

Application Summary

Application: FY26 DMO Plan - Destination Missoula

Applicant:

Funding opportunity: FY26 DMO Plan

Application Responses

Organization Name: Destination Missoula

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State: MT

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Funding Opportunity: FY26 DMO Plan

Amount Requested: 534,815

TAC Approved Budget: 534,815

General Description Information

1. Describe your destination (who you are, who you wish to attract and why would they come) addressing your strengths, opportunities, and potential challenges.:

1a. Destination:

INDIGENOUS LAND ACKNOWLEDGMENT

Destination Missoula and the Missoula Tourism Business Improvement District gratefully acknowledge and recognize the Indigenous peoples who are the original stewards of the land we now live, work and recreate on. We are in the aboriginal territories of the Séliš (Salish), Ksanka (Kootenai) and Qlispé (Kalispel) people, and we honor the path they have always shown us in caring for this place for the generations to come. As we experience and enjoy Missoula and the surrounding region, we acknowledge that we are on Indigenous land, and every river, mountain, meadow, plant, fish, animal, insect and landmark has an Indigenous name and story.

PREFACE

With its astounding natural beauty, incredible access to the outdoors, inspiring arts and culture, and vibrant, inclusive community, Missoula continues to be an incomparable place to live and to visit. Additionally, new events, businesses and development enhance our residents' quality of life and our economy and increase our attractiveness to visitors.

We feel lucky to be able to market a place as special as Missoula, and in recent years, we have taken

steps to ensure that we are balancing the needs and desires of residents with the needs and wants of visitors maintaining the character and quality of our community and wild spaces. The first step was an examination of our marketing approach. While our traditional destination marketing role encouraging year-round visitation is important, we also needed to strengthen our efforts in destination management and stewardship—we needed to be a voice at the table around community issues affected by tourism, like affordable housing, workforce, childcare, transportation and land management.

Taking this knowledge forward, Destination Missoula and the Missoula Tourism Business Improvement District led an effort to create a Destination Stewardship Plan (DSP) for Missoula and the surrounding five valleys. This 10-year plan, informed by in-depth research and strong community and stakeholder input, keeps sustainability, inclusivity and quality-of-life-focused initiatives front and center as it aims to responsibly manage the flow of travelers here. The ultimate goal is to balance our residents' quality of life with an exceptional visitor experience.

The DSP has now been approved, as has a community-informed roadmap for its implementation. With this strong strategic foundation in place, we have clarity on both our strengths and the challenges we face, and confidently take our next steps: to foster responsible growth and management of our tourism industry; to offer a destination experience that encourages a connection with visitors such that they become participants in preserving Missoula's uniqueness; and to ensure that Missoula remains a beacon of natural beauty, a sanctuary of shared experiences and a shining example of sustainable destination planning.

WHO WE ARE

OUR ORGANIZATION

Destination Missoula is committed to promoting Missoula, Montana, as a unique and vibrant destination. As we market Missoula we play to its strengths—of which there are a multitude—and look ahead to opportunities on the horizon. As a team, we keep our eyes open to inevitable challenges and work toward solving them efficiently and effectively, and we do it all with a foundation of pure gratitude that we get to live in and tout such an exceptional place.

Our organization is here for the visitors and residents of Missoula as well as the natural spaces that make this place so special. We know that inspiration and education go hand in hand when it comes to promoting our destination, and our work continues to focus on the benefits of responsible, sustainable tourism. Along with many in the tourism industry, we also recognize that our role and responsibilities to both our residents and visitors are changing and that to be good stewards of the place we love also means being a leading voice in management and development of our resources and industry assets.

IDENTITY

OUR VISION

A vibrant and inclusive quality of life, place and experience for our community and visitors.

OUR MISSION

Promoting responsible and sustainable year-round tourism in Missoula and the surrounding areas.

OUR DESTINATION

In a valley that unfolds at the confluence of three rivers and seven wilderness areas, Missoula, Montana, is anything but ordinary. Here, nature inspires a philosophy of slowing your pace to mountain time, living out loud and taking it all in. Adventure is always top of mind in this paradise where recreation is second to none and a balanced and full life is priority number one.

We are welcoming to all, and wish to attract people who identify with the Missoula way of life, even if just for a weekend. These are people who want to taste local cuisine, breathe fresh air and soak in the view. Most importantly, Destination Missoula aims to reach people who will respect, support and enjoy the community we've built. Lucky for us, Missoula has a knack for drawing in these adventurous yet conscientious visitors.

Missoula is the second-largest city in Montana, but to those visitors from large urban areas, Missoula is a vibrant, eclectic and authentic small town bursting with charm and personality, perfectly situated halfway between Montana's two awe-inspiring treasures: Glacier and Yellowstone National Parks.

Served by the Missoula Montana Airport and three major highways, Missoula is the ideal hub from which to explore the many wonders of Montana. Accessibility to world-class recreation makes Missoula an unparalleled place for outdoor exploration. Where else can you hit up one of the West's best farmers' markets, kayak or river surf right downtown, hike or bike an epically scenic trail in 60,000 acres of wilderness—and wash it down with a finely crafted Montana beer, good food and friendly conversation at a local brewery—all in the same day?

Missoula is also a regional destination for shopping and dining. It features three distinct shopping districts and an abundance of eateries and places to drink—like fine dining restaurants, authentic steakhouses, food trucks, iconic taco joints, cafés, coffee shops, distilleries and taprooms—with something to fit all budgets and palates.

Missoula is Montana's most cosmopolitan and diverse community and the heart of arts and culture in the state, seamlessly blending contemporary culture and historical heritage. Visitors find this arts and cultural hub brimming with a seemingly endless array of entertainment and events: Think symphony, theater, film festivals, nationally recognized artists live in concert, author readings at independent bookstores, college sports, ballet, opera and even roller derby.

And Missoula proudly lives our history, from Native Americans and the Lewis and Clark Expedition to smokejumpers and Glacial Lake Missoula. Missoula is also a regional hub and state leader in commerce, education and health care.

Some might call it one of a kind, cool or hip. Others will experience it as serene, welcoming and replete with natural beauty. Missoula is alive, pulsating with a distinctive small-mountain-town spirit and offering pristine open spaces, places to go, incredible things to see and do and the best people around. Missoula's unique character is shown through marketing efforts that incorporate brand fonts, colors and stunning,

authentic imagery.

1b. Strengths:

ARTS AND CULTURE AND ENTERTAINMENT

Nurtured by nature, culture is alive and well in Missoula, home to the most diverse and extensive arts and music community in Montana. From writers to performing artists, painters to photographers and historians to museum curators, all are inspired by the beauty, charm and roots of their surroundings. Missoula is fortunate to be home to numerous famous and creative individuals who add a dimension and depth to the community that is usually only associated with larger cities. Regionally, nationally and, in many cases, internationally renowned, Missoula's cultural community creates an essence that urban travelers want but do not expect in Montana, making Missoula a surprisingly unique destination with an allure that draws visitors back again and again.

2023 marked significant milestones in Missoula's cultural scene with the opening of both the state-of-the-art Montana Museum of Arts and Culture, located on the University of Montana (UM) campus, and the Missoula Butterfly House and Insectarium. Despite recent challenges, our arts community has shown resilience and creativity. We see exciting new growth emerging in this sector and the ongoing support from our community fills us with optimism for the future.

IMMEDIACY OF OUTDOOR ACCESS

In Missoula, the great outdoors really are right outside your door and a river really does run through it. On any given day, anglers are gracefully casting in the Clark Fork River. Downstream, kayakers and river surfers perform athletic feats atop the engineered Brennan's Wave. Tubing is an alternative form of transportation in the summer as people ride the river right through town. Off the water, the trail system that crisscrosses the city keeps people grounded, and bicyclists ride on the country's friendliest streets. A revamp of Missoula's iconic "M" trail that extended switchbacks, widened the path, made an easier slope and added memorial benches was completed in the fall of 2024. In late 2023, Missoula's city and county governments agreed to purchase Marshall Mountain, whose miles of trails currently are and will continue to be accessible to the public for outdoor recreation. In addition, collaboration between land owners and managers on Mount Dean Stone have allowed for many miles of new trails accessible to the public. For winter lovers, the surrounding hills and mountains offer a powder paradise of backcountry and cross-country skiing while Montana's Snowbowl provides downhill adventure right in Missoula's backyard. So, whether you run, ski, paddleboard, river surf, kayak, bike, hunt, snowmobile, ATV, fish, hike, backpack, float or camp, you can indulge your passion within minutes of the city center.

REGIONAL HUB

Missoula is a regional center for retail, health care, education, forestry, ecology, transportation and culture.

People come from across the state and region to shop in Missoula's historic downtown boutiques and at

Southgate

Mall—Western Montana’s largest mall. The preeminent care provided by renowned physicians and hospitals makes Missoula a center for Western Montana’s health care. Home to the University of Montana, Missoula hosts students from around the world who seek an education that is highly valued and recognized on a campus that is one of the country’s most picturesque. This level of education also produces a population of “top in the field” professionals who work in and serve our community. In order to support these industries, Missoula must also be a transportation hub. Missoula can be reached by three major highways: U.S. Highway 93, State Highway 200 and Interstate Highway 90. The Missoula Montana Airport is currently undergoing a massive expansion project. Phase 1 was completed in 2022, providing more gates and accommodating more flights into Missoula, and Phase 2 is on track to be completed in 2025. It currently hosts seven major air carriers and has nonstop flights to the following destinations:

ALASKA:

SEATTLE

PORTLAND*

SAN DIEGO*

SAN FRANCISCO*

ALLEGIAN:

LAS VEGAS

PHOENIX/MESA

OAKLAND*

LOS ANGELES*

ORANGE COUNTY*

NONSTOP FLIGHTS TO MISSOULA

AMERICAN:

DALLAS

LOS ANGELES*

CHICAGO*

DELTA:

SALT LAKE CITY

MINNEAPOLIS/ST. PAUL

FRONTIER:

DENVER*

SUN COUNTRY:

MINNEAPOLIS/ST. PAUL*

UNITED:

DENVER

SAN FRANCISCO*

CHICAGO*

* Seasonal nonstop flights

SPORTS AND ADVENTURE

In Missoula, the game is over because our outfield is endless. Our proximity to three pristine rivers, seven wilderness areas, and five uncrowded ski areas (within 100 miles), means adventure is virtually limitless here. We're a recreation hot spot where teams come together for the love of sport and play is nurtured by natural beauty and fresh mountain air. Missoula is home to a wide range of sports teams to cheer on. We've got everything from Griz Hockey and our Hellgate Roller Derby league to Missoula's very own Curling Club and Freestyle Ski Team, not to mention our beloved Minor League Baseball team, the Missoula PaddleHeads, whose home turf is nestled along the Clark Fork River at the scenic Ogren Park at Allegiance Field. UM Griz teams enjoy an enthusiastic fan base—Griz Nation set a new football average attendance record of 25,845 and Stadium Journey ranked #2 in FCS average home attendance. The Brawl of the Wild where UM rivals the Montana State Bobcats is a highlight of Missoula's event calendar.

Missoula is proud to be the host city for University of Montana athletics, where Montana Grizzly pride runs deep. Grizzly athletics brings people from across the region to enjoy Missoula's unwavering tradition of college sports. Our Washington Grizzly Stadium welcomes locals and visitors alike to rattle the stadium with shouts of support for their teams. It also receives numerous accolades, solidifying its national reputation as an outstanding venue. In 2024, the NCAA ranked Washington Grizzly Stadium as the 11th biggest FCS football stadium (by capacity) in the country. Washington Grizzly Stadium also earned the coveted top spot of Stadium Journey's 2025 ranking of the Top 25 FCS Stadiums in the nation.

Distinctive sporting events are held in Missoula each year. We host several races that draw residents and visitors alike, including the world-famous Missoula Marathon. This Boston Marathon qualifying race continually ranks among the best races in North America as rated by National Geographic, Runner's World and USA Today, drawing thousands of runners to the Garden City from all over the world. Maggotfest, a famed rugby tournament, draws rugby clubs from around the world for a weekend of lively

competition—sometimes involving costumes and always featuring good sportsmanship. And Missoula's sports and recreation sector continues to grow: Missoula was selected to host the Pan-Am Cyclocross Championships for 2023 and 2024. This was an incredible opportunity for our small mountain town, as this world-renowned race drew competitors and spectators from different countries around the globe.

The Fort Missoula Regional Park spans 156 acres and features a five-field, lighted softball complex with moveable fences; two additional softball fields; 10 full-size multi-use fields for soccer, football, lacrosse and rugby; one lighted artificial turf multi-use field; pickleball, basketball and volleyball courts; and public restrooms and parking lots. The park was the first SITES-certified project (constructed with sustainable, long-term community usage and planning in mind) in Montana and the largest SITES-certified developed park to date. These impressive amenities allow Missoula to bid for and host major tournaments—which have a positive economic impact on Missoula—that Destination Missoula previously had not been able to for lack of infrastructure. This park is the realization of a years-long effort to create a recreation epicenter in Missoula—accessible to all ages and abilities—providing walking trails, dog park, lots of open space, playgrounds, picnic shelters and pavilions, historic interpretation and more. Destination Missoula will continue to work on bringing more events to this impressive facility.

MUSIC AND ENTERTAINMENT

Part of our charm is that we march to the beat of our own drum here in Missoula, and we wholeheartedly celebrate the mountain sound and the rhythm the rivers afford. Missoula's music scene is broad, running the gamut from orchestral to bluegrass and country to hip hop, and the city has hosted such icons as Pearl Jam, Paul McCartney, The Rolling Stones, The Lumineers, Counting Crows, Third Eye Blind, Jason Mraz and many more. The Wilma—ranked by Pollstar as #106 of the Top 200 Clubs Worldwide (based on ticket sales)—is a beloved local spot to see live music, but Missoula's outdoor venues steal the scene during the summer. Big Sky Brewing features an amphitheater next to the brewery with a capacity of 5,000. The 4,000-seat KettleHouse Amphitheater in Bonner (7 miles from Missoula) sits along the banks of the beautiful Blackfoot River. It receives national acclaim year after year, and was recently ranked 58th among the Top 200 Amphitheaters Worldwide by Pollstar. But the expectation for music tourism doesn't stop at a single venue—Pollstar listed Missoula among the Top 100 Concert Markets in the U.S. for 2023. The beloved River City Roots festival returns in August for its 19th year while a new multi-day concert event, Zootown Music Festival, will make its debut in July. Additionally, the recent partnership between local concert management company Logjam Presents' and LiveNation is certain to bring bigger acts—and more of them—to Missoula in the coming years.

NIGHTLIFE

For a small town, Missoula surprises with a nightlife scene that is the perfect combination of laid-back, family-friendly, weird and trendy. Whether visitors are looking for upscale dining and cocktails or dive atmospheres, they will find affordable fare, great ambiance and many options throughout the entire town. First Friday Gallery Night is consistently a favorite event for visitors, as they can mingle with locals, have complimentary beverages and snacks and admire local artwork while perusing downtown. The additional storefronts in the Mercantile Building have provided increased options for dining and nightlife and extended the already-vibrant downtown scene in Missoula. We have regular happenings that amp up the

nightlife experience as well: local comedy shows, bar karaoke, DJs and bands, drag shows and even dueling pianos at our very own speakeasy lounge. We also offer family-friendly “nightlife” options, like the bowling alley, arcade, pool table and bar found at Westside Lanes. Most of our local breweries are family-friendly, too, so you can sip a tasty craft beer and play trivia with the whole family..

TBID PARTNERSHIP

The Missoula Tourism Business Improvement District (TBID) and Destination Missoula boards work in close partnership. The boards meet together monthly, set mutual goals and establish budgets that work in concert to effectively market Missoula. TBID and Destination Missoula private funding helps to enhance bed tax-funded programs and solely funds additional programs such as flight guarantees and grant funds as outlined in the DMO Plan. This partnership has proven a great strength not only for both organizations but for Missoula’s overall tourism industry.

1c. Opportunities:

TRANSPORTATION

Mountain Line’s Zero-Fare bus service improves the quality of life for Missoula’s entire community because more transit riders mean better air quality, less traffic and parking congestion, more students getting to class, more employees getting to work and more seniors and people with disabilities staying active and mobile.

Missoula boasts more than 22 miles of off-street trails and 40 miles of on-street bike lanes, making it an ideal destination for cyclists. Recent research indicates that over 50% of Missoula residents have enjoyed biking within the past month, contributing to its recognition as a Gold level Bicycle Friendly Community by the League of American Bicyclists. There are also many places to easily and affordably rent bikes in Missoula.

In addition to a number of car rental agencies in town as well as private car rental options through Turo and Outdoorsy, visitors can find their way around the Missoula community using Uber and Lyft. These app-based services put a ride or a delivery at your fingertips. They also provide a flexible source of income for Missoulians. Mountain Line and ride-sharing services offer a huge benefit to visitors who wish to explore the city but have opted not to rent a car, as there is service from the Missoula Montana Airport to all reaches of town.

The Missoula Montana Airport has seen a steady increase in yearly passengers. The 2024 total passenger volume of 1,021,055 set a new record, breaking the previous record of 913,198 set in 2023. We are increasingly optimistic about the influx of new flights as the airport’s \$110 million, two-phase expansion project is underway, with Phase 1—construction of the new airport terminal—already completed and Phase 2 scheduled to be finished in the spring of 2025. The plans also include room for future expansion of the airport. Our visitor experience will only improve as the airport expands to accommodate more travelers and routes.

ECONOMIC UPTURN

Despite the many challenges our economy faced in the past few years, Missoula has continued to bounce back and see new growth in sectors that directly relate to tourism. Many new retail stores, restaurants and breweries have opened or are slated to open in Missoula in all three shopping districts, and we expect to see new hotels opening, existing hotels renovating, a growing tech industry and the complete reconstruction of our airport to accommodate our increasing demand for air service. Southgate Mall's expansion has created even more opportunities for economic growth.

TBID ASSESSMENT INCREASE

The Missoula Tourism Business and Improvement District (TBID) is working towards increasing the TBID assessment, providing an opportunity to significantly enhance the organization's efforts.

INFRASTRUCTURE

The face of Missoula is changing rapidly, all the while preserving the heart of what makes this community one truly extraordinary place. Expansion of Southgate Mall, Midtown development and downtown revitalization are a few of the major projects that have recently been completed or will be completed within the next few years.

MIDTOWN GROWTH

Expansion of Southgate Mall has brought new dining, shopping, entertainment, retail and office space to the Midtown district of Missoula. With more than \$64 million in private investments and additional funding from the City of Missoula, this project created a new street network in the surrounding neighborhoods to create ease of access to nearby schools and entertainment options and to enhance livability and raise property values. This multi-year project actively creates new property tax revenue in addition to adding upward of 700 new construction jobs, 375 new permanent jobs and safeguarding 1,250 existing jobs. Texas Roadhouse, Bigfoot Cookies, Elote and Hobby Lobby have recently opened locations.

In the same spirit of stewardship, the Midtown Master Plan was created to provide a voice for the people who live, work and recreate in Midtown and collaboratively establish ways to promote equitable development and belonging in their community. The Missoula Midtown Association teamed up with ECONorthwest and, with input from local residents, created a project process and timeline that will reflect the values of destination stewardship in preparation for future growth in the area.

Midtown Missoula has quickly become a prominent destination in town, as a steady emergence of new businesses set up shop in the area. Some new developments include: Market on Front's Midtown store, The Den; Florabella; Double K Ranch Deli; El Cazador; and a new location for Liquid Planet Grille. Kent Plaza recently opened to the public as well, filling its storefronts with several leisure-focused businesses like OddPitch Brewery, Rice Fine Thai Cuisine, Lookout Throwing Co, The Nail Place, Golden Leaf Studios and more. Green Source Missoula opened a second location in VRTX Gym, providing a space for members to work, study and relax pre- or post-workout. The opening of second storefronts of some of Missoula's finest businesses has only served, and will continue to serve, to enhance the charm of the Midtown area

and bring local Missoula flavors to a part of town that was once known primarily for larger branded stores.

Additionally, the Missoula Fairgrounds, home to the Western Montana Fair and other large special events, is enhancing its assets, including improvements to the ice rink, the addition of the Butterfly House & Insectarium and Community Gardens and continued work on the site's buildings with the goal of increased accessibility. In 2025, the Missoula Fairgrounds will host the first annual Zootown Music Festival, headlined by major artists like Hozier, Jason Isbell, Kacey Musgraves, and more.

DOWNTOWN MISSOULA DEVELOPMENT

Downtown Missoula has recently seen an influx of new businesses that are adding a fresh new face to the town. We've seen the recent additions of Tres Bonne, Catalyst2GO, Brasserie Porte Rouge, Tea & Crepe, Bar Plata, Relic and Montana Decor. On top of new business development, Beartracks Bridge (formerly Higgins Avenue Bridge) now includes expanded pedestrian lanes stretching across it, making it easy for bikers, walkers and people using motorized wheelchairs or strollers to access points in the downtown area on either side of the river. Beneath the bridge in Caras Park, Phase 1 of the area's remodel has been completed, resulting in increased multi-use lawn space for events and activities. The park's concrete amphitheater was leveled, allowing for additional seating more easily accessed by people of all abilities. Phase 2 of the Caras Park remodel will include creation of accessible river areas, a plaza for the Clark Fork Market, additional trails, new restrooms and, eventually, an ice ribbon for winter skating.

HOTELS

On top of the recent downtown additions of The Wren (opened late winter 2022) and AC Hotel (opened in 2021), the Homewood Suites by Hilton replaced Ruby's Inn and a number of current hotels are renovating their spaces to better accommodate visitors. These include the Fairfield by Marriott, Holiday Inn Missoula Downtown, Hilton Garden Inn, Days Inn & Suites by Wyndham Downtown Missoula-University and Comfort Inn I-90 Shopping District. Missoula welcomed two new hotels in 2024: LOGE and LivAway Suites.

MISSOULA PUBLIC LIBRARY

The Missoula Public Library was named the World's Best Public Library in 2022 by the International Federation of Library Associations (IFLA). It appears most Missoulians agree because it is also the busiest library in the state, with 700,000 visitors annually, 60,000 cardholders and more than 1 million items loaned out per year. The newly built library serves as a lifelong learning hub for Missoula County, a permanent anchor of downtown Missoula and a popular cultural destination for Western Montana's many visitors. Last year, IFLA presented Missoula Public Library with the first place Green Library-Grand Scale Award for 2024, making it the first library in the United States to earn the distinction.

SAWMILL DISTRICT

Located on the south side of the Clark Fork River just outside of downtown, the Sawmill District consists of new-construction condos, restaurants and retail and office space. Tagliare, a popular Missoula sandwich shop, recently opened a second location in this trendy new neighborhood. The Sawmill District abuts the

Riverfront Trail System, providing easy access to the rest of town, and is in close proximity to Ogren Park, the Missoula PaddleHeads Stadium at Allegiance Field, Silver Park, Currents Aquatic Center, MoBash SkatePark and numerous other recreational opportunities. Additionally, the district's first Tech Campus was completed in 2022, just the first phase in a list of projects aimed to open up space for hundreds of new workers in the Sawmill District. The district also announced that construction is underway for eight Sawmill Townhomes.

CULINARY AND SPIRITS TOURISM

Two of the hottest trends in travel right now are culinary trips and spirits trips, and Missoula is the perfect place for both. The culinary tourism market in the United States was valued at \$13.58 billion in 2024 and is expected to have a compound annual growth rate (CAGR) of 19% from 2024-2030 with a revenue forecast of \$40.53 billion by 2030. Missoula's food scene has always been strong, but with the outstanding introduction of new retail and restaurant space downtown and in Midtown, Missoula is witnessing a cultural food movement. Missoula's continued growth in this sector sets us up solidly as a food travel destination. From restaurants that source local ingredients to our food trucks, breweries, distilleries, cider house and winery, Missoula has the diverse food and dining experiences these travelers expect. With all of these options available to guests, it's easy to see why Wallethub listed Missoula among the Best Foodie Cities in the U.S. in 2025. Additionally, two Missoula area chefs have recently earned prestigious accolades: Michael Ochsner of Plonk is a semifinalist for the 2025 James Beard Award for Outstanding Professional in Beverage Service and Brandon Cunningham of the Social Haus is a semifinalist for the 2025 James Beard Best Chef Award for the Mountain Region. After receiving immensely positive feedback from our first Missoula Dining Guide in 2021, we produced a second issue in 2023 and we continue to share up-to-date information about our thriving (and ever-growing) drink and dining scene in the popular publication.

RETAIN PASS-THROUGH VISITORS

Approximately 3.49 million people pass through Missoula annually, but just 1.02 million spend one or more nights in the community. This presents a great opportunity for the Missoula community to reach more visitors who are already passing through.

DESTINATION STEWARDSHIP PLAN

The Destination Stewardship Plan is a 10-year strategic roadmap for Missoula to provide the framework for inclusive, sustainable tourism development and promotion that balances preserving and enhancing our residents' quality of life with quality visitor experiences. This plan is not just a guiding document for Destination Missoula and Missoula TBID, but is a plan for the whole community. It was developed over 12 months with strong community collaboration and received stakeholder approval. The implementation committee is now responsible for moving the initiatives forward in the community over the next ten years. The plan will require commitment and collaboration from across the community to be successful.

1d. Potential Challenges:

ECONOMIC UNCERTAINTY

Like every tourism market, we are waiting to see how economic conditions and political uncertainty impact Missoula. We will be paying close attention to conditions affecting international travel, particularly from Canada, changes to national parks funding and job loss. Additionally, high consumer prices, supply chain issues, workforce shortages and access to affordable housing continue to be high on our list of issues to monitor closely; Missoula has seen businesses reduce operating hours and availability due to workforce shortages, and the workforce shortages go hand in hand with access to affordable housing.

Our drive markets in particular could be deterred by the fluctuation of gas prices as well as the uncertainty of future gas price increases. However, visitors can access outdoor activities and city amenities once they arrive in Missoula via our bike trails, walking trails and public transportation, all at no cost to them.

DESTINATION IDENTITY

Surveys indicate that visitors have trouble distinguishing between Missoula and Bozeman. Marketing Missoula to out-of-state visitors emphasizing our community's character, cultural amenities and immediate access to recreation as distinct from those of Bozeman could be a viable approach to addressing this survey finding.

AIR ACCESS

With completion of Phase 1 of the new airport, capacity for services, seasonal flights and new airlines has been expanded and will continue to grow with Phase 2. For instance, Frontier and Sun Country are serving Missoula as of summer 2024. That said, continued expansion of flights and new airlines is directly tied to an air service revenue guarantee program that is made possible with Small Community Air Service grant funding. The future of such grants is uncertain, and without this funding, it will be much more difficult to entice potential airlines to bring new services to Missoula, which will limit our potential market growth tremendously. Destination Missoula will continue to concentrate on expanding seasonal to year-round flights for the routes that make sense.

CANNABIS INDUSTRY

Destination Missoula will work to educate residents and visitors on how to safely and legally buy and consume cannabis while here. We have seen a decrease in available downtown retail space due to the increase in dispensaries, but we are waiting to see if, and how, the legalization of cannabis impacts our tourism industry outside of this factor.

RENTAL CARS

Montana saw an influx of visitors in 2021 as our tourism industry rebounded from 2020, but rental car agencies struggled to keep up in many areas, including Missoula. Thankfully, car rental services in Missoula are slowly but surely building up their vehicle inventory options, and our free public transit and large system of biking and walking trails mean visitors can still travel easily around town, even without a rental car. The existence of ride-sharing services like Uber and Lyft, car-sharing services from apps like

Turo, and rentals of privately owned RVs and campers through Outdoorsy can help offset any lingering rental car inventory challenges while offering new income streams for Missoula residents.

OCCUPANCY

Occupancy in Missoula has been down since before the pandemic and post pandemic we have seen the development of new properties adding guest rooms to the market, which has also contributed to the number of unoccupied rooms in the market. Although Missoula has a more balanced annual visitation than most Montana cities, the vast majority of it is within the months of April through October, leaving over \$46 million in vacant room nights during the months of November through March. We see the need to market year-round as there is growth opportunity in the summer months as well as in our shoulder and off seasons. We will continue marketing group and tour travel, sporting and cultural events and meetings and conventions during the shoulder season. We are committed to our tourism partners as more hotels come into the market and in supporting their success.

AFFORDABLE HOUSING

The housing shortage in Missoula has had a profound impact on the community, exacerbating issues of affordability and accessibility. With limited inventory and skyrocketing prices, many essential workers struggle to find suitable housing, leading to a loss of workforce vital for the city's functioning. Additionally, the creative fabric of Missoula suffers as artists and creatives are priced out of the market, diminishing the cultural vibrancy that defines the city. Addressing these housing challenges is crucial to preserving the diverse and dynamic character of Missoula.

RECREATION MANAGEMENT

Missoula's incredible access to the outdoors is one of our strengths. Residents and visitors enjoy abundant opportunities for diverse recreation here. But with high visitation of our natural spaces comes the possibility of these places being loved to death. Several Missoula organizations are working to build new trails in order to disperse users and take pressure off of popular trails. Missoula must continue to manage recreational experiences and offer alternative experiences in locations where usage may not be as high. Real-time tracking of visitation at trailheads, parks and river access sites could provide data to assist in distributing recreating populations to a wider array of places to prevent overuse of popular areas. Educating residents and visitors on the importance of recreating responsibly can also help safeguard our natural landscapes.

CLIMATE CONCERNS

Climate change has created unpredictable conditions for tourism, especially in the late spring and early summer seasons. It is hard to say if the rivers will flood and be too high for floating and fishing in June, or if they will be too low for recreation in late summer. The dry summers have created fire conditions that have impacted travel to Missoula. The unpredictability caused by climate change is proving a challenge when advising visitors on travel timetables and plans. Winter sports are also impacted by climate change, as it is hard to determine if snowshoeing, cross-country skiing, snowmobiling and downhill skiing are activities that can be conducted as early or late as once was the norm.

SHORT-TERM VACATION RENTALS

Airbnbs and other short-term rentals through private individuals have historically been a challenge for organizations like Destination Missoula, which rely on TBID and bed tax funding. However, even though Airbnb and VRBO properties are now required to pay the same taxes as hotels, they still create a strain on the community at large and on the traditional hotel industry that so much of Missoula tourism was built around. While short-term vacation rental options help to attract younger travelers, they have also been a factor in Missoula seeing an increase in housing prices — investments in second homes or rental-only homes have helped to drive prices up, making it challenging for locals to obtain affordable housing. Additionally, short-term vacation rentals can offer lower prices than hotels or group accommodations, making it harder for hotels to compete.

LOW CONVERSION OF PASS-THROUGH TRAVEL

As mentioned in the “Opportunities” section, Missoula does not convert approximately 2.4 million pass-through travelers a year, who either drive through or stop shortly for gas and to eat but do not spend the night. It is difficult to pull them off the interstate. Destination Missoula will continue marketing campaigns to entice travelers to stay longer.

INTERNATIONAL TRAVEL

Destination Missoula, through our sales department, will continue to focus efforts on increasing and broadening our group and tour travel. Keeping in mind political and economic changes like tariffs that could potentially impact international travel in some global sectors, we’re monitoring worldwide data and tourism trends for opportunities to devise creative and effective marketing strategies to promote travel to Missoula. We are working in cooperation with Destination MT and Western Montana’s Glacier Country to attend trade shows directly targeting these markets and plan to increase awareness of Missoula in international regions, specifically Canada, China and Western Europe.

LIMITED COMPREHENSIVE CONVENTION/INDOOR MIXED-USE SPACE

Although Missoula has many wonderful venues, in order to take the next step in growth, there is a need for infrastructure currently missing in the community. The largest indoor arena is owned by the University of Montana, and although it is a willing and accommodating partner, the university’s schedule for the arena is paramount. Also, Missoula does not have any one facility with enough size to accommodate city-wide conferences or conventions: Currently, such events must utilize multiple properties. In order to accommodate events of this size, Destination Missoula has to bid them out to a number of venues, which is not ideal for meeting and event planners.

PARKING

With all of the new projects in downtown Missoula—especially new hotels and restaurants—and new employment opportunities, parking in the city center will continue to be an issue until new parking facilities are built. Limited parking reduces access to the wonderful amenities that can be found in downtown Missoula. Luckily, Mountain Line does offer Park and Ride options for large events, providing

much-needed access when parking is at its most limited.

Destination Missoula has forged a collaborative partnership with Mountain Line to develop an attractions map aimed at promoting the use of public transportation for navigating Missoula during visitors' stays. In line with this initiative, Destination Missoula plans to increase the production and distribution of these maps throughout the year to effectively reach a broader audience of visitors.

ORGANIZATIONAL FUNDING

With constantly trying to find new and innovative ways to raise private funding, and the lingering uncertainty of bed tax funding, stable funding for Destination Missoula is always an issue and a priority. Destination Missoula, in partnership with other tourism industry organizations, works on a continual basis to educate Missoula and Montana legislators and citizens on the importance of tourism to a healthy state economy and to work toward preserving and enhancing bed tax funding. Destination Missoula also works in partnership with the Missoula Tourism Business Improvement District to expand and to create new private revenue sources for Destination Missoula. Destination Missoula is researching opportunities to add additional funding to meet the rising cost of operating and marketing.

DEVELOPING NEED FOR VISITOR EDUCATION

Over the past few years, we've seen a growing need for visitor and resident education surrounding responsible recreation and sustainable tourism. Destination Missoula has taken on the role of outreach and education through multiple marketing campaigns and community-wide partnerships.

LACK OF COMMUNITY-WIDE STRATEGIC ORGANIZATION

Due to a lack of communication and the absence of a comprehensive event strategic plan, Missoula does not have cohesive, strategic community organization of citywide events, making it difficult to maximize economic opportunities and enhance visitor experiences. Resident sentiment can also be negative due to a misperception of tourism causing overcrowding and housing shortages. Although Missoula is seeing progress in this realm, continued headway will require a sustained group effort to educate locals about the benefits of tourism.

Through a lengthy, intentional and collaborative process, Destination Missoula and TBID have completed both a Destination Stewardship Plan and a plan for its implementation, and both have gained stakeholder approval. In-depth research and community input have informed these plans at every stage, ensuring they will help us reach the optimal balance of meeting community needs and sustaining vital tourism to the area.

:

2. Briefly describe how your destination aligns with the Montana brand or describe the Brand strategy for your DMO.:

Destination Missoula's mission and goals align beautifully with the Montana brand, and we promote the

state's brand pillars throughout all of our messaging.

More spectacular unspoiled nature than anywhere else in the lower 48 states. Our messaging highlights the breathtaking nature surrounding Missoula and unbeatable access to outdoor adventure.

Vibrant and charming small towns that serve as gateways to the state's natural wonders. Missoula is a gateway to natural wonders, as well as an adventure in and of itself. Our visitors are charmed by the possibility of shopping, dining, and dipping their toes in the Clark Fork River without walking more than a few blocks.

Breathtaking experiences by day and relaxing hospitality at night. Accessibility, inclusivity and adventure all play an integral part in our messaging. Our visitors come here expecting to immerse themselves in nature by day and return to a vibrant, welcoming community by night.

:

Destination Marketing: ☒

Destination Management: ☒

Destination Stewardship: ☒

Destination Development: ☒

:

3a. Define your audience(s) (demographic, geographic and psycho-graphic):

DESTINATION MISSOULA'S STRATEGIC ROLE

Destination Missoula works to serve the roles of destination marketing, destination development, destination management and destination stewardship.

Our organization has always served the purpose of destination marketing, but our dedication to this community and its members requires a hybrid approach. On top of promoting our city and the surrounding area as a premier destination, we are constantly working to improve and preserve Missoula.

We work alongside community leaders and stakeholders in order to best serve Missoula's visitors and residents. This means ongoing collaboration with organizations such as the Downtown Missoula Partnership, Missoula Chamber of Commerce, Missoula Parks & Recreation and city, county, economic development, land managers and other destination marketing organizations throughout the region. In our role of destination development, we are working with the Missoula Montana Airport to help develop a state-of-the-art digital visitor information center in the new terminal. Our Destination Stewardship Plan is a testament to our commitment to destination management and stewardship, as it will pave the way for a rich, healthy tourism industry that takes all angles into account.

As with any destination in Montana, we enjoy breathtaking natural landscapes in every direction. Missoula is a city you can enjoy inside and out, and our visitors come to experience the juxtaposition of big-city

amenities alongside natural spaces. In order to preserve this, we've shifted much of our focus to destination stewardship. From "recreate responsibly" messaging to projects like our Downtown River Map, website and video collaboration, Destination Missoula is fiercely dedicated to the health of our wild spaces. We're confident that educated visitors are happy visitors, and our tourism industry will stand the test of time as long as we promote it responsibly.

On top of our commitment to sustainability, we'll continue our work in destination stewardship by creating marketing materials and messaging, based on extensive research, that's inclusive and representative of a diverse community, allowing us to reach a wide audience and ensure that everyone feels welcome in Missoula.

OUR AUDIENCE

GEOGRAPHIC

The strategy of targeting a particular type of traveler can be enhanced by also targeting a particular geographic area. It is most effective to market to those who are predisposed to come to this area.

Destination Missoula concentrates on more "niche" marketing, particularly direct flight and drive markets. Direct year-round flight markets include Seattle, Salt Lake City, Las Vegas, Minneapolis, Denver, Dallas and Phoenix. Destination Missoula also directs our outreach to our drive markets, which fall within an approximate 200- to 300-mile radius from Missoula: Spokane, Washington; Coeur d'Alene, Sandpoint, Lewiston, Boise, Salmon and Idaho Falls, Idaho; and Yellowstone Park, Bozeman, Butte, Great Falls, Glacier National Park, Kalispell, Montana; and Alberta, Canada.

To ensure the most effective use of marketing funds and energies, markets will be pursued in the following order:

- Nonstop flight markets.
- Regional drive markets.
- The primary states from which most inquiries come: Texas, California, Illinois, Wisconsin, Florida, and Washington.
- The secondary states from which most inquiries come: Pennsylvania, Michigan, Minnesota, North Carolina, Ohio, and Tennessee.

DEMOGRAPHIC

In addition to the geographic target markets, there are demographic markets Destination Missoula will target with tourism promotion and marketing. Each of these markets represents a strong and growing segment of the tourism marketplace. Destination Missoula will pay particular attention through this marketing plan to niche marketing for small and mid-size market meetings, sporting events, signature events, arts and culture, music and entertainment, food and spirits, and leisure and family travel. The average visitor to Missoula is 54 years of age with an income of \$75,000-\$200,000+, and 73% of visitors

were either traveling alone or as a couple and 27% with immediate or extended family and friends. The demographic markets are described on this page.

- PRIMARY STATES WITH MOST INQUIRES
- SECONDARY STATES WITH MOST INQUIRES
- NONSTOP FLIGHT MARKETS
- TARGET MARKET

Demographics from the 2023 Missoula Visitor Profile Report from SMARInsights:

Visitors tend to be married and college graduates (or higher), Caucasian, with higher income, and slightly older at 52 years old average. Given that the visitors are older, only 25% have children under 18 in the household. In-state visitors are older than out-of-staters, with lower income and more likely to be female and Caucasian. Out-of-state visitors have higher household income and education, are more ethnically diverse, and more likely to identify as LGBTQIA+.

PSYCHOGRAPHIC

- Active empty-nesters
- Baby boomers
- Business travelers
- Cultural and historical-experience travelers
- Family travelers
- Leisure travelers
- Outdoor enthusiasts
- Motorcyclists
- Recreational vehicle travelers
- Women
- Geo-travelers
- Multigenerational travelers
- Culinary and spirits travelers
- LGBTQ+ travelers
- Adaptive travelers

- Music, concert and festival travelers
- Birders and wildlife enthusiasts
- Sustainability travelers
- Wellness travelers
- Last-minute travelers
- In-state travelers
 - Sports groups and athletes
- Event-specific travelers
- University students and their families
- Conference and trade show travelers

According to the 2023 Missoula Visitor Profile Report from SMARInsights, these are the top 10 most motivating activities to visit Missoula:

1. Scenic drives
2. Dining out
3. Sightseeing
4. Visiting a National Park
5. Shopping
6. Hiking on trails
7. Historical sites or museums
8. Fishing
9. Visit small towns or rural areas/ghost town
10. Camping

3b. What research supports your DMO strategy? :

Research on each of the existing and emerging markets for Missoula is available from the following sources:

- Brand MT and Business Development – General Travel Statistics
- STR Reports – Missoula-Specific Hotel Statistics and competitive market analysis
- U.S. Travel Association – 2025 Forecast (www.ustravel.org/system/files?file=2025-01/US_Travel_Forecast_Tables_)
- Destination Analysts – travel analysis (futurepartners.com/blog)

- Longwoods International Travel Sentiment Surveys and Research - US Travel Market Trends – (longwoods-intl.com/longwoods-travel-usa-us-travel-market-trends)
- Institute of Tourism and Recreation Research - 2024 Interactive Data Reports for City of Missoula – (umt.edu/tourism-recreation-research)
- Canadian Government Travel Statistics (statcan.gc.ca/en/start)
- U.S. Department of Commerce, Office of Travel & Tourism Industries – Canadian Travel Statistics (trade.gov/data-visualization/ntto-travel-industry-monitor)
- Institute of Tourism and Recreation Research – Montana Travel Industry 2024 (umt.edu/tourism-recreation-research/publications/spending.php)
- Future of Tourism Coalition - (futureoftourism.org)
- Center for Responsible Travel - (responsibletravel.org)
- Destination Stewardship Center - (destinationcenter.org)
- The Travel Foundation - (thetravelfoundation.org.uk)
- Sustainable Travel, Intl. - (sustainabletravel.org)
- The Wandering RV - 70+ Female Travel Statistics and Trends - (thewanderingrv.com/female-travel-statistics).
- GutsyTraveler.com – Women Travel Statistics 2024 – 80% of All Travel Decisions Made by Women (gutsytraveler.com/women-travel-statistics)
- Sports Events and Tourism Association - State of the Industry Report 2023 (sportseta.org/research/state-of-the-industry-report)
- Project Play, Aspen Institute - State of Play 2025 Report (projectplay.org/state-of-play-2023-introduction) (2025 Parent and Community Survey Results)
- Skift.Com - The New Era of Food Tourism Trends and Best Practices for Stakeholders (research.skift.com/reports/the-new-era-of-food-tourism-trends-and-best-practices-for-stakeholders)
- Skift – Megatrends Defining Travel in 2024 - (skift.com/insight/state-of-travel)
- Cision PR Newswire - (prnewswire.com/news-releases/global-culinary-tourism-market-2020-to-2027---by-activity-type-age-group-and-mode-of-booking-301106550.html)
- Motorcycle Industry Statistics by State 2024 – (consumeraffairs.com/insurance/motorcycle-industry-statistics-by-state.html#trends-predictions-and-projections)
- CMI Community Marketing & Insights – 25th Annual LGBT Tourism and Hospitality Survey (cmi.info/cmis-free-lgbtq-research-reports)
- Future Market Insights – Music Tourism Market Outlook 2023 to 2033 – (futuremarketinsights.com)

3c. What are your emerging markets?:

POTENTIAL GROWTH MARKETS

The following areas are growing tourism markets that Destination Missoula feels are a perfect fit for Missoula, and our marketing will be directly tailored to them:

WELLNESS TRAVEL

The Global Wellness Institute estimates wellness tourism will grow into a \$7.4 trillion market by 2025 and projects the market to top \$1 trillion in 2024. The US wellness market reached \$330.6 billion in 2023 and the US ranked #1 globally in the industry with 207.5 million wellness trips, domestic and inbound international.

"More travelers are experiencing and interpreting their travel experience from a wellness lens, whether it is spending more time in nature, to challenge yourself and physical ability, to be awed by something specular, or to feel a sense of connection to the place, through interaction with local people and their culture in an authentic, and less touristy way." Forbes.com

It used to be that food created the buzz that lured travelers to all sorts of destinations, but wellness is taking over as travelers seek out healthier, more active vacations. Food is still a draw, of course, but it is even more enticing if it satisfies a wellness craving. The hope is that if wellness travel is marketed in a strategic way, it can work to prevent overtourism, drawing people away from beyond-crowded cities and into more tranquil, less touristy locales that could use the economic boost. Missoula is a great option for health and wellness travelers because of the sheer number of spas, workout studios and outdoor activity options. Missoula claimed first place in SmartAsset's ranking for Most Fitness-Friendly Places in the Country in 2023- for the third consecutive year.

MUSIC AND ENTERTAINMENT

In 2024 56% of Gen Zers and 60% of Millennials traveled to at least one music festival. The economic impact of "live" tourism in the US is \$6.44 billion with a projection to reach \$15.5 billion by 2034. Gen Z and Millennial live tourism travelers are looking for more boutique festivals that put an emphasis on sustainability and are in unique natural settings. The economic impact of these visitors in the U.S. is \$5.91 billion. Missoula's ever-growing music and entertainment scene is the perfect fit for this niche market.

Missoula's local concert management company, Logjam Presents, is consistently ranked among the top 100 promoters worldwide. The Logjam venues are locally adored and nationally acclaimed: Pollstar ranked the Wilma Theatre #106 in the Top 200 Theaters Worldwide and KettleHouse Amphitheater ranked #58 in the Top 200 Amphitheaters Worldwide. KettleHouse Amphitheater also landed #8 in Pollstar's rankings of the Top 100 Outdoor Amphitheaters and was nominated for Outdoor Concert Venue of the Year in 2021.

The University made approximately \$1.2 million on three stadium shows in 2024 - Pearl Jam, P!nk and Sheryl Crow, and Tyler Childers with Nathaniel Rateliff and the Night Sweats. Total attendance for the three shows was 73,563. Missoula was ranked 66 out of 100 top music markets by Pollstar Magazine, jumping 27 spots from 2023 putting Missoula higher than larger cities such as New Orleans, Memphis and Tucson.

With our diversity of venues and the allure of scenic outdoor concert settings like KettleHouse or Big Sky Amphitheater, we believe Missoula's music scene will continue to explode over the next few years. In fact, Pollstar listed Missoula as one of the Top 100 Concert Markets in the U.S. for 2023, and Missoula will welcome the first annual Zootown Music Festival to Missoula in 2025. Destination Missoula will actively partner with local music venues to promote their services to musicians, tour managers and media

affiliates. We will revisit our music-focused marketing to ensure that we're continually doing as much as possible to support the entertainment sector of our town. Our music website for Missoula—missoula.live—will continue to give people a comprehensive view of the music and entertainment experiences that Missoula offers.

FILM PRODUCTION

Missoula has a strong foundation when it comes to the arts and creative opportunities, and we believe film production is an emerging market with the potential to bring huge economic growth to Missoula. According to the report "In the Spotlight: Evaluating the Economic Influence of Montana's Film Industry", film production in Montana had an economic impact of \$312.2 million and supported the equivalent of 1,320 full-time jobs between July 2022 and mid-May 2024. Missoula County has seen an economic impact of \$50.4 million. The show "Maid" (written by a University of Montana graduate) garnered national attention for Missoula, as it reached 67 million households and was featured by various media outlets such as Oprah Daily, NPR, Washington Post, Newsweek, Parade and the New York Times. Lily Gladstone, the first Native American actor to be nominated for an Academy Award, hails from Montana and has appeared in films shot here. Filming of "Yellowstone" wrapped in Montana in December 2024 as the hit series came to an end, but with the recent opening of Treasure State Studios, a 30,000-square-foot media production studio, Missoula is positioned to support local and out-of-state film production with facilities, equipment and services. We will closely monitor new opportunities in this market throughout the year.

FLIGHT MARKETS

Missoula is constantly looking for opportunities to bring new flight service into the area. It is vitally important that Destination Missoula markets to any new service areas as well as our existing direct flight markets to ensure our existing flights remain viable and service only continues to expand. With the \$110 million airport expansion, additional gates, increased capacity and passenger amenities, Missoula will only continue to grow as a destination for travelers. To encourage new airlines to establish service and to expand direct and year-round flight offerings, Destination Missoula and the Missoula TBID contribute annually to a Missoula flight guarantee program. This program also has historically been supported with funding from Small Community Air Service grants. We recently applied for and were awarded one of these grants — making Missoula Montana Airport the only major airport in Montana to receive one this year. This funding will be used to bolster the flight guarantee program with the ultimate goal of attaining year-round nonstop service to Chicago, which currently is seasonal.

CULINARY

There are 39 million travelers who identify themselves as culinary travelers. Annually, they create a \$201 billion economic impact. On average, they spend \$1,194 per trip with up to 50% spent directly on food and food-related activities. It is currently one of the fastest-growing sectors in tourism worldwide.

Culinary travelers tend to be younger, more affluent and better educated travelers. Millennials, having become the largest traveling demographic in the United States, list culinary experiences as very important. They feel it is the best way to get to "know the story" of a place.

Trends are moving from the most expensive dining experience to the most authentic. The culinary traveler is looking for a unique experience and likes packages based around cooking classes, farmers markets, gourmet food shopping and winery, brewery and distillery tours and festivals. Culinary travelers tend to plan ahead using both print and online media sources. With Missoula's exciting and diverse food scene—from fine dining and cafés to farm-to-table sustainability, ethnic cuisine, food trucks and breweries, wineries and distilleries—culinary tourism is a perfect niche to target. Exposure to the food scene has been and will continue to be a priority when bringing in press writers, and we are actively looking for new opportunities to help Missoula's food and beverage industry by reaching more culinary travelers.

LGBTQ+

LGBTQ+ travel is a \$211 billion industry in the United States. These travelers average five trips annually—four for leisure and one for business—with 60% planning two or more trips in the next 12 months. Their average age is 48, with a household income of \$50,000 and up. They prefer mid-range hotels that understand their needs, and they tend to return to areas they feel do the best job of outreach and are safe and relaxing. LGBTQ+ travelers look for culture, arts, food and wine, and rest and relaxation, and nature is important particularly to women. Of the 21 top cities they tend to visit, Missoula has direct flights into 10, and given the current political climate, Missoula's open and welcoming environment and status as a cultural hub make it a safe place for LGBTQ+ travelers to visit. EmpowerMT's rainbow crosswalk across Pine Street near the Missoula Art Museum serves as a symbol of Missoula's diversity and openness to various identities. After decades of hiatus, the return of Missoula's Annual Pride Week in June 2022 proved to be a great success. We witnessed an outpouring of community support for the lively, weeklong festivities. The 2023 Pride events gained even more traction and locals and visitors alike wait in enthusiastic anticipation for expanded Pride event offerings in June 2025.

ADDITIONAL TARGET MARKETS

YOUTH SPORTS – SPORTS AND EVENTS

In 2023, youth sports generated \$52.2 billion in direct economic impact, \$128 billion in total economic impact, and generated \$20.1 billion in taxes. 200 million people traveled to attend youth and adult amateur sports events, as well as collegiate championships. The youth sports industry in the United States has ballooned to a \$15.3 billion business, and there has been more than 55% growth since 2010. It is estimated that more than 48.9 million kids between the ages of 5 and 18 currently play at least one organized sport each year in the United States and 21 million are involved in non-school youth sports. The average youth athlete plays 2.5 sports. Youth sports also generate family and multigenerational travel. Forty-one percent of children with a household income of \$100,000 or more participate in team sports and 19% of children with household incomes of \$25,000 or less participate.

American families spent an average of \$3,167 per player/per sport on the road for what are now being called "tournications." Missoula continues to see success in our youth sports events market thanks to partners like the Montana High School Association, Missoula Youth Hockey Association and Fort Missoula Regional Park. With the opening of "the Bubble," the indoor sports facility at the university, youth sports

teams in the area have access to an indoor practice space—when it's not in use by university teams.

MOTORCYCLE

Motorcycle travel is one of the fastest-growing segments in tourism. It is a \$34 billion industry with over 11 million riders. The demographic trend has been older and more affluent as more baby boomer professionals become interested in motorcycle travel. The average household income is \$85,000+ with 84% having attended college and 16% with postgraduate degrees. However, now you are starting to see more millennial riders. Women are becoming the fastest-growing segment. Gen X women are three times more likely to own and regularly ride their bikes, and women motorcycle tour businesses are starting to thrive. An average trip lasts 10-14 days, with travelers spending \$3,100 per trip. These riders also love to attend related events, averaging three events per year and spending an average of \$400 per weekend event attended.

Missoula is on a major route for riders coming from the West Coast and those wanting to see Glacier and Yellowstone National Parks. Missoula is also a hub for epic scenic drives along highways in the area, including Highway 12 along the Lochsa and Clearwater Rivers, and around Flathead Lake. Destination Missoula will be doing specific niche marketing and creating website itineraries to market to these riders. More specifically, Missoula will be targeting women motorcycle riders. Destination Missoula is also seeing more interest from international tour operators in motorcycle itineraries for their clients and will create specific itineraries scoped to this market.

INTERNATIONAL

The United States remains the single largest destination for global long-haul travel and the third-largest destination for overall global travel. International travel to the United States is growing quickly, but still has not reached full pre-pandemic recovery. With factors such as a global economic slowdown, an uncertain U.S. political climate, our strong dollar and lengthy visa wait times possibly inhibiting future growth, international travel volume is expected to reach 98% of 2019 levels in 2024 and we are expected to make a full recovery by 2025. Spending levels, however, are not expected to make a full recovery until 2026. The overall U.S. global market share of international travel is declining, while countries such as France and Spain are seeing increased global market share. On average, each overseas traveler spends approximately \$3,700 and stays an average of 17 nights, and the top leisure travel activities for overseas visitors are shopping, sightseeing, fine dining, national parks/monuments and amusement/theme parks. While we can't predict the short- and long-term impact of the pandemic or current economic and political conditions on international travel, we will continue to watch for opportunities in this market.

UNIVERSITY OF MONTANA FAMILY AND RECRUITS The University of Montana is located in Missoula and comprises students from all over the state, region and country, meaning prospective students and their families will visit Missoula when touring campus. During this time, students will have the opportunity to fall in love with Missoula as a place to live as well as attend school, and their families will continue to visit for events, sports, graduation and general visits. This is a huge benefit to Missoula as it allows a constant influx of visitors. Many graduates might then choose to live in Missoula, and those who do relocate will come back to their old college stomping grounds for decades to come.

In 2024, UM saw a 6% increase in enrollment over 2023, and Destination Missoula is working with the university to continue this trajectory, helping with recruitment efforts by promoting Missoula as a place of great diversity of ideas, as a cultural haven in Montana and in the region and as a welcoming and safe community for locals and visitors alike.

SUSTAINABILITY

Sustainable travelers tend to be highly educated, mature, affluent, well-traveled, environmentally aware and sensitive to the social and cultural traditions, systems and mores of the destination they visit. They are similar to—and in many cases cross over with—the culinary traveler.

Missoula is proud of the many sustainable initiatives that show our commitment to living our values. For example, in the summer, River Ambassadors help people recreate

responsibly on the Clark Fork, Bitterroot and Blackfoot rivers and also collect data on erosion issues and recreation numbers to determine usage impacts and inform improvement priorities. Logjam Presents has implemented a zero-waste policy at their concert venues, using compostable cups, plates and cutlery and recycling cans with readily available bins.

Missoula's community bus service, Mountain Line, is halfway to its goal of a zero-tailpipe-emissions fleet by 2035: 55% of its 29 larger buses are zero-emission electric buses. Mountain Line's buses proudly operate as "Zero-Fare" transportation options—meaning no cost to the riders. They are also 100% ADA accessible and offer special routes and curb-to-curb services to ensure accessibility for all riders. Destination Missoula has partnered with Mountain Line to create an attraction map that encourages visitors to use the bus system to sustainably visit Missoula's attractions. The University of Montana's Office of Transportation offers free, convenient public transportation to campus through their UDASH routes. UDASH expanded its route offerings in 2023 to reach more UM students, faculty and staff for safe, sustainable transportation.

The Big Sky Documentary Film Festival is striving to be a zero-waste event by providing recycling and composting stations at all of their venues, limiting food vendors to those who provide recyclable and compostable silverware, promoting reuse by distributing reusable cups to guests and making the festival walk-friendly. The River City Roots Festival provides compost and recycle stations and reusable cups in place of single-use plastics and houses the events in a walkable zone. Both the City of Missoula and Missoula County have also recently committed to an initiative for 100% clean electricity by 2030.

BIRDING

It is estimated that approximately 45 million people in the United States are bird-watchers. According to an analysis done by The American Birding Expo, U.S. birders spend approximately \$14.8 billion on travel-related expenses, and the U.S. Fish & Wildlife Service states that the higher the income and education level, the more likely a person is to be a birder. U.S. bird-watchers are usually highly educated, affluent, more likely women (56%), usually travel solo or with a partner but not large groups, and, although made up of all age groups, middle-aged and aging adults represent the largest group (40–70). They usually will spend 13-14 days birding away from home.

Situated along pristine rivers offering exceptional riparian zones, Missoula and the Bitterroot Valley are brimming with numerous habitats and a wide variety of bird species. Both areas are havens for bird-watchers. Three of the best-known spots for bird-watching in the region are Kelly Island, a 650-acre conservation area comprising six islands at the confluence of the Bitterroot and Clark Fork rivers; Lee Metcalf National Wildlife Refuge, a 2,700-acre refuge with more than 225 identified species; and the 1,200-acre Teller Wildlife Refuge.

HISTORY

In Missoula, we proudly live our history. Evidence of the prehistoric ice age floods and Glacial Lake Missoula are still etched on the surrounding mountains. Over the centuries, Séliš (Salish), Ksanka (Kootenai), Qlispé (Kalispel), Nimi'ipuu (Nez Perce), A'aninin (Gros Ventre) and Niitsitapi (Blackfeet Tribes) used the Missoula Valley as a travel route to the eastern plains and buffalo. They called the area "Nemissoolatakoo," from which the name "Missoula" is derived and which translates roughly to "the place of freezing water." Their first encounter with non-natives came in 1805, when the Lewis and Clark expedition passed through the Missoula Valley.

Missoula and the surrounding five valleys' rich history comes alive in places like Travelers' Rest State Park and the Historical Museum at Fort Missoula. Missoula is full of ways to become immersed in history—from historic downtown tours, river walks and tours of the Missoula Smokejumper Visitor Center to walking portions of the Lewis and Clark trail. The Downtown Missoula Partnership partnered with Historical Research Associates, the city's Historic Preservation Commission and the Historical Museum at Fort Missoula and produced a vision for a comprehensive heritage program in downtown Missoula, including both banks of the Clark Fork River. The Higgins Street Bridge was recently renamed "Beartracks Bridge" to honor a prominent Salish family; visitors can find interpretive signs on the south end of the bridge to learn about the family and Tribe's history. There are few, if any, communities the size of Missoula that have developed a defined heritage interpretive plan, and it could act as a prototype for other Montana towns to use.

The Montana Natural History Center serves as a fantastic spot to learn about the biodiversity of Western Montana, including full-scale replicas and mounts of local animals like bears, mountain lions and ungulate species, as well as an exhibit on Glacial Lake Missoula and the Ice Age Floods. Visitors can learn about the history, legacy and modern traditions of the American Indian Tribes who call this area their ancestral home at places like the Payne Family Native American Center, which is the Native American Studies building on the University of Montana campus and the site of a historic Salish Indian encampment,; and the Three Chiefs Culture Center and Museum north of town.

CULTURE

The indigenous peoples of the Missoula Valley now reside on the Flathead Indian Reservation, located between Missoula and Kalispell. The reservation is home to the Séliš (Bitterroot Salish), Ksanka (Kootenai) and Qlispé (Kalispel) Tribes, with an estimated 65% of the total Confederated Salish and Kootenai population (approximately 7,753 enrolled members) residing there. The

Confederated Salish and Kootenai Tribes are nationally recognized as leaders of an innovative, self-governed community. Their environment and natural resource departments, academic facilities and visitor education programs all work to inform communities of the Tribes' history and culture, about the land they are stewards of and ways Tribal members and non-members alike can respect the space and enjoy Montana's beauty responsibly and peacefully. There are several Tribal events open to the public throughout the year, including powwows and Fourth of July festivities. These events are deeply rooted in respect for the Tribes' heritage and provide critical cultural and historical perspective unlike many have encountered before. Visitors can learn about the culture of Montana's Tribes at the Payne Family Native American Center on the UM campus, the first facility in the United States purposely built for a Native American Studies Department and American Indian Services. In addition to the cultural significance of the region's Tribes, Missoula has been home to the Hmong people, who settled in this community in 1976. Missoula was officially recognized as a resettlement community for refugees in recent years. This opportunity allowed Missoula to open its arms to a wide range of families and individuals seeking a safe environment to flourish in. People hailing from the Democratic Republic of the Congo, Eritrea, Syria, Iraq and Afghanistan have resettled in Missoula, and subsequently brought important, diverse cultural perspectives to our Montana town. Local organization Soft Landing plays a critical role in the resettlement process for refugees and spearheads "United We Eat," a program that has garnered national attention by celebrating cultural heritage through traditional meals cooked and sold by refugees in Missoula.

CANADIAN TRAVEL

In 2024, 20.4 million Canadians traveled to the United States, generating \$20.5 billion in spending and supporting 140,000 American jobs. Pre-pandemic, it was estimated that Canadian visitors made up 10% (1,366,000) of all nonresident travelers to the state. Of those travelers, 45% were primarily "just passing through," 37% were in Montana for "vacation, recreation, or pleasure," and 9% were primarily in the state for "shopping." The most visited Montana region was Glacier Country, with 71% of respondents having been there on a previous visit. When asked what would increase their likelihood to return to Montana, visitors said more information on new and different things to do, a wider range of retail shopping opportunities, increased opportunities to experience local cuisine and more opportunities to experience cultural heritage. Missoula has the ability to provide all of these experiences for Canadian travelers, however, current economic and political developments may impact international travel between Canada and our community.

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4a. Describe proposed tactics and projects as related to overall goals and controlled by the organization in its financial statements.:

Through thoughtful collaboration with our boards and consultation from MMGY NEXTFactor, our organization has identified four goals that will guide our efforts throughout FY 2026 and beyond. These goals are:

DESTINATION MARKETING

Promote our destination with an emphasis on responsible travel messaging and increasing diversity and inclusion.

OBJECTIVES:

1. Market to visitors with responsible travel messaging.

- Promote responsible travel messaging through traditional and innovative methods of marketing and platforms.
- Use responsible travel messaging in the majority of all paid media campaigns.

2. Increase diversity in marketing campaigns.

- Use diverse models reflective of our community in paid media campaigns (diversity in age, ethnicity, gender, body shape, ability, etc.)
- Bring in a diverse influencer to the market.

3. Introduce new brand.

- Showcase new brand elements through social media channels, digital and print media.

DESTINATION STEWARDSHIP

Balance the needs of visitors and residents through collaborative community engagement to create better visitor experiences, enhanced quality of life for residents and a more sustainable destination.

OBJECTIVES:

1. Implementation of the Destination Stewardship Plan.

- Quarterly meetings with the DSP Implementation Steering Committee
- Hire Community Engagement position to guide implementation process
- Create tracking system on website to monitor implementation progress

2. Focus on Community Alignment

- Arrange 3 meetings with community stakeholders, organizations and residents to educate about the benefits of tourism and overall destination management and stewardship.
- Assist with recruitment efforts for the University of Montana through destination and brand awareness research.
- Meet yearly with the Confederated Salish and Kootenai Tribes (CSKT).
- Meet with the mayor, Missoula City Council and Missoula Board of County Commissioners at least once a year.

DESTINATION MANAGEMENT

Gain a deeper understanding of our visitors and residents through research and use the research to better manage our visitation throughout the year.

OBJECTIVES:

1. Increase year-round occupancy by .5% compared to FY 24-25.
2. Educate staff through professional development opportunities.
 - Belong to Destinations International in order to attend webinars, summits, Annual Convention and more.
 - At least one staff member will attend the Montana Governor's Conference on Tourism and the Montana Lodging and Hospitality Association conference.
 - 100% of the full-time staff will attend at least two webinars, summits or conferences/conventions during FY 24-25.
3. Enhance Research
 - Complete 2nd year conversion study to better understand visitor experience.
 - Work with the University of Montana to gather and analyze visitor data.
 - Complete resident sentiment survey.

DESTINATION DEVELOPMENT

Update visitor information center to better serve both visitors and residents.

Work in collaboration with the Missoula Montana Airport to better serve residents and visitors.

OBJECTIVES:

1. Update Destination Missoula's downtown walk-in visitor center
 - Modernize and digitize visitor center
 - Work with local artists and makers to have products available for visitors and residents to enjoy and purchase
2. Work with the Missoula Montana Airport to maintain and educate visitors about our new interactive travel experience wall.
 - Track visitor usage of kiosks and phonenumber.
3. Create Airline Guarantee Coalition.

- Collaborate with the Missoula Montana Airport and Missoula Economic Partnership.

4b. How will the addition of LFST funds enhance your overall goals?:

We will use the LFST funds to help enhance our already existing goals. LFST funds will be distributed to our administration and paid media line items.

DESTINATION MARKETING

Promote our destination with an emphasis on responsible travel messaging and increasing diversity and inclusion.

OBJECTIVES:

1. Market to visitors with responsible travel messaging.

- *Promote responsible travel messaging through traditional and innovative methods of marketing and platforms.*

- *Use responsible travel messaging in the majority of all paid media campaigns.*

5. Define and describe your overall objectives. Objectives are formed from your goals. They are logical, attainable steps to achieve the goals and are able to be measured.:

Objectives/Metrics/Evaluation:

OBJECTIVES	MEASURABLE METRICS FOR SUCCESS	REPORT THE METRIC ACHIEVED	EVALUATION OF SUCCESSFUL METRICS
Market to visitors with responsible travel messaging.	<ul style="list-style-type: none"> • Promote responsible travel messaging in a majority of all paid media campaigns through traditional and innovative methods of marketing and platforms. 		
Increase diversity in marketing campaigns.	<ul style="list-style-type: none"> • Use diverse models reflective of our community in paid media campaigns (diversity in age, ethnicity, gender, body shape, ability, etc.) • Bring in a diverse influencer to the market. 		

Introduce new brand.	<ul style="list-style-type: none"> • Showcase new brand elements through social media channels, digital and print media. 		
Implementation of the Destination Stewardship Plan.	<ul style="list-style-type: none"> • Quarterly meetings with the DSP Implementation Steering Committee. • Hire Community Engagement position to guide implementation process. • Create tracking system on website to monitor implementation progress. 		
Focus on Community Alignment.	<ul style="list-style-type: none"> • Arrange 3 meetings with community stakeholders, organizations and residents to educate about the benefits of tourism and overall destination management and stewardship. • Assist with recruitment efforts for the University of Montana through destination and brand awareness research. • Meet yearly with the Confederated Salish and Kootenai Tribes (CSKT). • Meet with the mayor, Missoula City Council and Missoula Board of County Commissioners at least once a year. 		
Increase year-round occupancy by .5% compared to FY 24-25.	Increase year-round occupancy by .5% compared to FY 24-25.		
Educate staff through professional development opportunities.	<ul style="list-style-type: none"> • Belong to Destinations International in order to attend webinars, summits, Annual Convention and more. • At least one staff member 		

	<p>will attend the Montana Governor's Conference on Tourism and the Montana Lodging and Hospitality Association conference.</p> <ul style="list-style-type: none"> • 100% of the full-time staff will attend at least two webinars, summits or conferences/conventions during FY 24-25. 		
Enhance Research.	<ul style="list-style-type: none"> • Complete 2nd year conversion study to better understand visitor experience. • Work with the University of Montana to gather and analyze visitor data. • Complete resident sentiment survey. 		
Update Destination Missoula's downtown walk-in visitor center.	<ul style="list-style-type: none"> • Modernize and digitize visitor center • Work with at least one local artists and maker to have products available for visitors and residents to enjoy and purchase. 		
Work with the Missoula Montana Airport to maintain and educate visitors about our new interactive travel experience wall.	<ul style="list-style-type: none"> • Track data from visitor usage of kiosks and phone line to inform the 2026-2027 DMO Plan strategy. 		
Create Airline Guarantee Coalition.	<ul style="list-style-type: none"> • Collaborate with the Missoula Montana Airport and Missoula Economic Partnership. 		

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Budget Form: Destination Missoula FY26 Budget.xlsx

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DMO Budget:**Destination Missoula**

Allowable Method	Budget	% Budgeted	Amend +/-	Updated Budget	% Budgeted
Lodging Facility USE Tax (LFUT) Budget					
Administration	\$106,963.00	18.78%		\$106,963.00	
Agency Services	\$25,000.00	4.39%		\$25,000.00	
Earned Media/Tourism Sales	\$25,100.00	4.41%		\$25,100.00	
Education/Outreach	\$14,250.00	2.50%		\$14,250.00	
Marketing Resources	\$35,378.00	6.21%		\$35,378.00	
Opportunity Marketing	\$7,106.00	1.25%		\$7,106.00	
Paid Media	\$119,000.00	20.89%		\$119,000.00	2
Product Development	\$16,000.00	2.81%		\$16,000.00	
Visitor Services	\$138,018.00	24.23%		\$138,018.00	2
Website Development (Online, Website, Mobile)	\$48,000.00	8.43%		\$48,000.00	
		0.00%		\$0.00	
		0.00%		\$0.00	
		0.00%		\$0.00	
		0.00%		\$0.00	
		0.00%		\$0.00	
TOTAL LFUT Budget	\$534,815.00	93.89%	\$0.00	\$534,815.00	9

Lodging Facility SALES Tax (LFST) Budget					
Administration	\$6,960.40	1.22%		\$6,960.40	
Paid Media	\$27,841.60	4.89%		\$27,841.60	
		0.00%		\$0.00	
		0.00%		\$0.00	
		0.00%		\$0.00	
		0.00%		\$0.00	
		0.00%		\$0.00	
		0.00%		\$0.00	
		0.00%		\$0.00	
TOTAL LFST Budget	\$34,802.00	6.11%	\$0.00	\$34,802.00	

TOTAL LFUT & LFST BUDGET	\$569,617.00	100.00%	\$0.00	\$569,617.00	100.00%
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LFST Revenue Projection	34,802.00
LFUT Revenue Projection	534,815.00
Funds not spent during previous fiscal year	0.00
LFST Rollover Funds at Commerce	0.00
LFUT Rollover Funds at Commerce	0.00
Allocated Following Audit	0.00
Budget total	569,617.00

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 The Narrative Evaluation report is used to a) provide a written evaluation of the Objectives and Metrics section and b) provide a written summary of how the LFST Funds were spent and the metric(s) achieved.: