

Tourism Development and Enhancement Revolving Loan Fund Grant Program

Frequently Asked Questions

- **What is the purpose of the Tourism Development and Enhancement RLF Grant Program?** Through supporting tourism development and enhancement, this program will: (a) create good-paying jobs for Montana residents; (b) promote long-term, stable economic growth in Montana's tourism economy; (c) retain or expand existing tourism-related businesses; (d) provide a better life for future generations through greater economic growth and prosperity in Montana; and (e) encourage workforce development in Montana's tourism economy.
- **Where did this funding come from?** The 2023 Montana Legislature directed Commerce to facilitate the creation of Tourism-focused revolving loan funds by enacting Section 1(d) of [SB 540](#).
- **Who are the target markets to receive grant program funds?** Any grantee awarded program funds shall give preference to applications for loans that support tourism development or enhancement in rural and under-visited areas; however, loans are allowable in urban areas at the grantee's discretion.

For the purposes of this program, refer to the [Map of Urban and Overvisited Designations](#). Any area not designated on this map as urban and overvisited is considered rural/the geographic preference areas of the funding.

- **How much funding is available for this grant program opportunity?** Commerce anticipates awarding up to \$24,000,000 in program funds for eligible applicants. The requested amount should be a realistic ask of what EDOs have the capacity to manage; they may not be awarded the full ask based on the funds that are available and at the discretion of the Director's Office.

- **Am I eligible to apply for this grant?** Only Economic Development Organizations are eligible to apply. EDOs must also have an existing revolving loan fund and must be registered to do business with the Montana Secretary of State's Office.
- **What is considered Tourism or eligible uses of funds?**

Loans with program funds must address/answer all (4) of the following:

1. Support tourism projects that have an existing continuous revenue stream, or that reasonably can be expected to develop a continuous revenue stream (i.e., not events);
 2. Support development, restoration or upgrades of permanent tourism assets or tourism-related infrastructure (i.e., no temporary structures);
 3. Increase or reasonably expect to increase tourism visitation or support existing tourism visitation; and
 4. Be verified as a tourism-related project via a letter of support from the relevant region or CVB.
- **What are ineligible entities or uses of funds?** Grantees may not provide program funds to any businesses that are on the federal or state debarment list.

Ineligible Uses of Funds:

- No Events
 - Festivals, conventions, charity events, cultural events, concerts, sporting events, or any type of event
- No porta potties/wash stations or rentals
- No temporary structures or fencing
- No temporary construction or building structures
- No stage platforms, speaker or lighting towers, temporary seating, dance and viewing platforms, or large tents

- **What are the administration fees or other fees for grantees?** Each EDO has the ability to create their own fee structures on their end and how they set-up their revolving loan funds.
- **Must other funds be leveraged for this grant?** The grantees' RLFs must leverage additional, private investment of at least two dollars (\$2.00) for every one dollar (\$1.00) of public RLF loans. To be classified as leveraged, additional private investment must be made within twelve months of approval of an RLF loan closing as part of the same business development project and may include:
 1. Capital invested by the RLF borrower or others.
 2. Financing from private entities
 3. The non-guaranteed portions and ninety percent (90% of the guaranteed portions of any federal loan
 4. Loans from other state and local lending programs
- **What are the reporting requirements?** Awarded EDO's will be required to report to Commerce on a semi-annual basis. Reporting will be similar to the BSED RLF and the EDA's RLF fund reporting, with an overview of financials.
- **What is the timeline for the program after applying?** Destination MT will process applications after the October 15th deadline, the Review Committee will review and score, recommendations will go to the Director's Office and then approvals will be sent to the Governor's Office. That process will take about a month, with award announcements around November 15th. Contracts will be executed after that with a hope to have contracts signed and funds released by December.
- **If awarded funds, how will grant funds be disbursed?** Commerce's Destination MT Division will disburse program funds to grantees after contract execution as a lump-sum grant payment.

For more information on the Tourism Grant and Loan Programs, visit the [Tourism Grant and Loan](#) website or email tourismgrants@mt.gov.