agreements or contracts between the grantee and another outside entity/organization/individual?** No, the Department of Commerce cannot provide legal advice or counsel to grantees or any of the grantees support contracts or agreements with sub-grantees, sub-contractors, or

any other outside entity, organization, and/or individual. The grantee is responsible for ensuring their own legal compliance within the signed contract and should consider this prior to applying for the MTDGP.

- **Are there insurance or workers' compensation requirements for the program? Can MTDGP funding support insurance expenses for grant approved projects?** Yes, there are workers' compensation and insurance requirements that grantees must maintain for the lifecycle of the grant and contract.

No, MTDGP funding cannot reimburse insurance expenses in relation to approved projects. Interested applicants should consider this prior to submission.