

DESTINATION MT DIVISION

REGIONAL ASSISTANCE PROGRAM GUIDELINES

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Alternative accessible formats for this document will be provided upon request. If you need this document in an alternative format, such as large print, Braille, audio tape, or computer diskette, please contact Destination MT at (406) 841-2870, TDD (406) 841-2770, or the Relay Services number, 711.

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I. REGIONAL ASSISTANCE PROGRAM

A. SUMMARY

The 2023 Montana Legislature directed the Montana Department of Commerce ("Department") to establish a Regional Assistance Program ("RAP" or "Program") by enacting Section 1(d) of SB 540. The Program is intended to assist the Regional Nonprofit Tourism Corporations ("Regions") and Convention and Visitor Bureaus ("CVBs") to: (i) build additional capacity; (ii) coordinate with the Department's Destination MT Division ("Division") on tourism strategies; (iii) collectively develop and enhance Rural and Under-visited tourism opportunities, including asset development and collaborative promotion, to increase visitor commerce; and (iv) generate community revenue for the benefit of local economies.

The Regional Assistance Program application, funding guidelines, and other relevant information and resources are available on the Department's Destination MT website at https://brand.mt.gov/Programs/Office-Of-Tourism/Tourism-Grant-Program. Interested entities can also e-mail Division staff at TourismGrants@mt.gov or call staff at (406) 841-2870 regarding any questions they may have about the Regional Assistance Program.

RAP grant applications are made available on a free online platform, which will launch no sooner than March every two years. Contracts will consist of two-year terms.

These application guidelines explain how eligible applicants can apply for a Regional Assistance Program Grant.

B. DEFINITIONS

Convention and Visitor Bureaus or CVBs: Montana law defines this term to mean "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." *See* § 15-65-101(4), MCA.

Key Performance Indicator or KPI: KPIs are the quantifiable indicators of progress toward an intended RAP goal or result, which the Department's Research and Information Services have created for purposes of this Program. These KPIs can be found on the Department's website here: https://brand.mt.gov/Resources.

Regional Nonprofit Tourism Corporation or Region: Montana law defines this term to mean "a nonprofit corporation organized under Montana law and recognized by the TAC as the entity for promoting tourism within one of several regions established by executive order of the governor." *See* § 15-65-101(7), MCA.

Rural: For purposes of the RAP grant, a Rural area is defined as any area that is not "Urban," as defined below.

Tourism Advisory Council or TAC: The council created by Montana law pursuant to § 2-15-1816, MCA. In relevant part, TAC's statutory duty is to oversee distribution of funds to Regional Nonprofit Tourism Corporations for tourism promotion, nonprofit Convention and Visitors Bureaus, and the state-tribal economic development commission established in § **90-1-131,** MCA, on behalf of an Indian tourism region in accordance with Montana law.

Under-visited: The 4% Lodging Facility Use Tax dataset determines if a place is over or Under-visited, based on a 3-year average of a CVB's bed tax collection. If a CVB's bed tax collection is below the simple average of all CVBs' bed tax collections, then it is Under-visited. This designation will be analyzed every year and the Layered Map of Urban and Overvisited Designations will be updated accordingly.

Urban: Urban places are defined as either: 1) a census urban area with a population at or exceeding 30,000 people according to the most recent United States census; or 2) an incorporated city/town within 10 miles of one of those large urban areas. Areas in Montana that meet this definition currently include Billings, Bozeman, Butte, Great Falls, Helena, Kalispell, Missoula, Belgrade, Columbia Falls, East Helena, Laurel, Walkerville, and Whitefish.

C. ELIGIBLE APPLICANTS

Eligible applicants for the Regional Assistance Program include:

- TAC-recognized CVBs with an annual budget below $75,000, as assessed by the most recent TAC-approved marketing plan budget at the time the application cycle opens.

- Regional Nonprofit Tourism Corporations with an annual budget below $500,000, as assessed by the most recent TAC-approved marketing plan budget at the time the application cycle opens.

Additional Eligibility Requirements for all Applicants:

1. Each applicant is limited to one application per two-year funding cycle. An eligible CVB and an eligible Region can apply separately for the same project within the same funding cycle as long as the applications identify their mutual intention to coordinate.

2. Only one RAP contract per applicant can be active at the same time. An applicant is not eligible to reapply if they are a current RAP grantee with a RAP grant contract in effect.

3. Eligible applicants must sign a contract with the Department prior to receiving RAP funds. Contracts will consist of two-year terms. Grantees must submit to the Department a progress report 18 months after contract execution in the form required by the Division, which provides the Division with reporting on KPIs pre-established in the grantee's application and demonstrates how the grantee effectively used RAP funds to further the purpose of the program. The Division will use this progress report to determine a grantee's eligibility to apply for future funding cycles and to evaluate future applications.

D. ELIGIBLE PROJECTS

Eligibility Requirements for All Projects:

To be considered for RAP funding, all eligible applicants must submit an application proposing a project that is in alignment with the Division's strategic plan, the Division's tourism marketing strategy, and/or a regional or state resiliency plan. The Division's strategic plan, marketing strategy and resiliency plans are posted at https://brand.mt.gov/Resources. Each proposal must reference KPI goals and/or any other measurements of success in alignment with metrics actively being tracked by the Division. At 18 months into the grant period, each grantee must provide a progress report to the Division, in the format required by the Division, demonstrating the net impact per KPIs. A final report at the end of the funding cycle will also be required.

Additional Considerations for Eligible Projects:

1. Applications should identify: (i) whether the proposed project is ready to be immediately implemented; and (ii) a timeline of what project activities will occur within the 24 months following the award date. The applicant must demonstrate readiness by including a plan and coinciding budget with the application. Although projects can have multi-year phases, applicants must be able to complete all required deliverables within the two-year grant cycle and final reporting must be submitted to the Division no later than two years from the date of contract execution.

E. FUNDING AVAILABILITY

RAP funding is authorized by Section 1(d) of SB 540, which allocates a percentage of the 4% Lodging Facility Use Tax for this purpose. Annual grants are subject to funding availability.

The Division generally will provide RAP funding to selected grantees as follows:

1. Funding for Years 1 and 2: For both years of the initial two-year grant cycle, the Division will provide grantees an award amount that is equal to the difference between their most recent TAC-approved marketing plan budget at the time the application cycle opens, and:

    a. $75,000, for an eligible Convention and Visitor Bureau
    b. $500,000, for an eligible Tourism Region.

    For example, if a Tourism Region's TAC-approved marketing plan budget were $100,000, they would be eligible to receive up to $400,000 both years of the grant cycle.

2. Funding for Year 3 and beyond: The Division will determine whether a grantee is entitled to continue receiving RAP funds by evaluating their performance during the prior funding cycle. This evaluation will include an assessment of the grantee's performance using KPIs/measurements and will determine whether the grantee's proposals continue to align with the Division's strategic plan, the Division's tourism marketing strategy, and/or a regional or state resiliency plan. In years 3 and beyond, grantees are not guaranteed to receive the full amount of RAP funding they received during the initial two-year award period. Additionally, a grantee's RAP award for years 3 and beyond may not exceed the RAP funding they received during years 1 and 2.

3. Grantees will receive 25% of their total award in one lump sum upon contract execution. The remaining 75% of funds will be issued to grantees on a reimbursement basis. Accurate and complete invoices and receipts for expenses are required for reimbursement.

F. HOW TO APPLY

The Regional Assistance Program accepts applications annually via an online application portal. Registration with the State's secure online account access, Okta, is required. Visit okta.loginmt.com or refer to instructions provided in Appendix A.

1. The Division uses an online, cloud-based, application manager. Apply through the appropriate category link on: https://brand.mt.gov/Programs/Office-Of-Tourism/Tourism-Grant-Program. Links are only available and accessible during the call for submissions.

2. The online RAP application must be received by midnight MST of the application close date.

G. APPLICATION REVIEW PROCESS

1. All applications received through the online platform are initially reviewed for completeness. All complete applications received by midnight MST on the application close date will be reviewed and evaluated by the review committee.

2. The review committee will review completed applications by applying the review criteria identified below before making recommendations to the Department's Director.

3. During the review, staff may contact an applicant to discuss any concerns or questions, or to request additional information or documentation. Staff may require additional information from the applicant to clarify information presented in the application; however, the applicant may only submit additional information after the initial application if specifically requested by Destination MT staff.

H. APPLICATION REVIEW CRITERIA

The RAP review committee will use the following criteria to evaluate applications for RAP funding:

1. Project Details and anticipated performance per KPIs. An applicant's performance metrics must align with the Division's strategic plan and/or the Division's tourism marketing plan, be demonstrable, and be achievable. Project details must demonstrate collaboration and ability to enhance Rural and/or Under-visited tourism opportunities, including asset development and collaborative promotion, to increase visitor commerce and generate community revenue for the benefit of local economies.

2. Detail on connection to regional or state resiliency plans, the Division's strategic plan, and/or the State's tourism marketing plan. All proposals must show specific alignment with at least one of these strategic initiatives.

3. Budget Detail: Applicants must submit a detailed proposed budget for the two-year award period delineating where and how RAP funds will be spent, including a breakdown of all administrative and personnel costs/budgets.

4. Work Plan: Applicants must provide a detailed staffing plan for any employee, or contracted service, supported with these funds, including job description and percentage of time dedicated to the proposed project.

5. Timeline Details: Applicants must provide a detailed timeline for all components and benchmarks for the project they will complete during the two-year grant cycle, from grant award through final reporting.

Special Consideration and Preference:

1. Up to 20% of the grant award amount per cycle can be used for administrative purposes, including personnel specific to the project. This can be applied to existing staff, new staff positions, and/or contracted services. Allowable administrative expenses must align with allowable administrative expenses outlined in the Regulations and Procedures for Region/CVB Tourism Organization use of Bed Tax Revenue, published January 2022, located here as well as any updates: https://brand.mt.gov/_shared/Regions-CVBs/docs/Resource-Page/January-2022-Rules-and-Procedures.pdf.

2. CVBs that apply for RAP funding must show projected measurable economic impact to the city, consolidated city-county, resort area, or resort area district in which the CVB is located. Tourism Regions that apply for RAP funding must show projected measurable economic impact within Rural and/or Under-visited area(s) of the region.

   To view a map of current Rural and Under-visited areas, please visit https://brand.mt.gov/Programs/Office-Of-Tourism/Tourism-Grant-Program.

I. AWARD PROCESS AND CONTRACT

The RAP review committee will forward its recommendations to the Department's Director for final review and funding approval. All applicants will be notified of funding decisions by e-mail. Once applicants have been notified of funding decisions, those approved for funding must complete the contracting process initiated by the Department to receive RAP funds.

J. PROGRAM CONTACT

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