

# Montana Department of Commerce

Agency Budget Presentation  
February 6 & 7, 2025



# Mission, Vision and Values

## **Mission**

The Department of Commerce effectively and efficiently delivers programs and resources through technical assistance, funding/investments, training/consulting, promotion, research, reporting and outreach to provide affordable housing and create sustainable business and economic growth to enhance community vitality to benefit the citizens of Montana.

## **Vision**

The vision of the Department of Commerce is to be the recognized leader in realizing Montana's full potential by efficiently growing sustainable economies and vibrant communities.



# Mission, Vision and Values

**Excellence:** We are committed to delivering superior service, valuing respectful communication, creative solutions and responsible resource management.

**Integrity:** Our foundation is built on trust, achieved by aligning our actions with our words and engaging with transparency, consistency and accountability.

**Engagement:** We prioritize genuine, collaborative relationships, uniting within our department and with partners and communities to realize shared goals.

**Innovation:** By embracing change and learning, we cultivate resilient, empowered teams that generate impactful results.

**Love for Montana:** We celebrate and serve Montanans. We embody and embrace respect, self-reliance, independence, industry and authenticity and represent the Montana way of life in our work.



# 2025 Biennium Goals

1. Improve customer service, accountability and efficiencies.
2. Implement program process improvements.
3. Business attraction and economic development.

Full OGSM available in printed binder.

# 2027 Biennium Goals

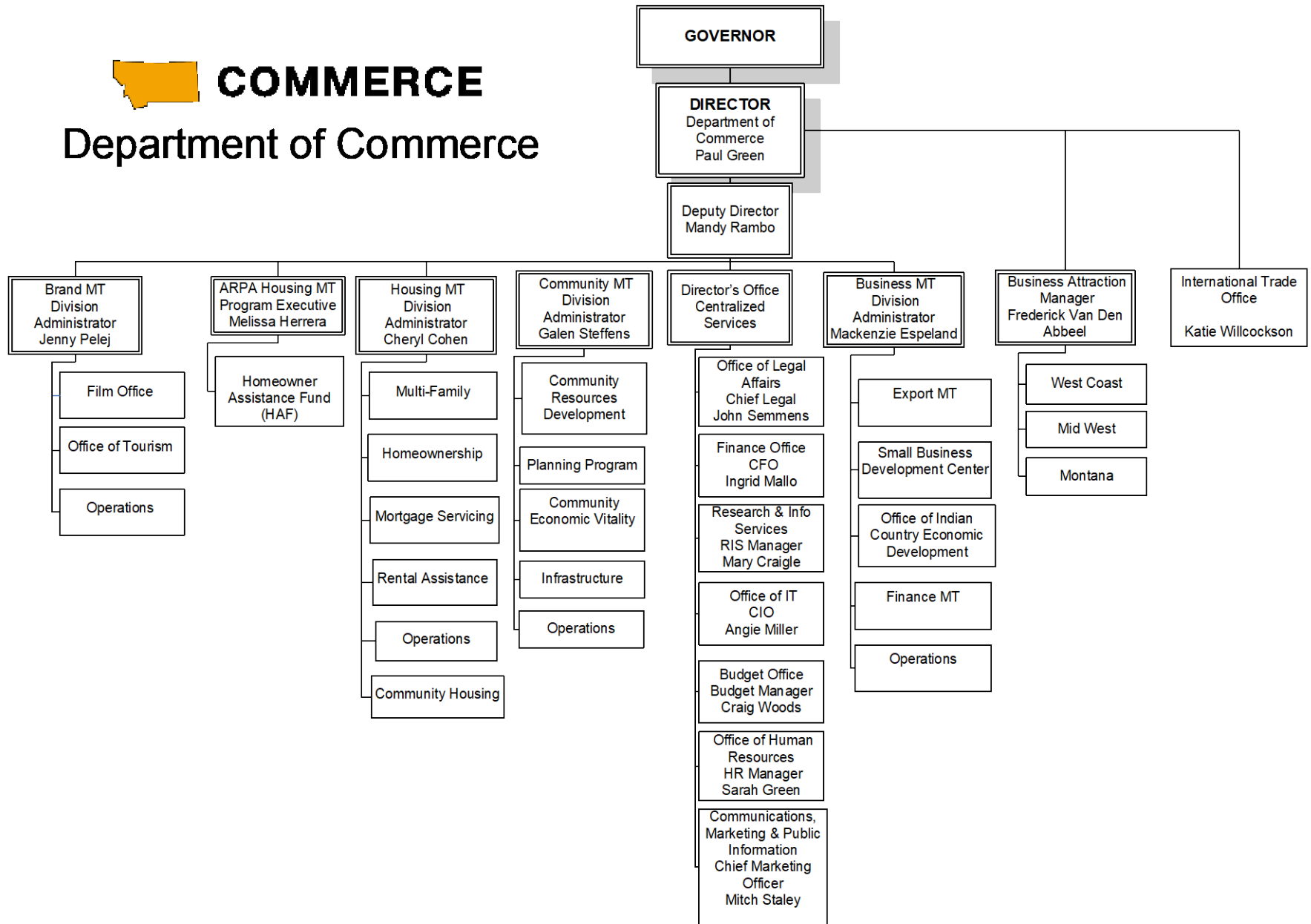
1. Continue to create more high-paying jobs.
2. Improve customer service, accountability and efficiency.
3. Bring the State of Montana's technology into the 21<sup>st</sup> century.

Full OGSM available in printed binder.

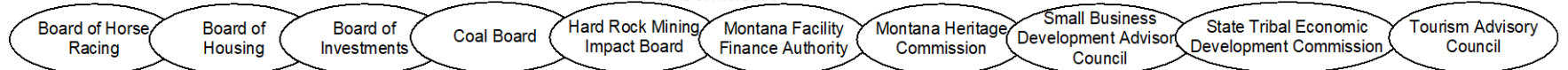


# COMMERCE

## Department of Commerce



### Boards Attached to the Department of Commerce



Divisions	Business Focus
Brand MT	Montana tourism marketing, tourism support, film production promotion and assistance
Business Attraction	New business attraction and expansion promotion outside Montana (national/international)
Business MT	Business growth and development of Montana-based companies, including export, Indian Country, plus technical assistance through SBDC and staff
Community MT	Supports development of safe, efficient, and quality public facilities through planning, technical assistance and grants for water/sewer, streets, bridges, historic properties



Divisions	Business Focus
Housing MT	Supporting access to safe, affordable and sustainable homes for Montanans whose housing needs are not met by the market through Federal and State funded programs
ARPA Housing	ARPA funded housing programs to support those who have experienced financial hardships directly, indirectly, or during the COVID-19 pandemic and are at risk of housing instability
Director's Office / International Trade Office	Provides agency and attached board leadership and support services, including expertise for Legal, HR, Information + Research, Finance, IT, Communications and Marketing



# Attached Boards and Commissions

<b>Board of Horse Racing</b>  Ensure the integrity of the state's horse racing industry, both live and simulcast, through customer-oriented regulation and monitoring of compliance with the Montana State Board of Horse Racing Laws and Rules.	<b>Board of Housing</b>  Support the development of safe, accessible and affordable homes for individuals and families in Montana, by issuing tax-exempt bonds, allocating federal Low-Income Housing Tax Credits, and administering federal housing programs.	<b>Board of Investments</b>  Provide prudent investment management of state and local government funds.	<b>Montana Facility Finance Authority</b>  Provide not-for-profit health care providers with access to low-cost capital, tax-exempt bond financing, low-interest loans and limited planning grants for value-added manufacturers with projects of less than \$10 million, C-PACE programs.	<b>Coal Board</b>  Assist local governmental units providing public services impacted by decline/growth of large-scale coal mining and coal-energy complexes by grants to counties, communities, school districts, tribal governments or other government units.
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# Attached Boards and Commissions

<b>Tourism Advisory Council</b>  Oversees funds sent to regional nonprofit tourism entities/ CVBs for tourism promotion, direct the university system regarding Montana travel research; advises Commerce, modifies the established tourism regions as needed, advises governor on industry-related matters.	<b>Montana Heritage Commission</b>  Preserves and manages historic resources in Virginia City, Nevada City and Reeder's Alley and promotes the appreciation of history through quality visitor experiences.	<b>State Tribal Economic Development Commission</b>  Government-to-government relationship to expand economic opportunities for each of the eight tribal nations of Montana.	<b>Small Business Development Advisory Council</b>  Acts in an advisory capacity by furnishing advice, gathering information, making recommendations to leverage support for the SBDC Network, and to provide advice to the SBDC State Director.	<b>Hard Rock Mining Impact Board</b>  Administers the Hard Rock Mining Impact Act and the companion Property Tax Base Sharing Act to mitigate local government services, facility and fiscal impacts from new large-scale hard rock mineral developments.
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## For more information:

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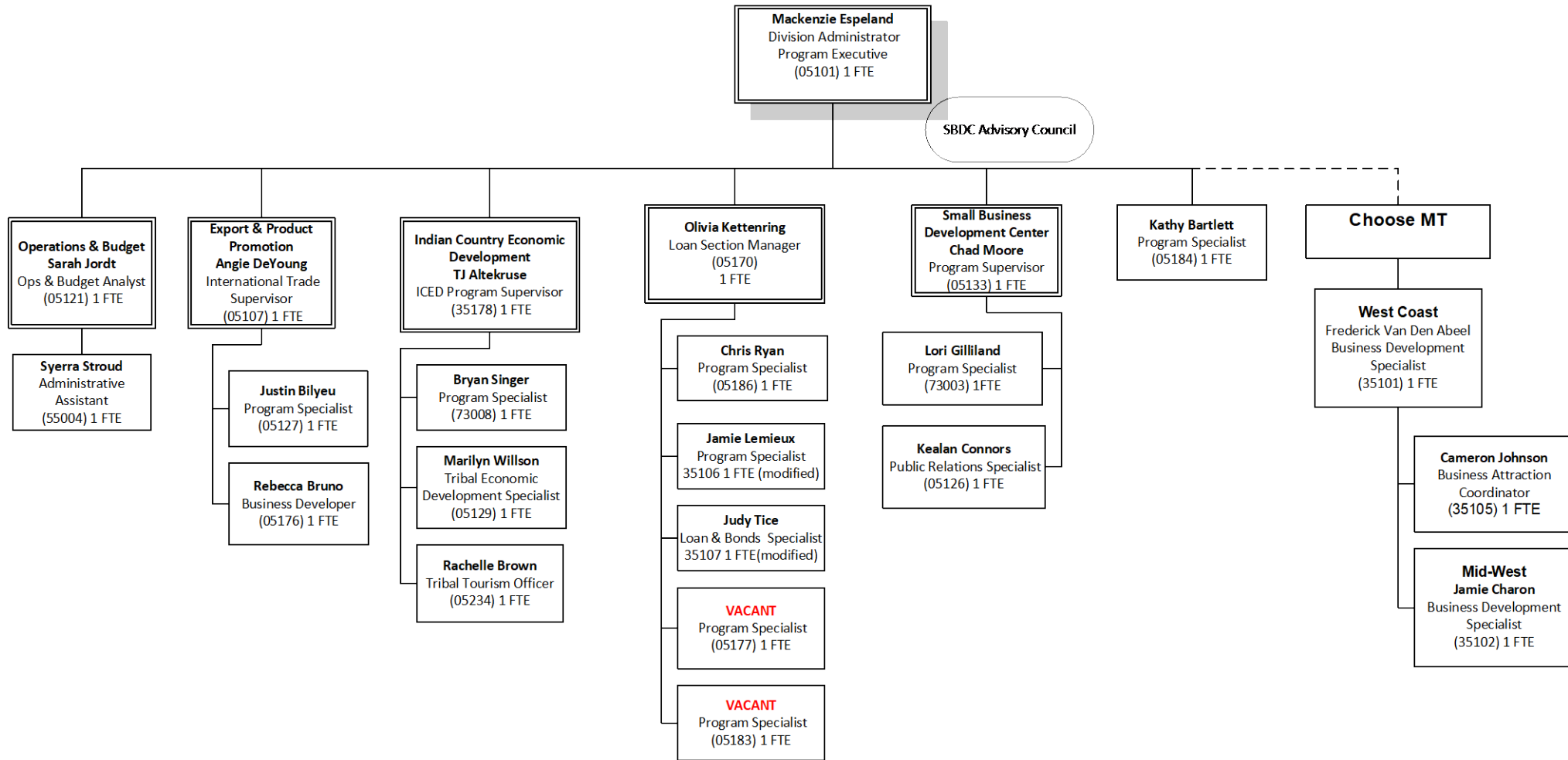
# Business MT Division - 51

Business MT supports innovative industries to grow businesses across the state, strengthening Montana's economy and creating job opportunities for hard-working Montanans.



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## Business MT



# Export Team

Provides international technical and marketing expertise for Montana businesses.

FY 24 Accomplishments:

- Three staff support over 2,900 manufacturers.
- Completed 513 business consultations.
- Coordinated 53 businesses at trade shows and missions.
- Granted \$800,000 to 136 companies.
  - Resulted in sales of \$285M and supported 497 jobs.



**\$2 in federal funds leveraged for every \$1 in state funds.**



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# Microbusiness Finance Program

**Program certifies Microbusiness Development Corporations located across the state. Funds are managed at the local level and re-lent to qualified microbusinesses.**

- Provides loans of up to \$100,000 to microbusinesses and;
- Training and technical assistance to micro businesses.
- 100% of the \$4.7 million revolving loan fund is loaned out to MBDCs who continually relend.
- The program has not lost any of its principal investment, is self-funded, and receives no general fund appropriations.



# State Small Business Credit Initiative

Loan Participation Program that assists Montana businesses that need additional borrowings to stabilize, pivot, expand, re-start, or enter the market. The program is structured to participate directly in a lender loan at a rate of 50/50 federal SSBCI and private dollars.

- 137 Loans completed
  - \$54.5 million loaned in FY 23/24
  - \$179.6 million total leveraged
- 922 Jobs Created in FY23/24
- 711 Jobs Retained in FY23/24

**\$3.30 leveraged for every \$1 Federal SSBCI funds**



# Distressed Wood Products Revolving Loan Fund

Provides direct loans to distressed businesses in the wood products industry.

Jobs Created in FY23/24: 67

Jobs Retained in FY23/24: 412

\$3.2 million loaned in FY 23/24

\$13.2 million total leveraged

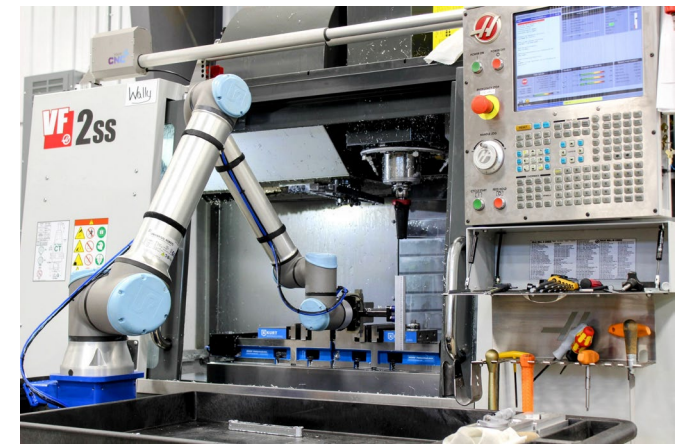
**\$4.13 leveraged for every \$1 RLF funds**



# Automation Loan Program

Loan Participation Program to assist Montana manufacturers who are seeking to automate or modernize their existing operations and enabling the upskilling of their current workforce. Program provides up to 50% of the equipment purchase price with a maximum loan amount of \$500,000.

- Fully funded through Federal ARPA dollars
- 36 loans completed in FY23/FY24
- Amount Federal funds obligated: \$7.01 million
- Leveraged Funds: \$7.4 million
- **\$1.05 leveraged for every \$1 Federal ARPA funds**



*TKI Equipment, Photo by Olivia Kettenring*



# Montana Small Business Innovation Research/Small Business Technology Transfe

Assists technology-based Montana companies by providing additional funding that can be used for technology development or other uses during the time that the company is working on a Small Business Innovation Research or Small Business Technology Transfer project with a federal agency.

- Grants of up to \$30,000 are available on a yearly basis.
- FY 23/24 Projects funded: 12
- FY 23/24 Sample of Types of Projects:
  - Retinoid acid metabolic pathways to treat noise-induced hearing loss with DPHHS National Institute on Deafness
  - Tumor Antigen Glioblastoma with National Cancer Institute

# Big Sky Economic Development Program- MCA 90-1-201 through 205

## **Big Sky Economic Development Revolving Loan Fund Grant Program**

Creates new or supports existing revolving loan fund programs that help businesses in local economies across Montana.

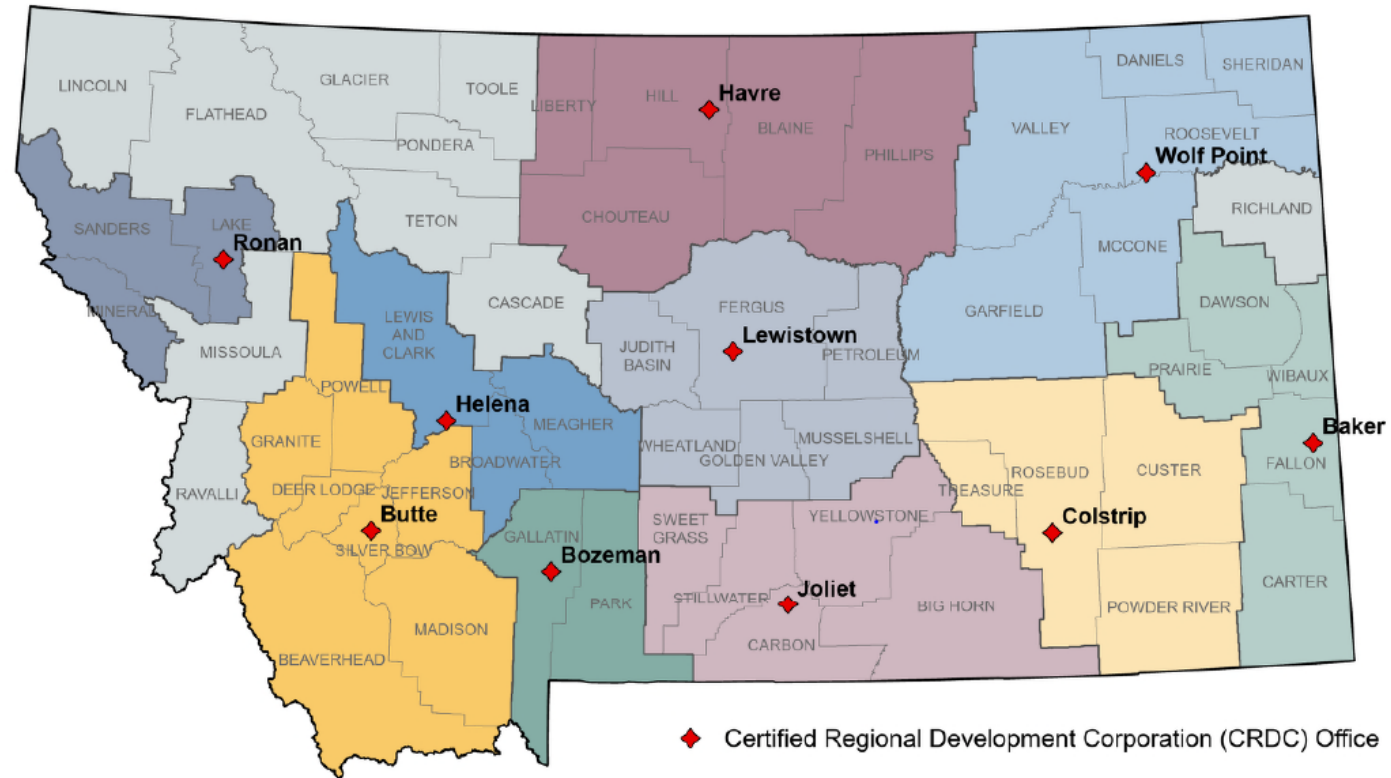
- \$8 million awarded to 16 local economic development organizations.
- Types of RLF's created: Loan funds for Value-Added Agriculture businesses, small businesses, Montana entrepreneurs, food manufacturing, bottling plants, meat processors, and capital for disaster impacted areas.

## **Opportunities for Rural Economies Programs (ORE)**

- ORE Loan Participation - \$7,500,000 in funding (Max Loan \$2,000,000)
- ORE Economic Development Planning Grant - \$500,000 in funding (Max Award \$40,000)



# Certified Regional Development Corporation

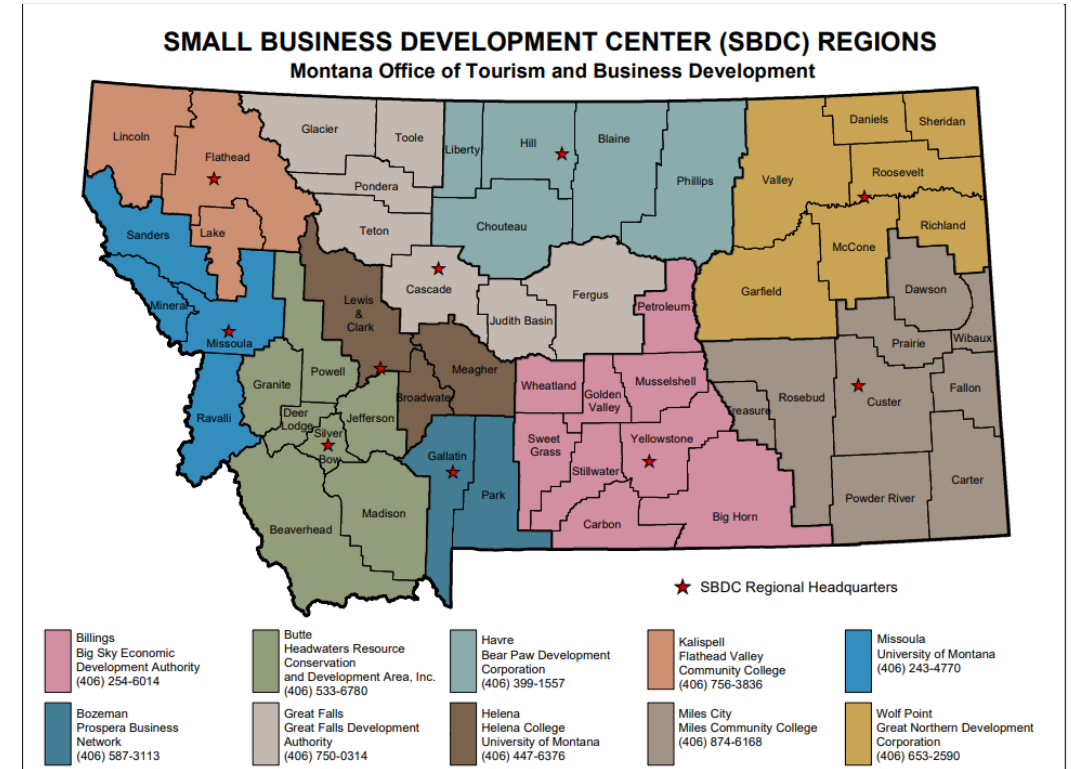


Bear Paw Development Corporation Havre - 406-265-9226	Great Northern Development Corporation Wolf Point - 406-853-2590	Montana Business Assistance Connection, Inc. Helena - 406-447-1510	Southeastern MT Development Corporation Colstrip - 406-748-2990
Beartooth Resource Conservation & Development Area, Inc. Joliet - 406-962-3914	Headwaters Resource Conservation & Development Area, Inc. Butte - 406-723-4349	Prospera Business Network Bozeman - 406-587-3113	Locally Managed
Eastern Plains Economic Development Corporation Baker - 406-853-6471	Lake County Community Development Corporation (dba Mission West Community Development Partners) Ronan - 406-676-5901	Snowy Mountain Development Corporation Lewistown - 406-535-2591	

# Small Business Development Centers



	SFY 2023 – 2024
Total clients counseled	3,004
New clients counseled	1,903
New business starts	168
Training events	145
Training attendees	1,550
Capital Infusion (loans, grants, etc. received by clients with assistance provided by the SBDC, all amounts received client attribution)	\$53,255,981.02
Total individuals served (received training and counseling)	4,181



**\$1** in State funds leverages **\$3** in Federal and Private



# Indian Country Economic Development

## **OICED Services:**

- Technical assistance and financial resources to tribal businesses.
- Enhances the overall economies of tribal communities in Montana.
- Delivering business skills training to rapidly growing number of Native American entrepreneurs.
- Assist tribal businesses access to capital.
- Provides administrative support for the State Tribal Economic Development Commission



# Indian Equity Fund

Grant program to assist Native American owned start-ups or expanding businesses.

- FY 23/24 Projects funded: 51
- Grants awarded: \$640,000
- Leveraged Funds: \$733,700
- 122 applications currently under review FY25

**\$1.15 leveraged for every \$1 in funding**



# Tribal Business Development Grant

Funding for shovel-ready projects that will provide a measurable beneficial economic impact for the community. Projects that create short- and long-term jobs in tribal for-profit businesses and/or a measurable increase in revenue for tribal businesses.

- FY 23/24 Projects funded: 4
- Grants \$ awarded: \$480,000
- Leveraged Funds: \$2.7m



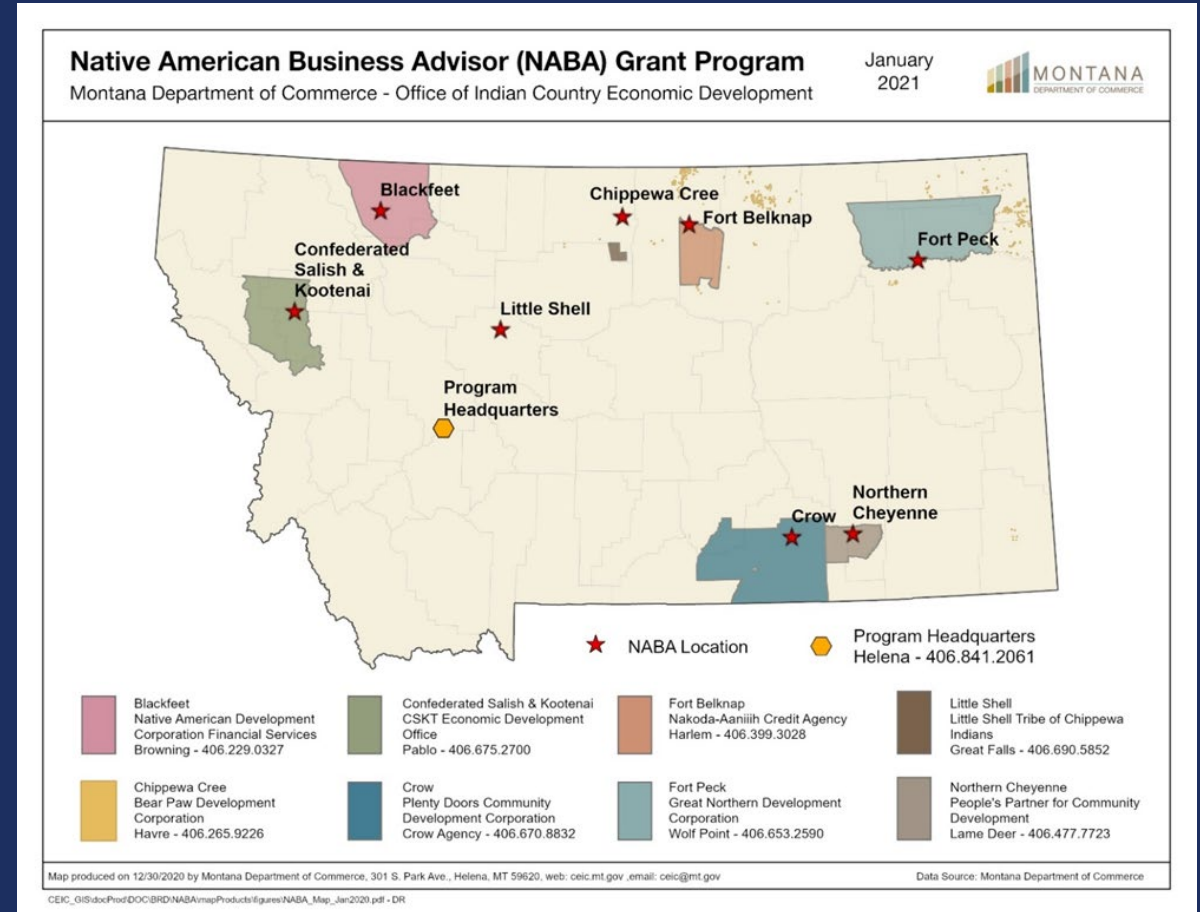
**\$5.63 leveraged for every \$1 in funding**



# Native American Business Advisors

Provides technical assistance, training, business counseling, commercial loan application support, and credit education to Native American businesses.

- Financial literacy training events held: 84
- Industry-based workshops held (eg. Agriculture, government contracting): 21



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# Indian Country Tourism

## Program Activities-FY23/24

Elevate brand, expand opportunities, inspire visitation

Sponsored 6 Pow Wows-**4100 Attendees**

5 Tribal Tourism Grant Projects totaling  
**\$208,957**

Production Assistant Trainings-**29 Graduated**  
**(51 Upcoming)**



# Native American Collateral Support Program

Provides access to capital and creates partnerships with lenders to make loans to Native American owned businesses. The program has a revolving balance as funds continue to be loaned and repaid.

- FY24 loans supported: 4
- FY24 New Full Time Employees: 13
- FY24 New Part Time Employees: 1

\$350,390.24 amount in NACS state dollars enabled \$1,445,390.24 amount in leveraged funds.

**\$4.13 in leveraged dollars for every \$1 in state dollars.** These dollars are continually revolved, and the program does not receive any additional or outside funding.



# Montana Manufacturing Extension Center

MMEC helps manufacturers assess and improve their manufacturing operations, providing trainings, workforce development, and leveraging research and technological developments to keep manufacturing competitive in the state.

- FY24-487 Jobs Created/Retained
  - Generating approximately \$23.9 m in wages and \$1.18m in Montana income tax revenue,.
- FY24-\$13m in cost savings for MT Manufacturers

Every \$1 in state funding generates \$5.99 in return



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# Business Attraction

The Business Attraction team helps to recruit businesses to Montana for expansions and/or relocations.

- More than 15 businesses recruited to Montana since July 1, 2023.
- Work with local Economic Development Organizations, local government leadership, local business owners and more to ensure the right fit for both the business and the community



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# Trade Offices & Diplomacy

Commerce's Chief Office of Diplomacy manages the Taiwan and Japan Trade Offices, manages sister-state relationships in Japan, Taiwan and China and handles diplomatic relationships and meetings for Commerce, the Governor's Office and other Executive Branch agencies and helps to foster import/export relationships in collaboration with the Export team at Commerce.

- Provided staffing and support for more than 25 diplomatic visits
- Managed Governor's trade mission to Japan and Commerce Director trade mission to Japan and Taiwan



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## For more information:

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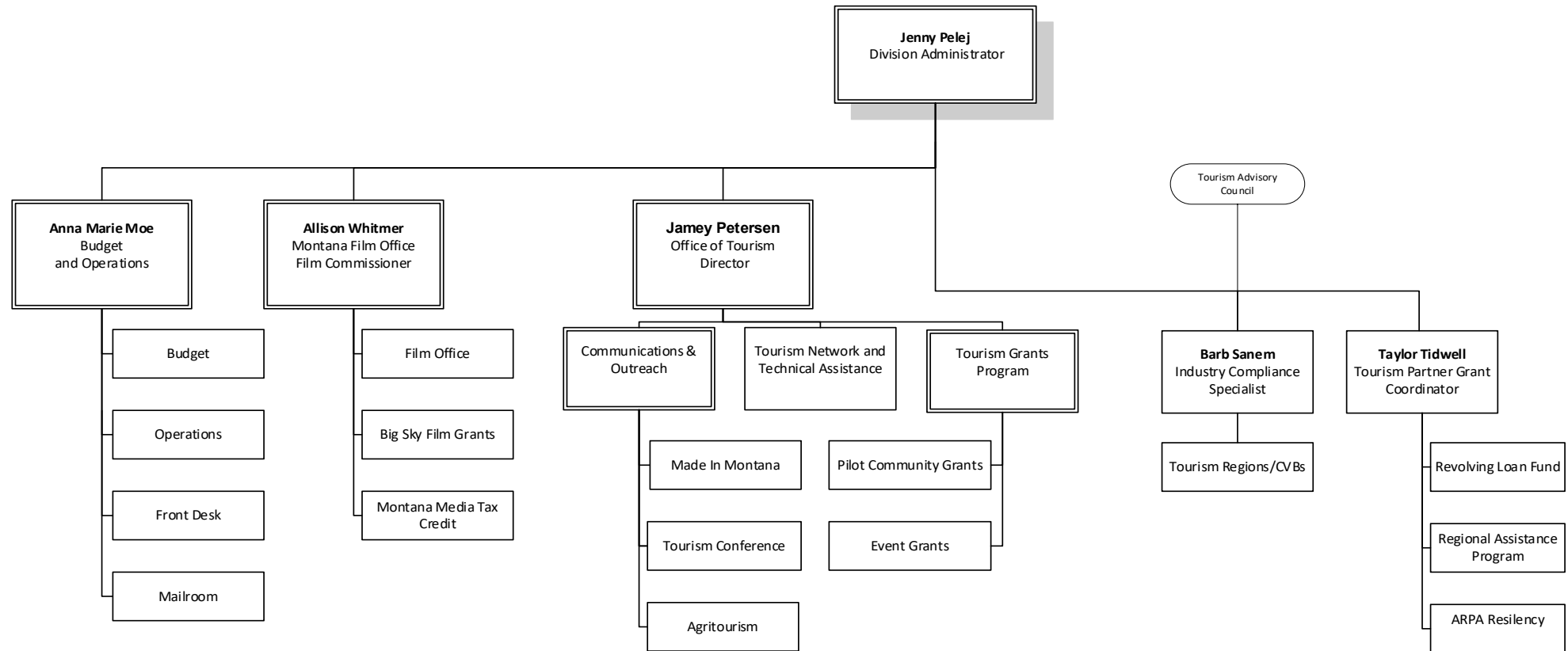


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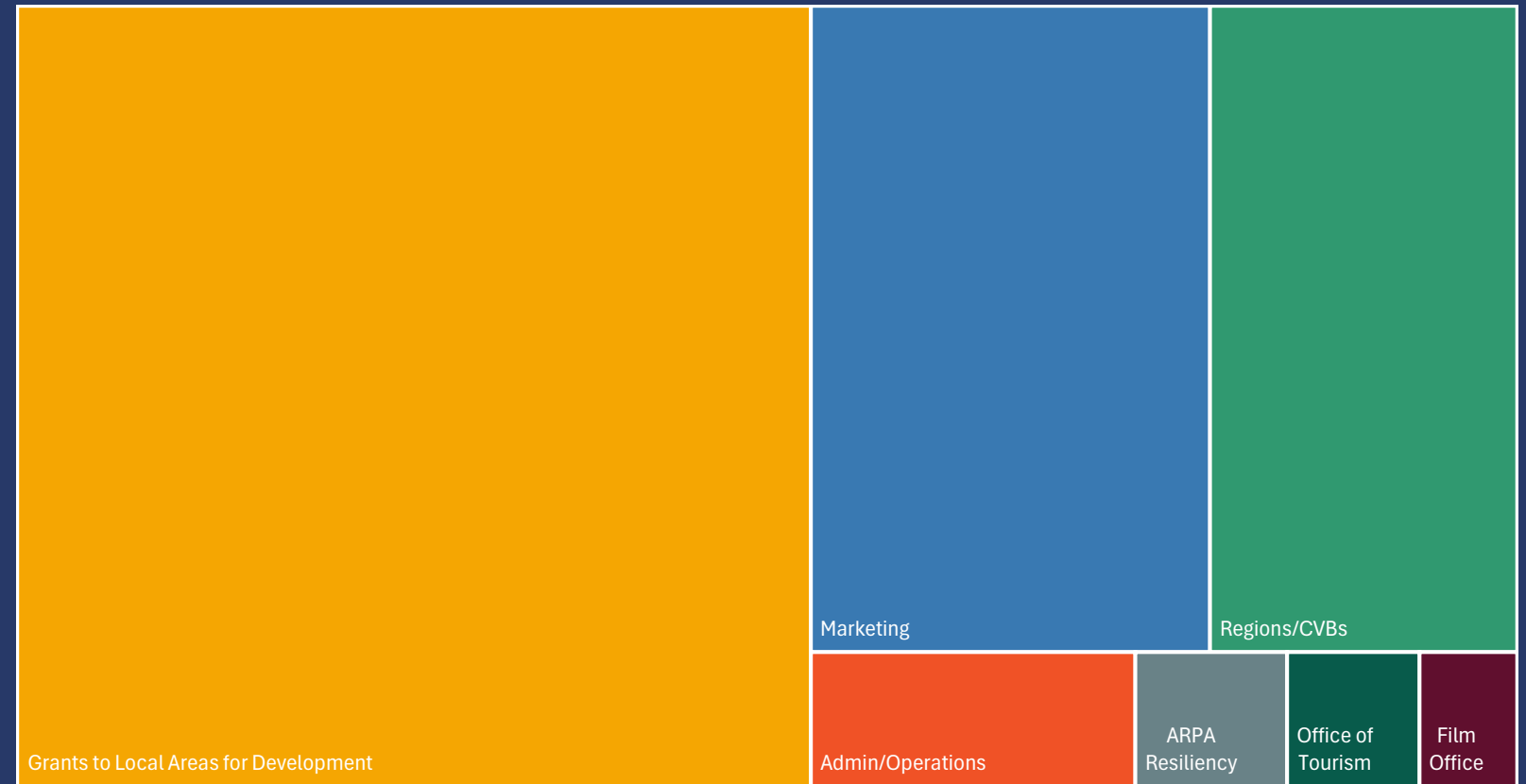
# Brand MT Division - 52

The marketing, communications, film and tourism programs are all part of a versatile and cohesive Brand MT team that works to sustain and grow Montana's economy. The programs develop and use communications, advertising, development and promotional campaigns to showcase Montana and create awareness about the state as a place to visit and do business. Through data-driven strategies and grant programs, the team aims to preserve and promote the genuine character of Montana and partners to achieve a sustainable economic future for all.



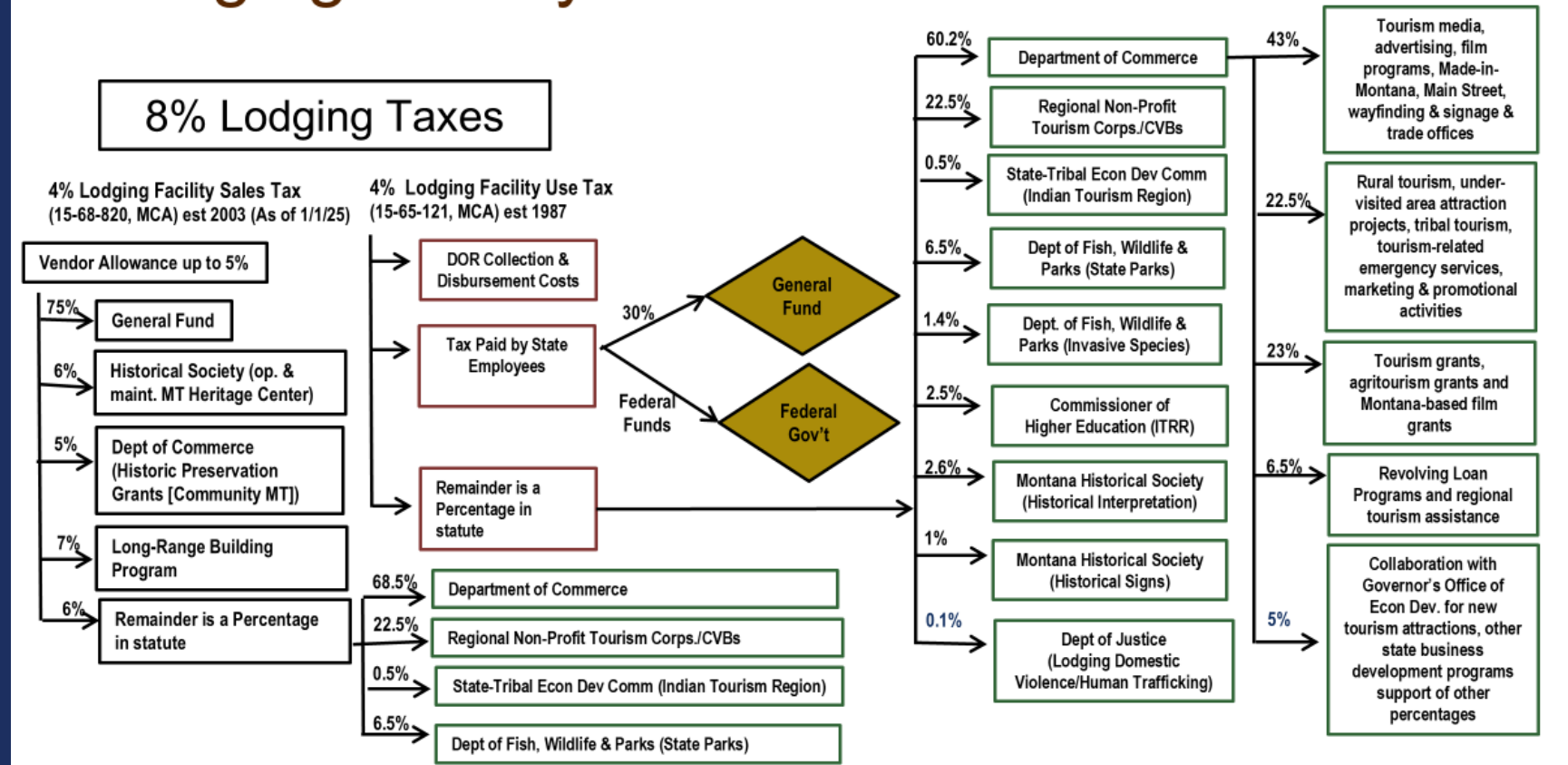


# Brand MT Priority Areas



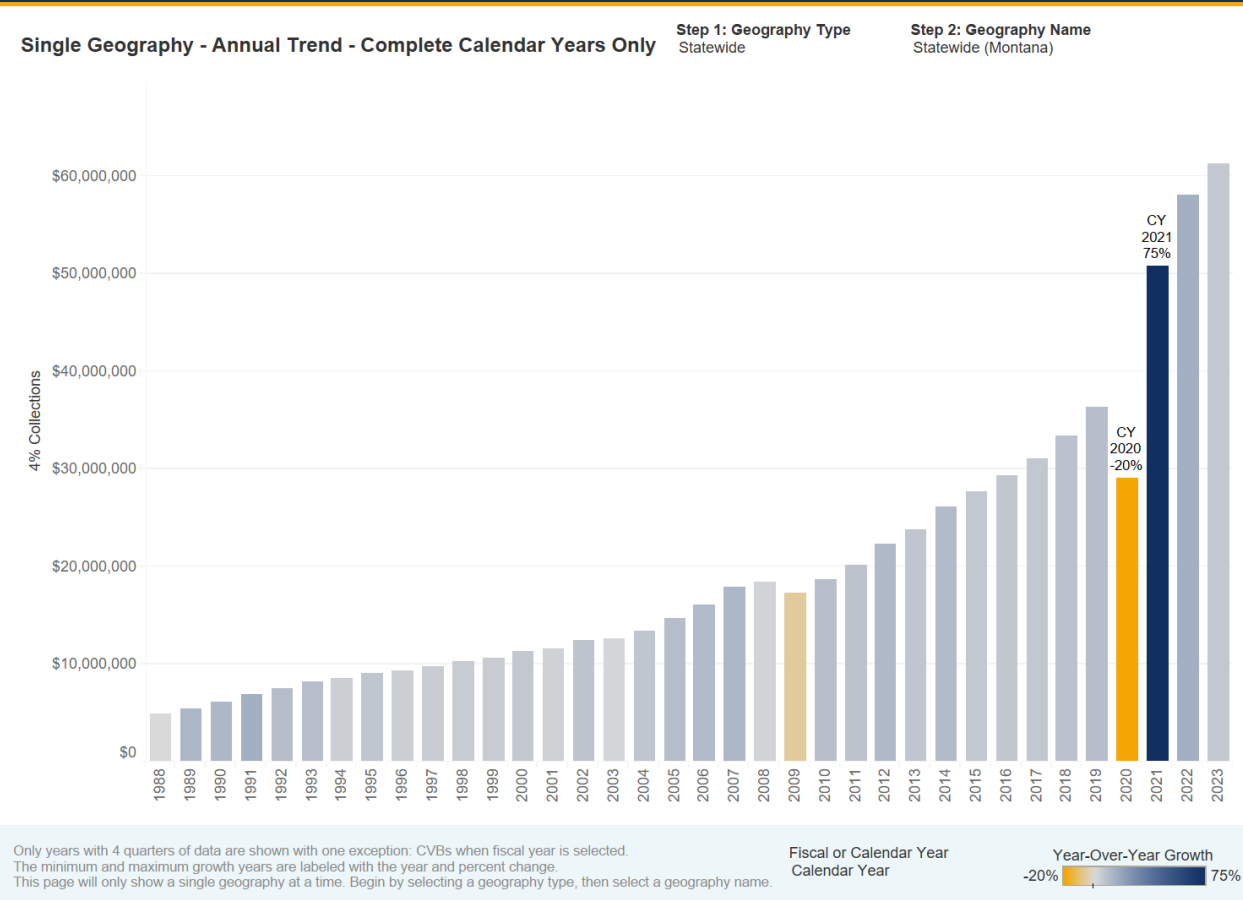
# Funding – Less than 1% HB2

## Lodging Facility Taxes and Their Distribution

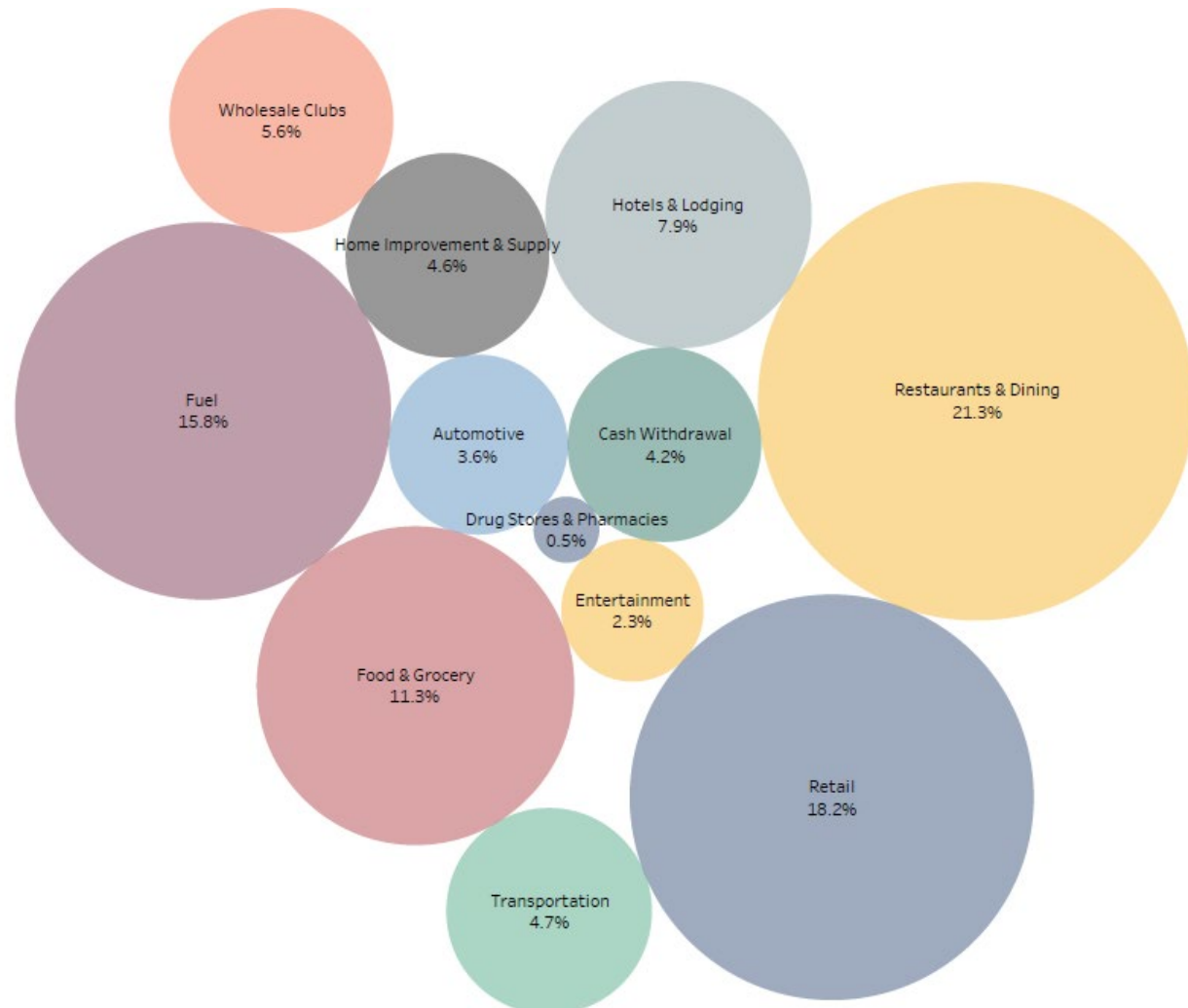


# Projection-based budgeting

**Montana 4% Lodging Facility Use Tax Collections**  
 Montana Code Annotated 15-65-101  
 Last Updated: 10/30/2024



# Visa Spend by Category



# ITRR's Interactive Data: Nonresident Visitation Report

## Total Nonresident Visitors

Year(s) displayed: 2015, 2016, 2017 and 5 more;  
Quarter(s) displayed: All; Month(s) displayed: All



Bar Graph



Area Chart



Table



**12,527,000** visitors to Montana in 2023 .  
0.8% ▲ increase from 2022 .

Download PDF



Choose Total Groups or Number of Visitors

Nonresident Visitors

Switch Date View

- Yearly Total
- Quarter On Quarter
- Quarter Over Quarter
- Month On Month
- Month Over Month

Select Years

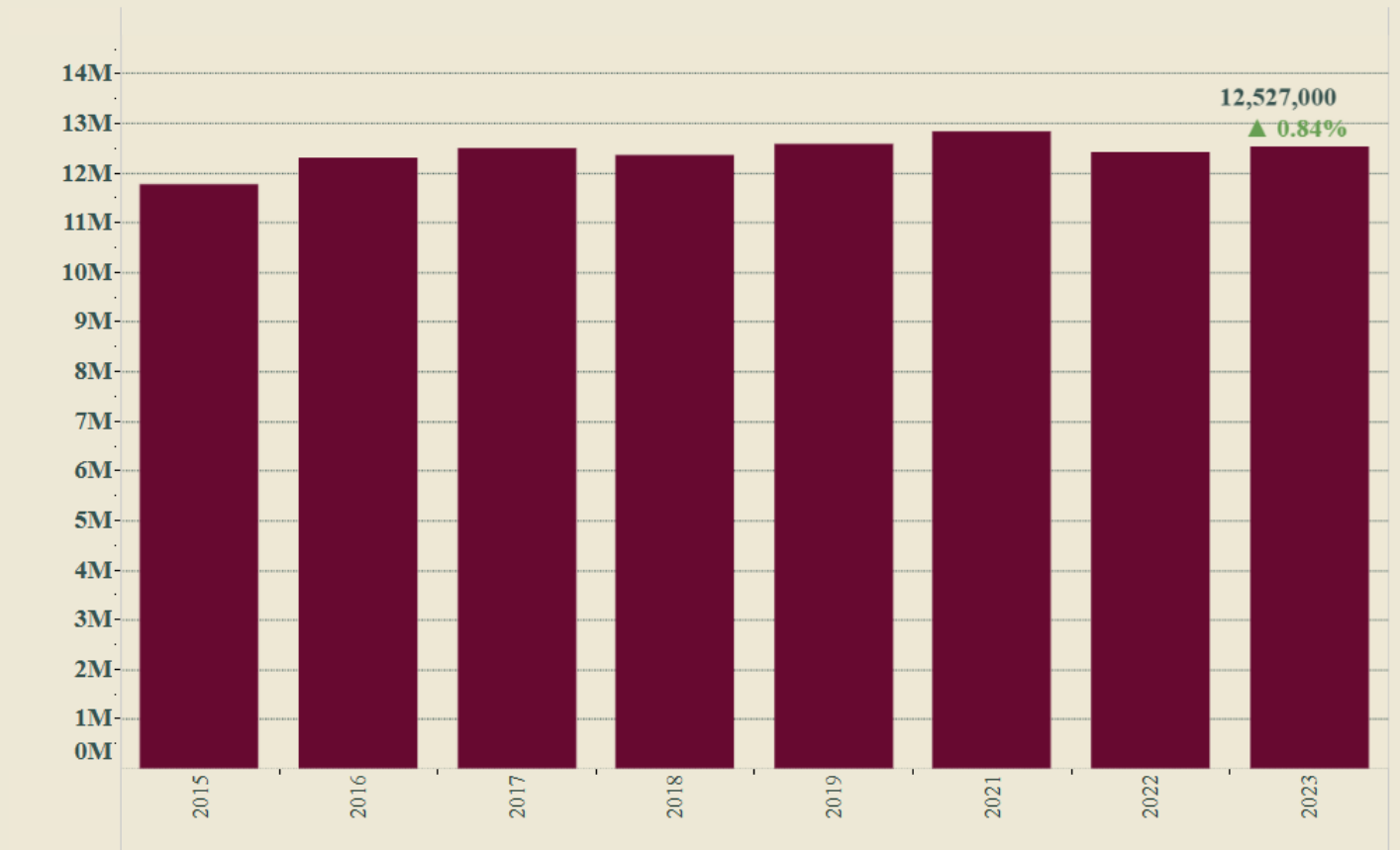
(Multiple values)

Select Months

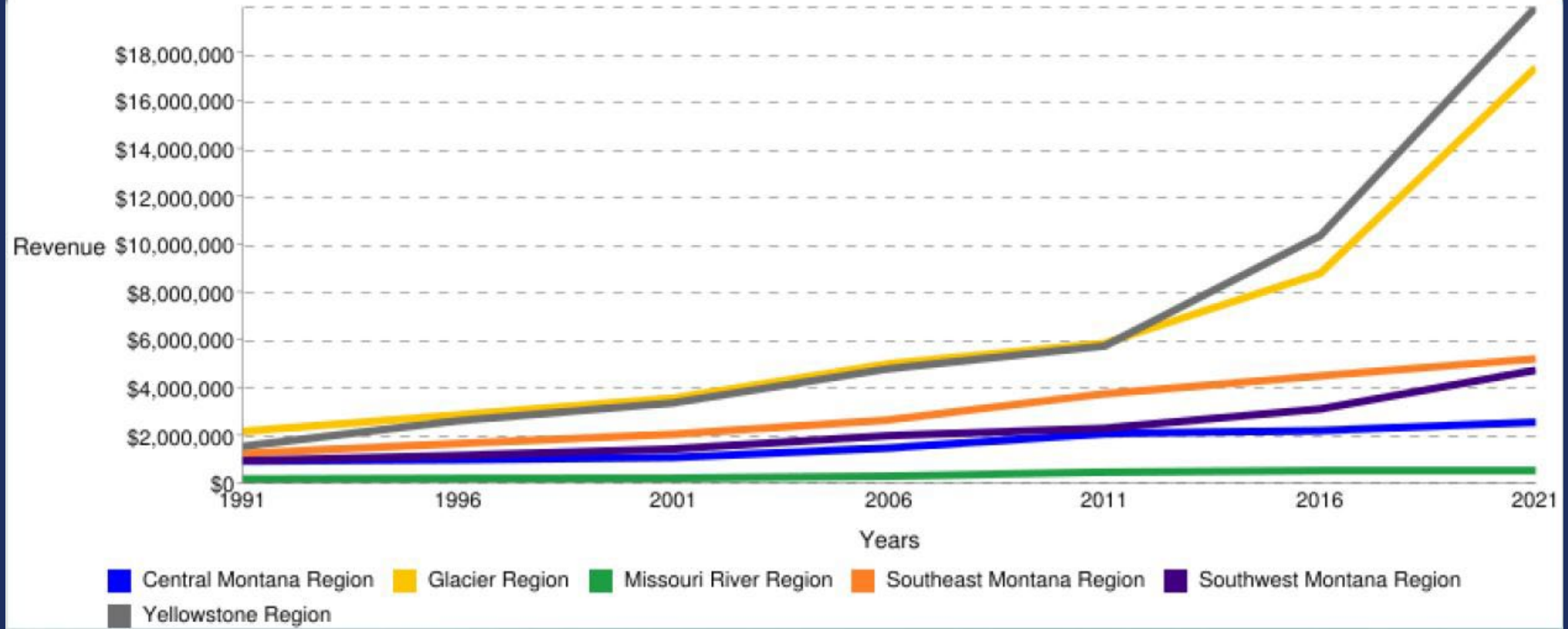
(All)

Select Quarters

(All)



4% Bed Tax Revenue by Region Listed by Years



# SB 540

- 43% for tourism media, advertising film programs, Made in Montana promotions and Main Street programs, wayfinding and signage and support to trade offices;
- 22.5% for rural tourism, under-visited area attraction projects and tribal tourism, including infrastructure, tourism-related emergency services, marketing and promotional activities;
- 23% for tourism grants, including agritourism grants and Montana-based film grants;
- 6.5% for revolving loan programs and regional tourism assistance;
- 5% to use in collaboration with the Office of Economic Development established in 2-15-218 for new tourism attractions, other state business development programs and support for the activities in subsections (1)(a) through (1)(d) of this section.



# Rural and Under-Visited

## Rural

A rural area is defined as any area that is not "urban," as defined below.

## Urban

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 include Billings, Bozeman, Butte, Great Falls, Helena, Kalispell, Missoula, Belgrade, Columbia Falls, East Helena, Laurel, Walkerville and Whitefish.

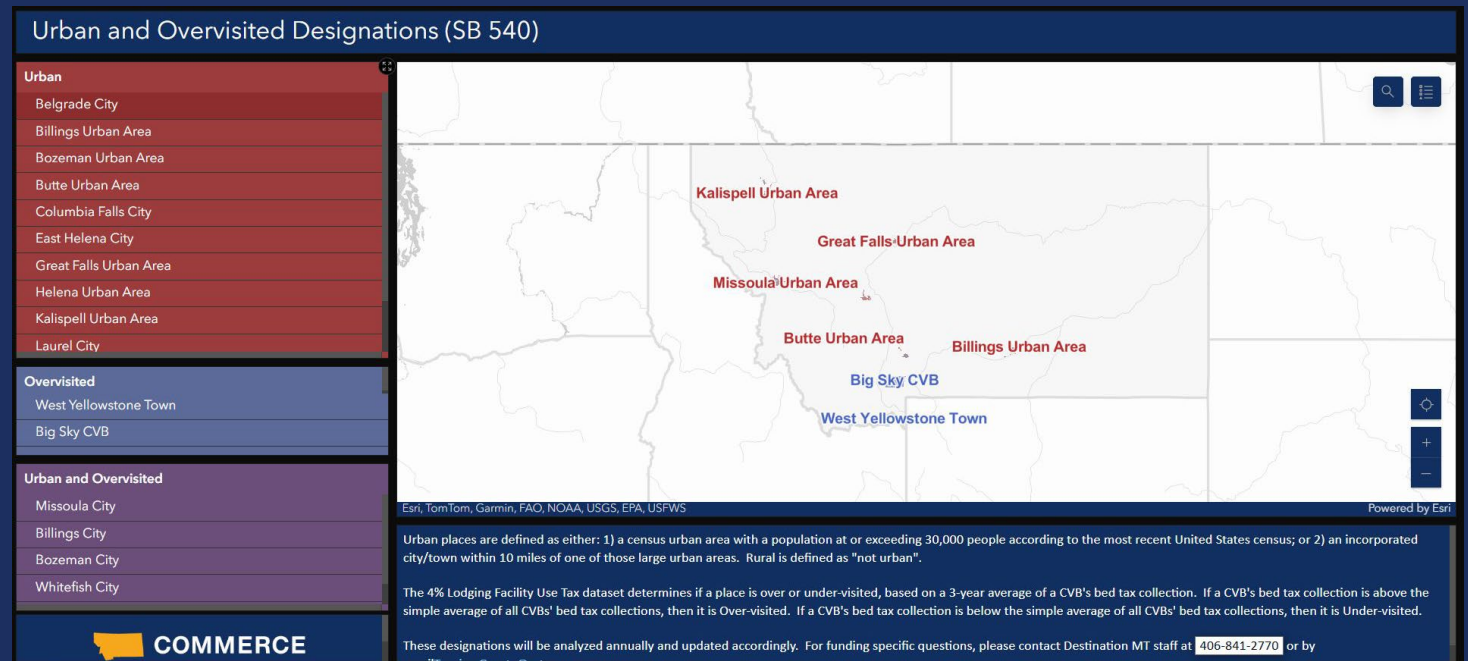
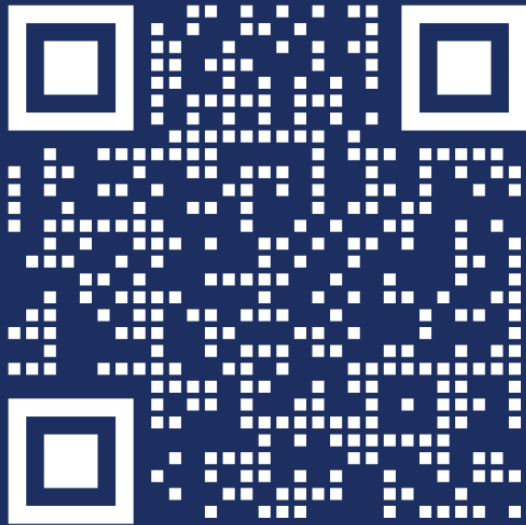
## Under-visited

The 4% Lodging Facility Use Tax dataset determines if a place is over or under-visited, based on a three-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.



# Urban and Overvisited Designations (SB 540)

View this map by scanning the QR code below:



# Pilot Community Tourism Grant

The purpose of the PCTG is to elevate communities across the state, increase their economic vibrancy by improving their appeal as visitor destinations and improve their resilience as a destination by enhancing and diversifying tourism-related assets and infrastructure.

Open:

Round 1: March 1 - April 30, 2024

Round 2: Nov. 1 – Dec. 31, 2024

Awarded: Seven communities; one per region, \$19.25 million over five years.

Each community receives \$2.75 million over five years.

- **Central Montana Region:** Havre Tourism Enhancement Project
- **Glacier Country Region:** Building a Thriving Rural Region through Placemaking, Downtown Revitalization and Strategic Tourism Infrastructure in Ronan
- **Missouri River Country Region:** Garfield County #BigSkyOnTheBigDry – Garfield County Community Tourism
- **Southeast Montana Region:** Building a Better Broadus
- **Southwest Montana Region:** Elevate Anaconda Winter and Cool Season Tourism Development
- **Yellowstone Country Region:** Crazy Mountain Collective – Collectively Cultivating a Roadmap for Tourism Success in Sweet Grass County and Big Timber
- **Tribal Tourism Region:** The Blackfeet Tribe Pilot Community Tourism Grant Program



# Destination Event Grant

This grant assists Montana communities with events that will increase tourism, including regional, national and international visitors, promote Montana's unique attributes and generate additional community revenue.

- Open: Aug. 26, 2024 - Oct. 10, 2024
- Awarded: 50 events, \$743,576.31; max \$25,000 per applicant
  - Four Southeast Tourism Region events = \$31,274 total
  - 18 Southwest Tourism Region events = \$324,660 total
  - One Tribal Tourism Region = \$12,500 total
  - Seven Yellowstone Country Region events = \$51,830 total
  - 13 Western Montana's Glacier Country Tourism Region events = \$213,343 total
  - Two Missouri River Country Tourism Region events = \$50,000 total
  - Five Central Montana Tourism Region events = \$55,610 total



# Regional Assistance Program

The Regional Assistance Program is intended to assist the Regional Nonprofit Tourism Corporations and Convention and Visitor Bureaus to: (i) build additional capacity; (ii) coordinate with Commerce's Brand MT 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.

- Open: March 1- May 20, 2024
- Awarded: Six DMOs; \$722,796 in funding over two years.
- Awards up to the difference between annual budget and \$500,000 for regions and the difference between annual budget and \$75,000 for CVBs, per year.



# Agritourism Grant

- This grant helps Montana's rural and tribal agricultural businesses and communities and promotes agritourism diversification and support in Montana. The program is intended to: (i) encourage Montana's farmers and ranchers to diversify operations through new or enhanced agritourism revenue options; (ii) develop and enhance agritourism opportunities with an emphasis on rural locations, under-visited locations and tribal locations; and (iii) generate tourism revenue for the benefit of local Montana economies.
- Open: Sept. 25 – Oct. 24, 2024
- Awarded: 14 projects; \$300,000
- The Agritourism Grants Program awarded two types of grants: 1) Up to \$10,000 grant with no match required; and 2) \$10,001 to \$50,000 with a \$1 to \$1 match required. Up to 25% of the match could be in-kind.
- Counties: Broadwater, Fergus, Gallatin, Hill, McCone, Mineral (two), Missoula (three), Pondera, Rosebud, Sweet Grass



# Tourism Development and Enhancement Revolving Loan Fund

The Tourism Development and Enhancement Revolving Loan Fund Program creates a public-private partnership between the State of Montana and local economic development organizations, with the sole purpose of further developing public-private partnerships to support Montana's tourism economy.

Through supporting tourism development and enhancement, the program will: (a) create good-paying jobs for Montana residents; (b) promote long-term, stable economic growth in Montana's tourism economy; (c) retain or expand existing tourism-related businesses; (d) provide a better life for future generations through greater economic growth and prosperity in Montana; and (e) encourage workforce development in Montana's tourism economy.

- Open: Aug. 1 – Oct. 15, 2024
- Awarded: Twelve economic development organizations; \$24 million in funding over five years.
- \$5 million cap
- Any dollars not loaned out after five years are returned to Commerce.

# Tourism RLF Awards

To be considered as tourism development or enhancement, loans supported with program funds must:

1. Support tourism projects that have an existing continuous revenue stream, or that reasonably can be expected to develop one (i.e., no events);
2. Support development, restoration or upgrades of permanent tourism assets or tourism-related infrastructure (i.e., no temporary structures);
3. Increase or reasonably expect to increase tourism visitation or support existing tourism visitation; and
4. Be verified as a tourism-related project via a letter of support from the relevant region or CVB.

Economic Development Organization	Dollar Amount Received
Snowy Mountain Development Corporation	\$5,000,000.00
Mission West Community Development Partners	\$3,500,000.00
Jobs Now, Inc. dba Montana West Economic Development	\$2,767,857.15
Montana Business Assistance Connection (MBAC)	\$2,767,857.15
Montana Community Development Corporation dba MoFi	\$2,767,857.15
Great Falls Development Authority, Inc.	\$2,214,285.72
Great Northern Development Corporation	\$1,383,928.58
Headwaters Resource Conservation & Development	\$1,383,928.58
Ravalli County Economic Development Authority	\$1,107,142.86
NCMEDD dba Sweetgrass Development	\$553,571.43
Discover Anaconda	\$276,785.69
Sanders County Community Development	\$276,785.69
<b>Total Program Funding Amount</b>	<b>\$24,000,000.00</b>



# Tourism RLF Awards

<b>Economic Development Organization</b>	<b>Dollar Amount Received</b>
<b>Snowy Mountain Development Corporation</b>	\$5,000,000.00
<b>Mission West Community Development Partners</b>	\$3,500,000.00
<b>Jobs Now, Inc. dba Montana West Economic Development</b>	\$2,767,857.15
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<b>Economic Development Organization</b>	<b>Dollar Amount Received</b>
<b>Headwaters Resource Conservation &amp; Development</b>	\$1,383,928.58
<b>Ravalli County Economic Development Authority</b>	\$1,107,142.86
<b>NCMEDD dba Sweetgrass Development</b>	\$553,571.43
<b>Discover Anaconda</b>	\$276,785.69
<b>Sanders County Community Development</b>	\$276,785.69
<b>Total Program Funding Amount</b>	\$24,000,000.00



# Montana Emergency Tourism Assistance Program

- METAP awards grants to tourism-related emergency service projects in rural areas. Project activities must be completed before Dec 31, 2026. Primarily equipment purchases.
- Open: June – Sept 2024.
- Awarded: 26 awards to support tourism affected areas; totaling \$1.4 million, at \$75,000 max award.



# Big Sky Film Grant

The BSGF is a competitive grant program intended to attract and support filmmakers and production companies operating in Montana and, by doing so, to stimulate economic activity, community enhancement and statewide tourism through increased investment, job creation or retention, business expansion and local tax base growth.

Open:

FY24: Feb. 22, 2024 - April 10, 2024

FY25: Nov. 12, 2024 – Feb. 7, 2025

Awarded: 65 projects; \$2,543,003  
FY24

Estimated economic impact:  
\$35,223,940



# Made in Montana Program

MiM helps small businesses access and extend marketing reach, develop relationships with large volume buyers, explore product differentiation and diversification and initiate international exporting. It has over 2,200 active members.

The program connects members to resources and markets through:

- Annual Made in Montana Trade Show
- Online directory of members and products at [madeinmontanausa.com](http://madeinmontanausa.com)
- Grants offered by the ExportMontana program
- Business trainings from Montana's SBDC



# Resiliency Plan Implementation Program

Goal: Identify and proactively address predictable and unpredictable variables that could undermine Montana's post-pandemic local tourism economies.

Assigned as proxy by governor to receive \$2.9 million in federal ARPA funds.

Phase I: \$1.4 million

Aug. 2021 – March 2023: Planning

Develop and implement six regional resiliency plans and one aggregate state-level resiliency plan.

Phase 2: \$1.5 million (\$250,000/region)

Oct 2024 – May 2026: Resiliency Plan Implementation Grant Program

Provide tourism regions with an early investment they can use alongside other private or public dollars that may be available, to begin implementing priority items identified in their regional resiliency plans.

<https://commerce.mt.gov/Business/Programs-and-Services/Tourism-Marketing/Resources>



COMMERCE

## For more information:

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**COMMERCE**

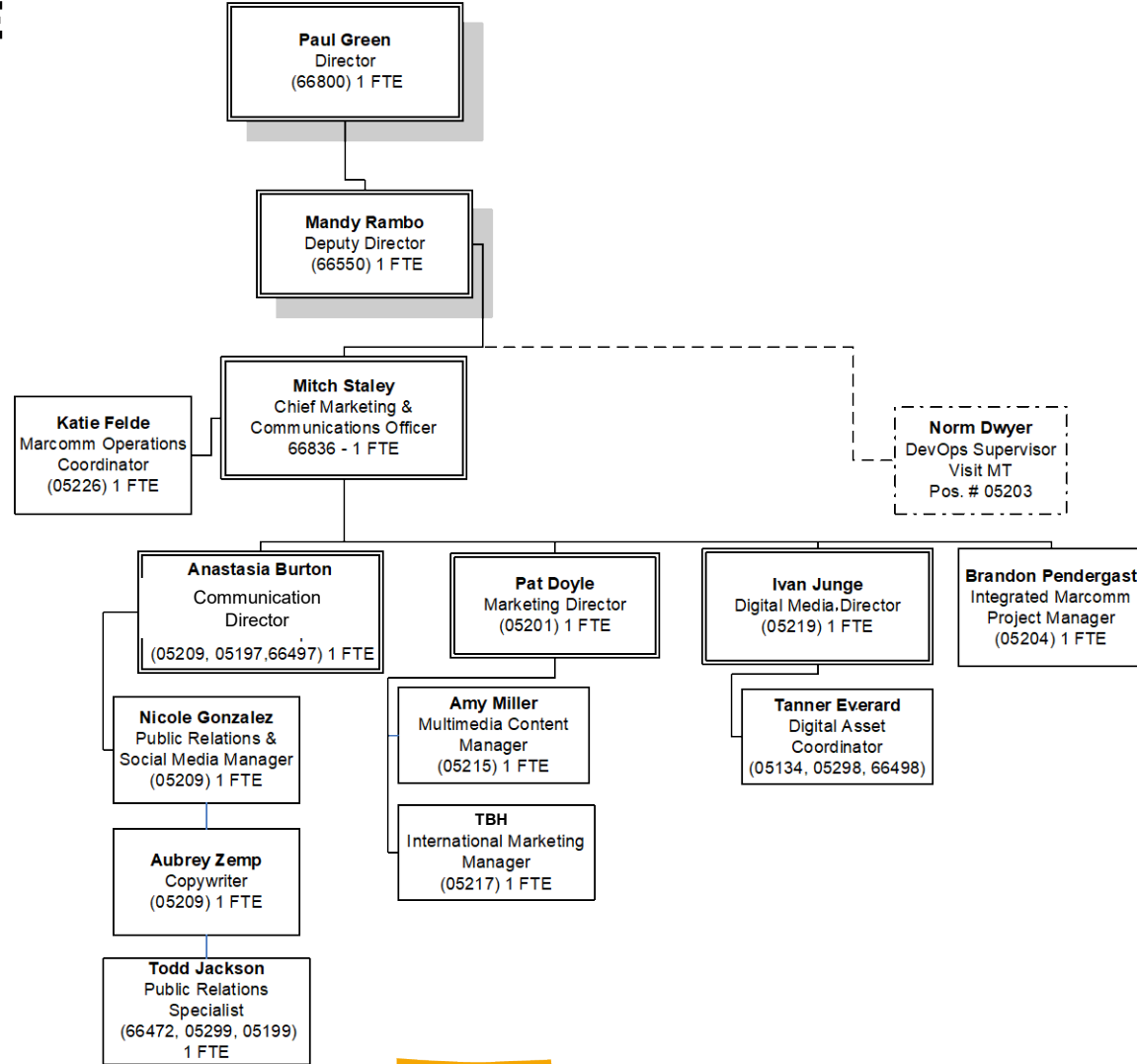
# Marketing

Promote Montana as a premier destination for visitors and business, driven by the quality and way of life of its residents.



**COMMERCE**

# Director's Office



# Consumer Brand Purpose

Promote Montana as a premier destination for visitors and business, driven by the quality and way of life of its residents.

- Increase visitation to rural and under-visited areas while maintaining economic vibrancy in well-known areas.
- Celebrate the businesses that create good-paying jobs, growing the economy.
- Showcasing the opportunity for businesses to start or expand in Montana.
- Promote, celebrate and respect Montana's way of life.

# Constituent Brand Purpose

Create a unified and consistent brand for the work and services of Commerce.

- Optimize constituent service and experience
- Emphasize Commerce activities that provide the most impact to produce desired outcomes

Example constituent brand challenge from Commerce:

***“Our challenge lies in dismantling the barriers within our communication streams, affirming that, from business development to community infrastructure or tourism marketing, our narrative is singular and strong.”***



## Consumer Brand Focus Areas

- Business Attraction
- Represents Montana's economy
- International and national trade shows like SHOT Show and IPW
- Visitation/tourism promotion
- visitmt.com (rebrand launch June 2025)
- Made in Montana
- Film Office

## Constituent Brand Focus Areas

- Housing, Business MT, Brand MT, Community MT and all Commerce programs
- commerce.mt.gov (live)



# Rural and Under-Visited Focus of Consumer Brand Marketing

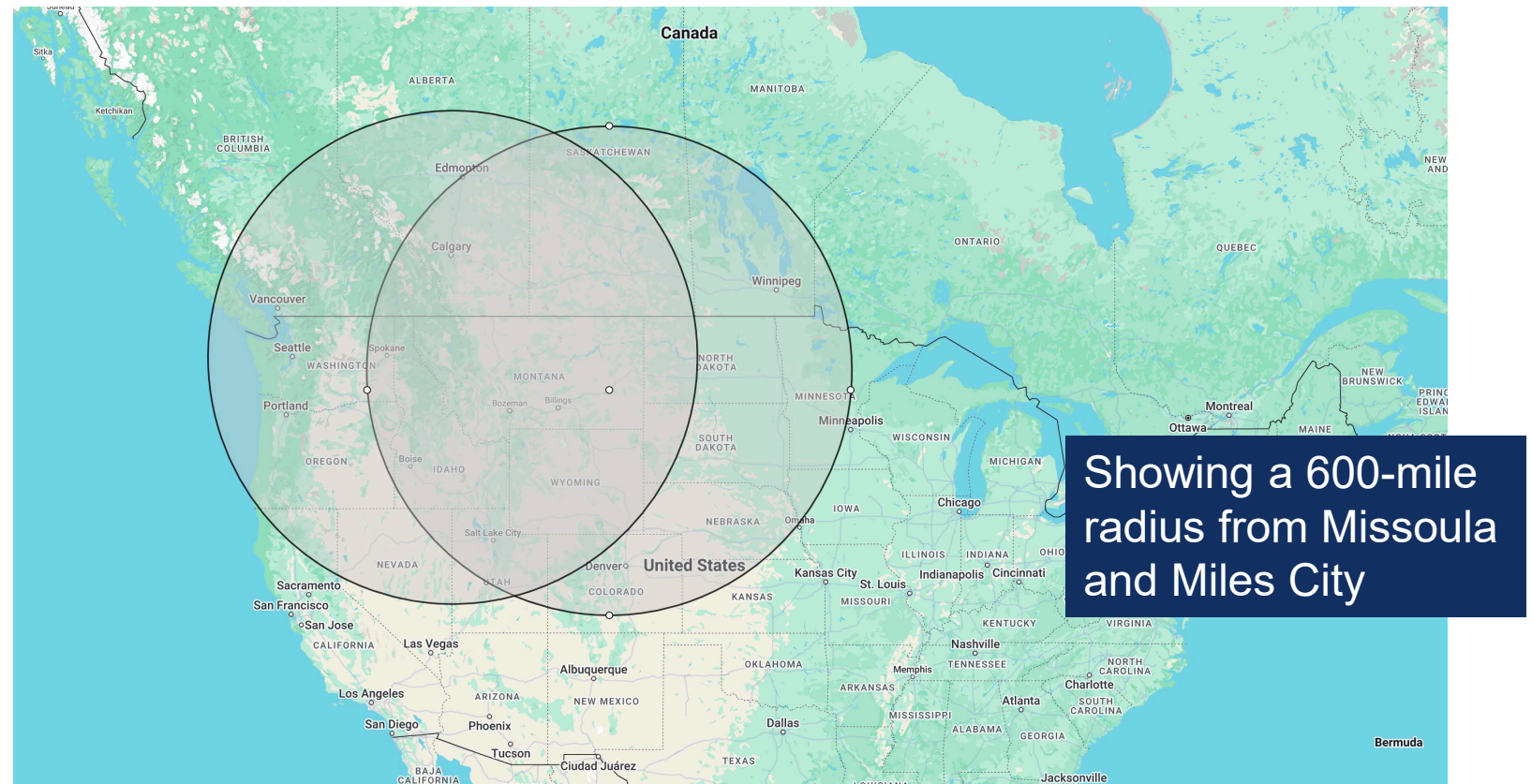
SB 540 enabled a shift in strategy to focus on rural and under-visited areas of the state. Commerce has:

- Focused research on understanding who is most likely to travel to rural Montana.
- Launched in-state marketing tactics to show lesser-known, rural areas to residents and visitors.
- Listened to residents about what they want visitors to know about Montana.



# Rural and Under-Visited Focus of Consumer Brand Marketing

Who's likely to visit?

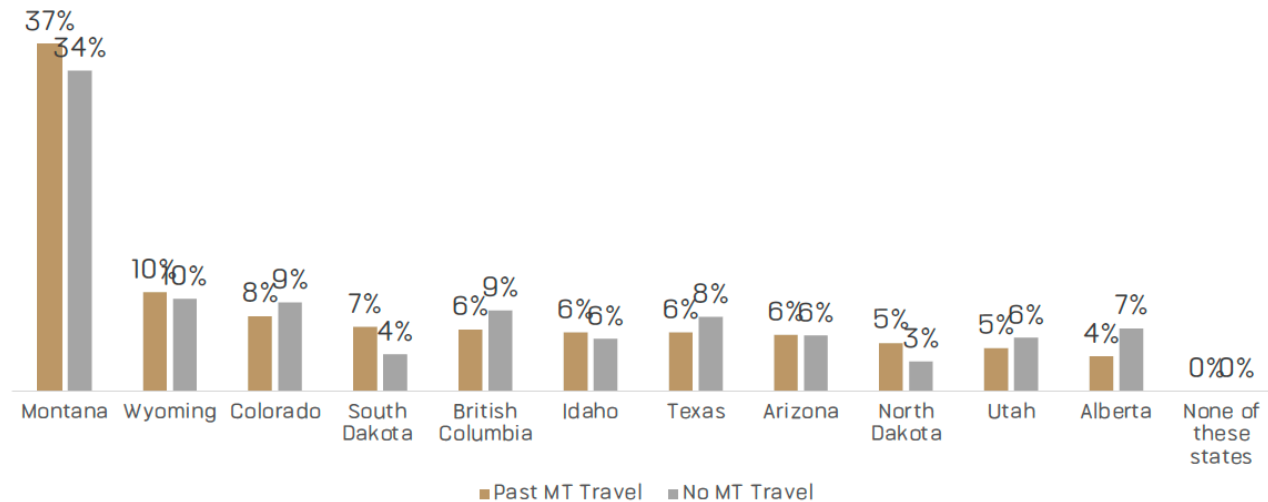


# Rural and Under-Visited Focus of Consumer Brand Marketing

Where do these audiences think they can find rural?

## RURAL VACATION EXPERIENCES

In your opinion, which destination offers the best rural vacation experiences?



# Rural and Under-Visited Focus of Consumer Brand Marketing

Commerce assumptions about the future of rural and under-visited growth:

- The prospective traveler likely to travel to these locations lives somewhere similar to rural Montana.
  - These travelers will have more respect and purpose in visiting rural Montana because it's like home to them.
- Montana owns rural and has significant room to grow this audience and market.
  - This will grow the product and infrastructure in rural and under-visited areas desiring this growth.



# June– October '23 Campaign Impact

\$5,292,100 spent on media placements with new strategic focus

- Campaign run-time– 5 months
- \$3.70 return in state tax revenue for every \$1 spent by Commerce
- \$68 spent in Montana's economy for every \$1 spent by Commerce
- Total estimated economic impact = \$362,183,000



## For more information:

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[commerce.mt.gov](http://commerce.mt.gov)

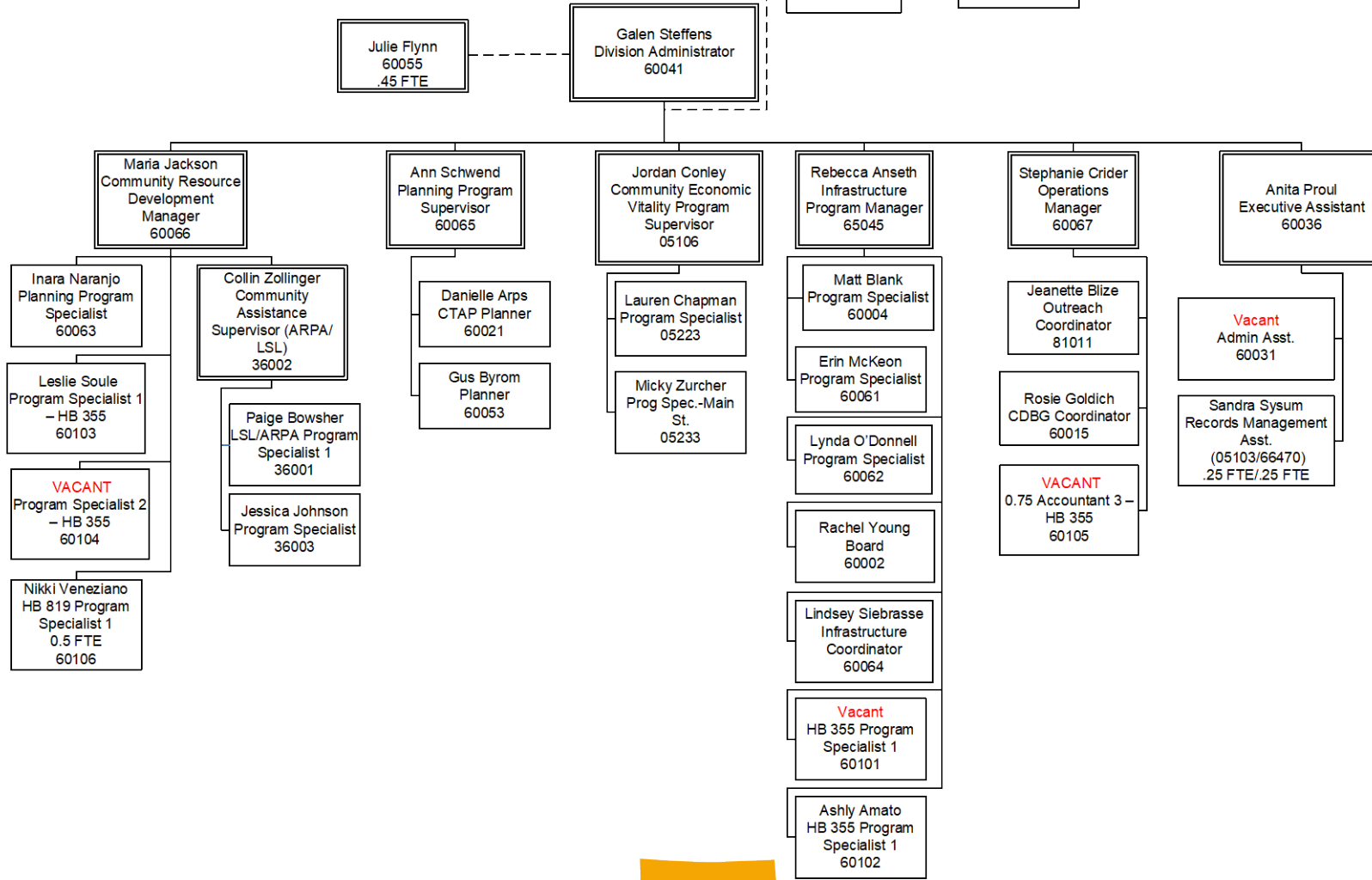


# Community MT Division - 60

Planning for high quality growth and investing in transformational development for vibrant and sustainable communities across Montana.



27.75 FTE  
 29 Employees  
 4 Vacant  
 Nov 2024



# Montana Historic Preservation Grant Program

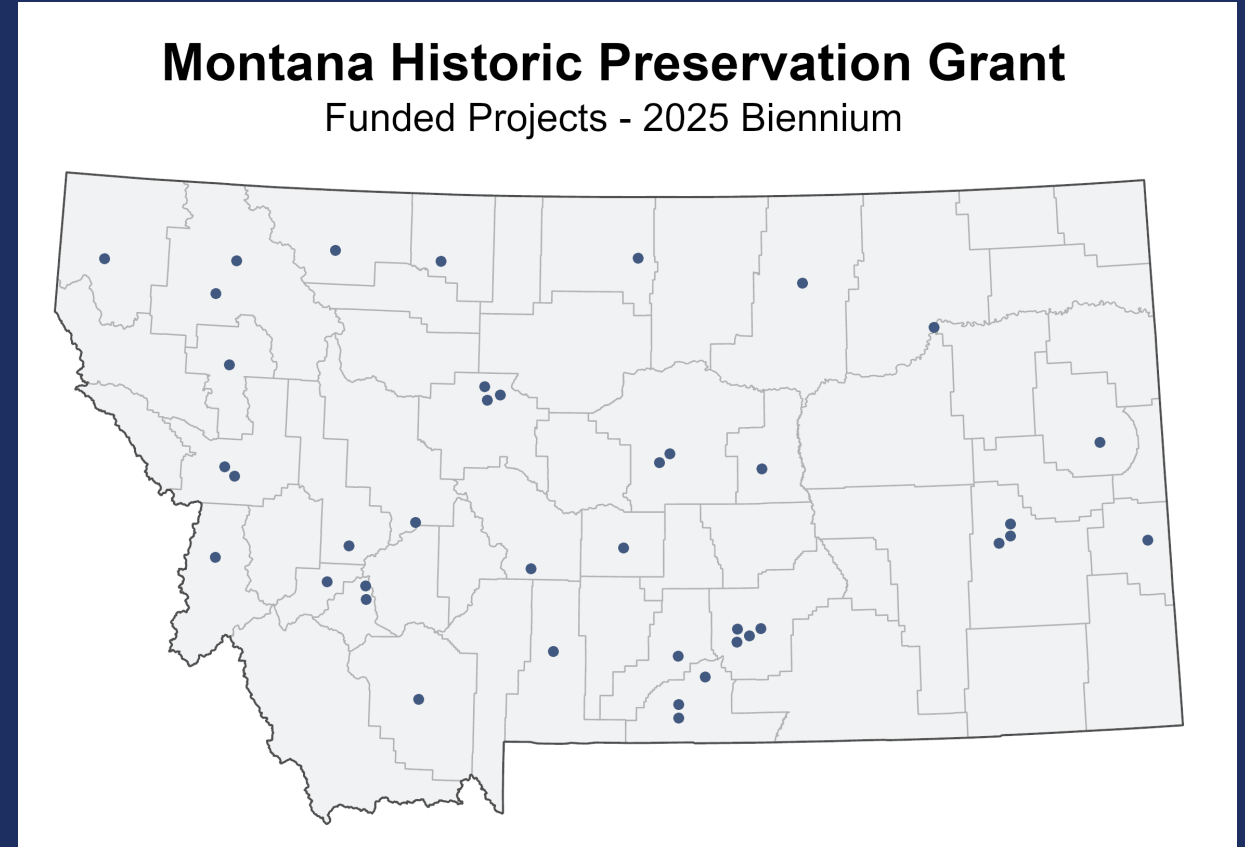
Technical assistance and grant funding for preserving historic sites, historical societies and history museums.



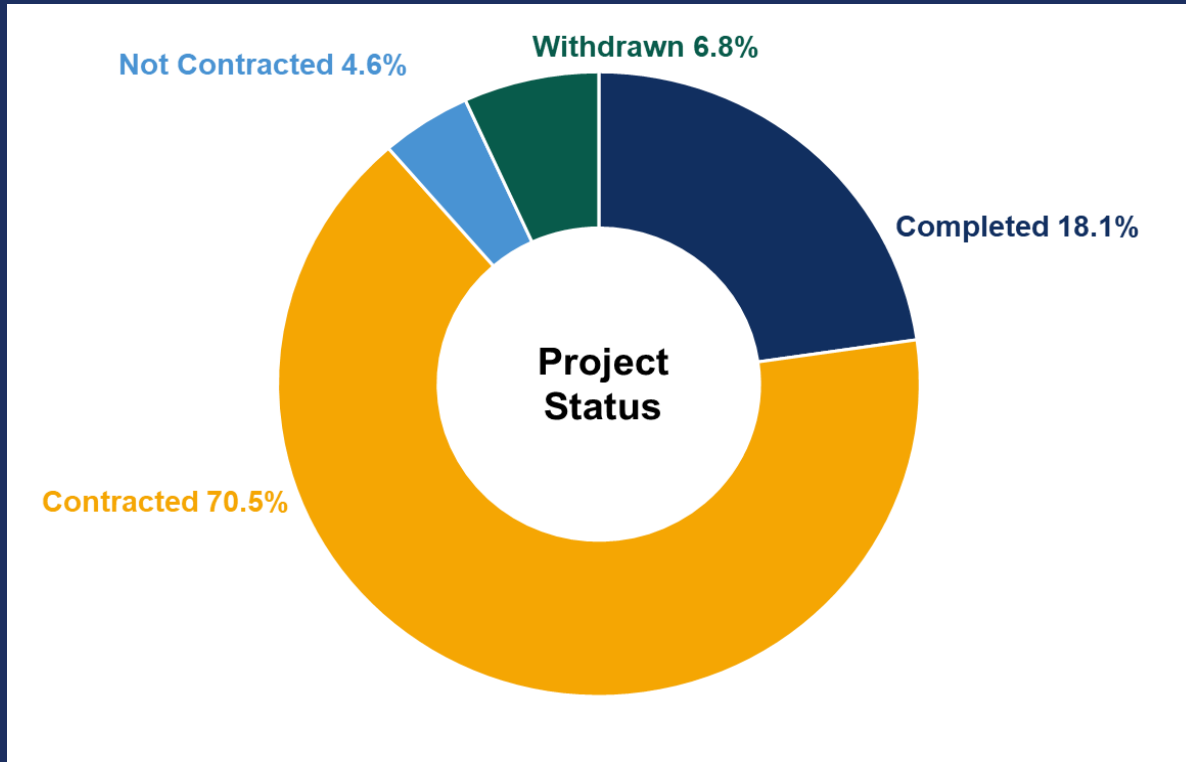
*Rundle Building. Photo credit: Rundle Restoration Project, LLC. 2024*

# Montana Historic Preservation Grant Program

44 projects awarded in 2025 Biennium  
\$11.39 million total awarded  
\$28.6 million total leveraged  
\$2.51 leveraged for every \$1 MHPG funds



# Montana Historic Preservation Grant Program



- Preserving historical sites and history museums
- Projects include roof replacements, upgrading electrical systems, heating and cooling system repairs, fire suppression systems, façade repairs, window repairs and replacements.



# Community Technical Assistance Program

Help local governments plan for “orderly, productive and coordinated development” with attention to public facilities and areas with rapidly changing economic and population conditions (90-1-103, MCA).



CTAP staff and consultant conducting a public outreach meeting to gather community input for Lewistown's Land Use Plan. Photo credit: Montana Department of Commerce, 2024.

# Community Technical Assistance Program

Provided technical assistance to:

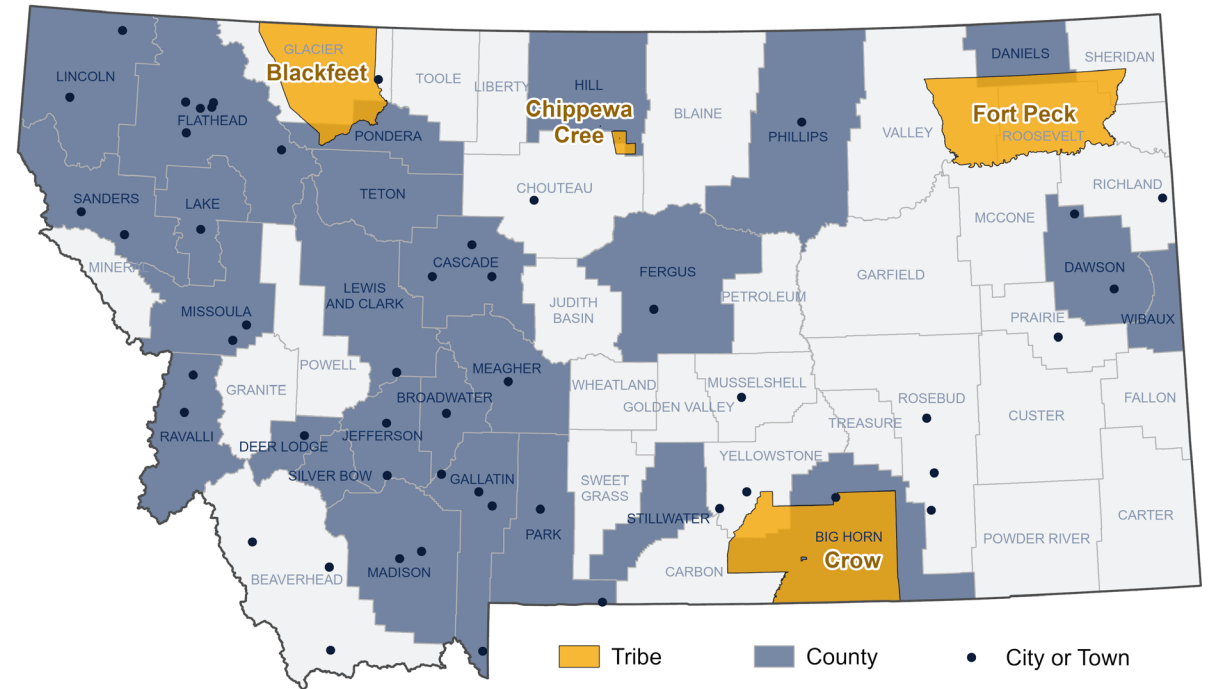
- 20 CTAP priority communities
- 11 Land Use Planning Act communities
- 49 additional communities

Staff cover geographic areas for continuity

- Proactive outreach
- On-call assistance

## Community Technical Assistance Program (CTAP)

Assistance Provided to Cities, Towns, Counties and Tribes - 2025 Biennium



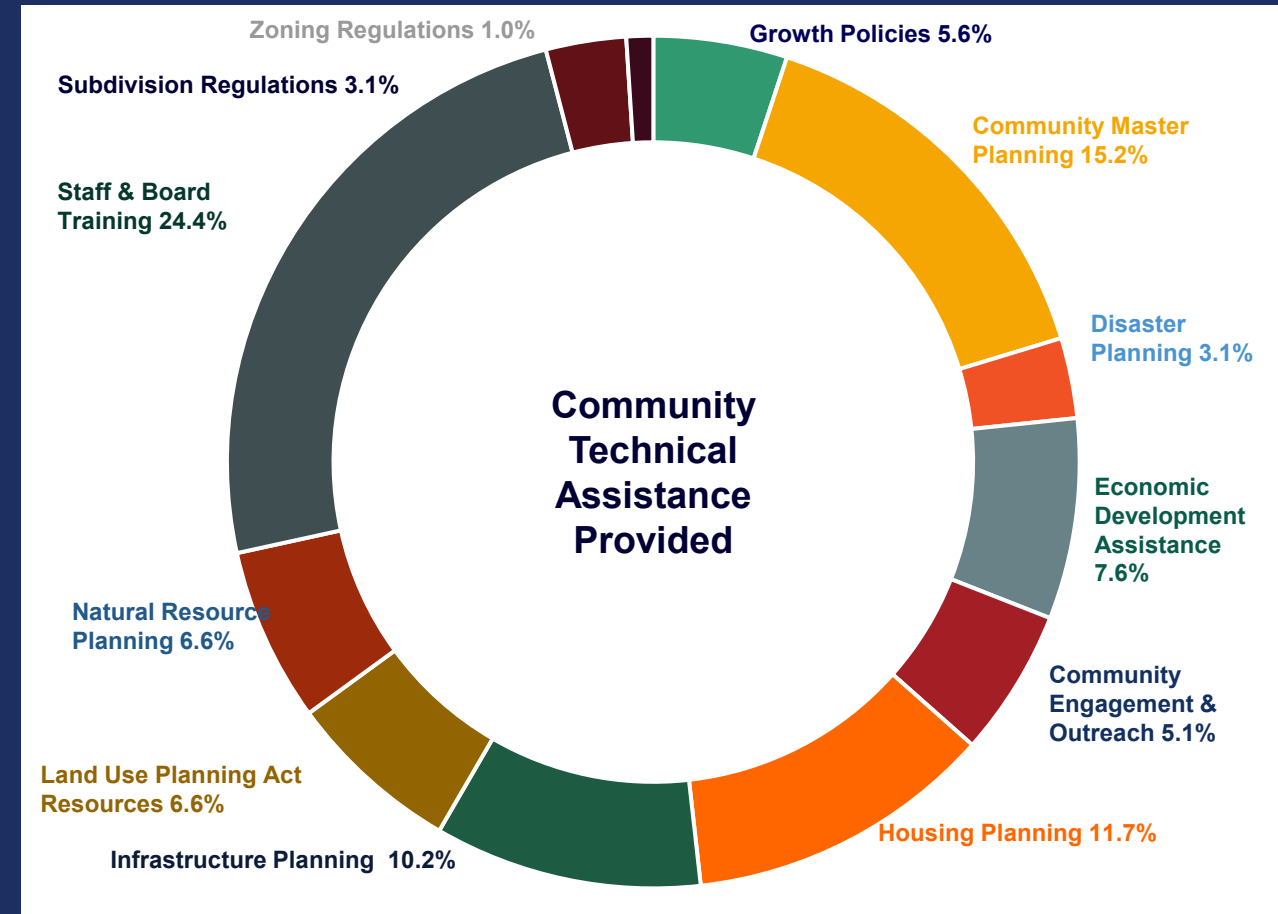
# Community Technical Assistance Program

## 2023 Planning Rapid Assessments

- Utilized CTAP consultants
- Contacted 100% of Montana's cities, towns and counties

## Land Use Planning Act Assistance

- Staff provided localized training
- Utilized CTAP consultants
- Land Use Story Maps created for impacted communities



# Montana Coal Endowment Program



Technical assistance and grant funding for infrastructure planning and construction projects.



Wibaux Wastewater Lagoon. Photo credit: MCEP. 2023

# Montana Coal Endowment Program

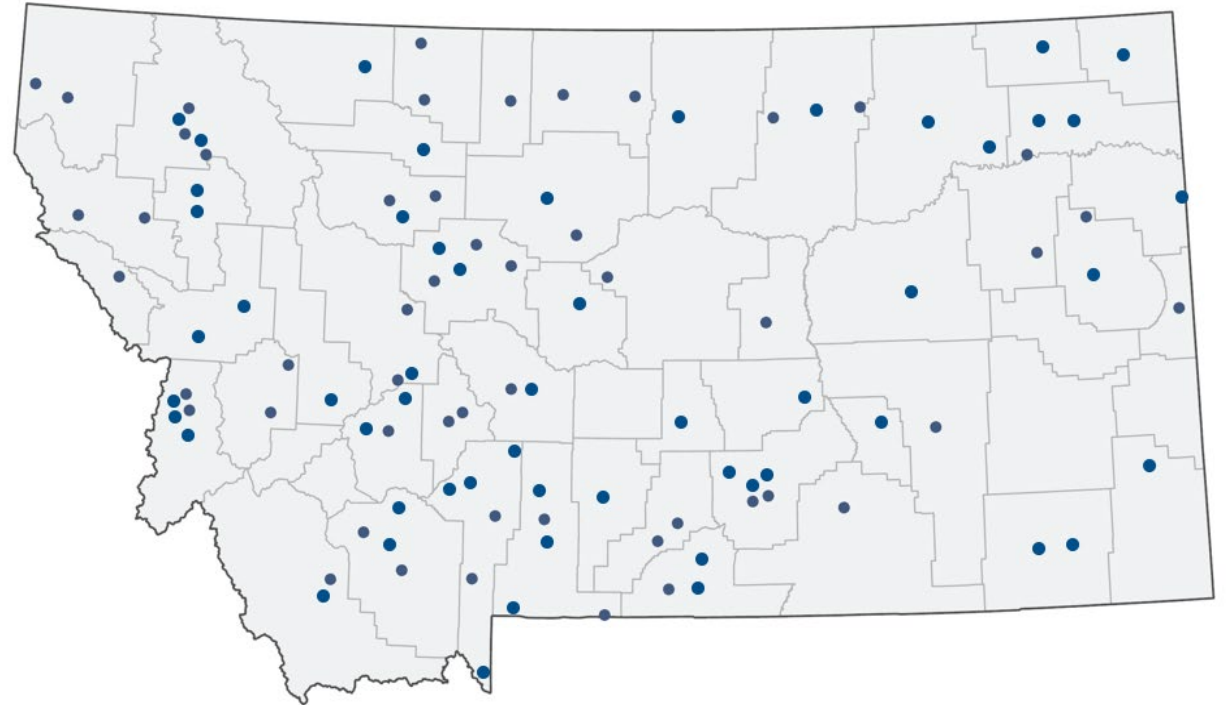
**52** projects awarded in 2025 Biennium  
**\$30** million total awarded  
**\$133.6** million total leveraged  
**\$4.45** leveraged for every \$1 MCEP funds

**29** planning grants awarded in 2025 Biennium  
**\$900,000** total awarded  
**\$709,987** total leveraged  
**\$0.79** leveraged for every \$1 MCEP planning funds

**71** ARPA planning grants awarded in 2025 Biennium  
**\$2,660,302** total awarded  
**\$1,844,805** total leveraged  
**\$0.69** leveraged for every \$1 ARPA planning funds

## Montana Coal Endowment Program

Funded Projects - 2025 Biennium



# Montana Coal Endowment Program

- **76%** of projects received Commerce planning grants
- **87.5%** of applications were eligible for funding
- **64.5%** of projects finished under budget
- **74.2%** of projects finished ahead of schedule



# Community Development Block Grant

Technical assistance and grant funding for planning, public and community facilities, and economic development projects that primarily benefit Montanans with low- to moderate-incomes.

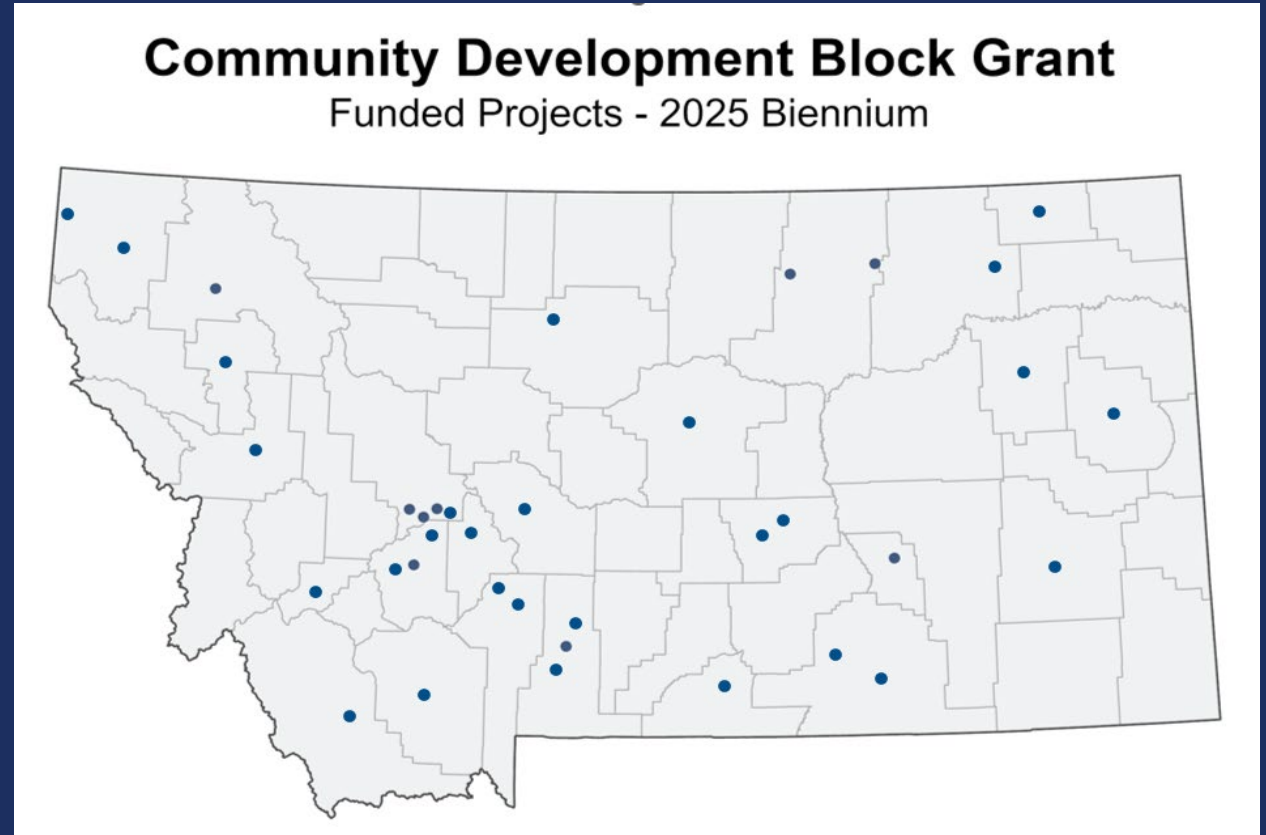


The Union in Helena. Photo credit: Old Salt Co-Op.  
2024.

# Community Development Block Grant

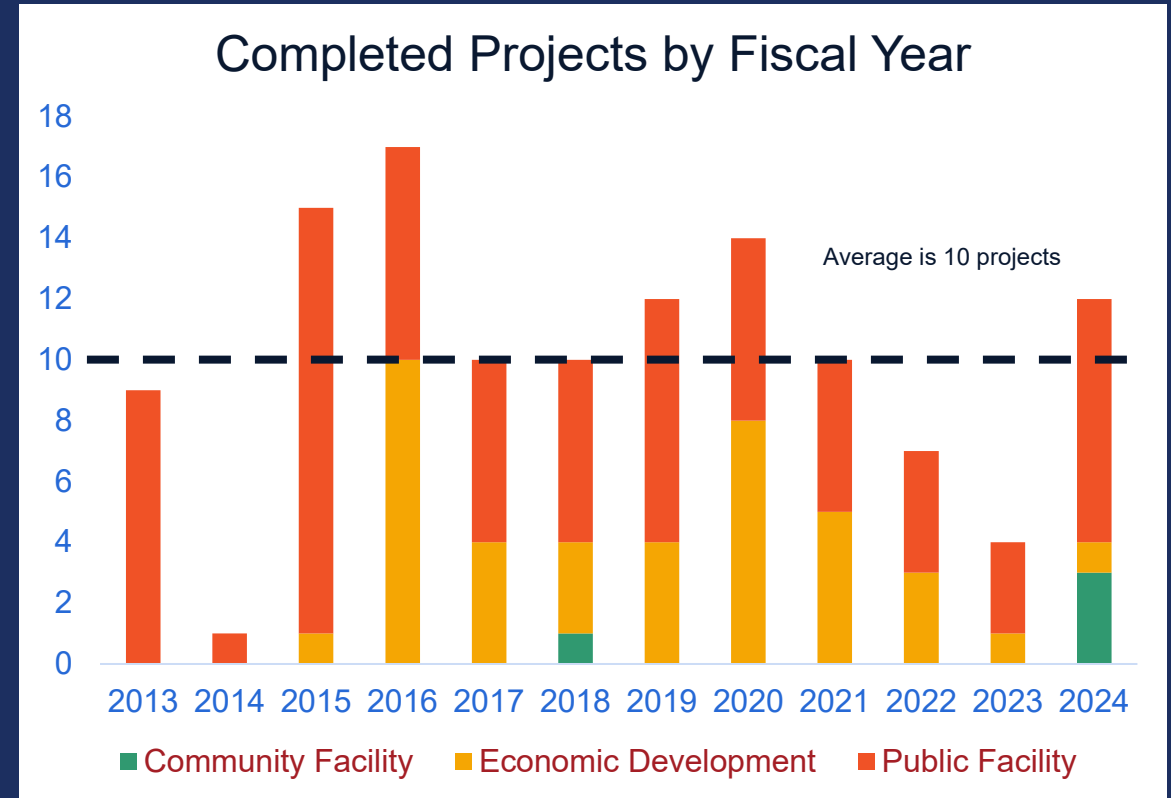
**13** projects awarded in 2025 Biennium  
**\$8.2** million total awarded  
**\$15.6** million total leveraged  
**\$1.91** leveraged for every \$1 CDBG funds

**33** planning grants awarded in 2025 Biennium  
**\$1,052,281** total awarded  
**\$569,441** total leveraged  
**\$0.54** leveraged for every \$1 CDBG funds



# Community Development Block Grant

- Grants to cities, towns and counties to develop strong, vibrant communities
- Projects include public and community facilities and economic development
- Multiple planning grant cycles



# Montana Main Street Program

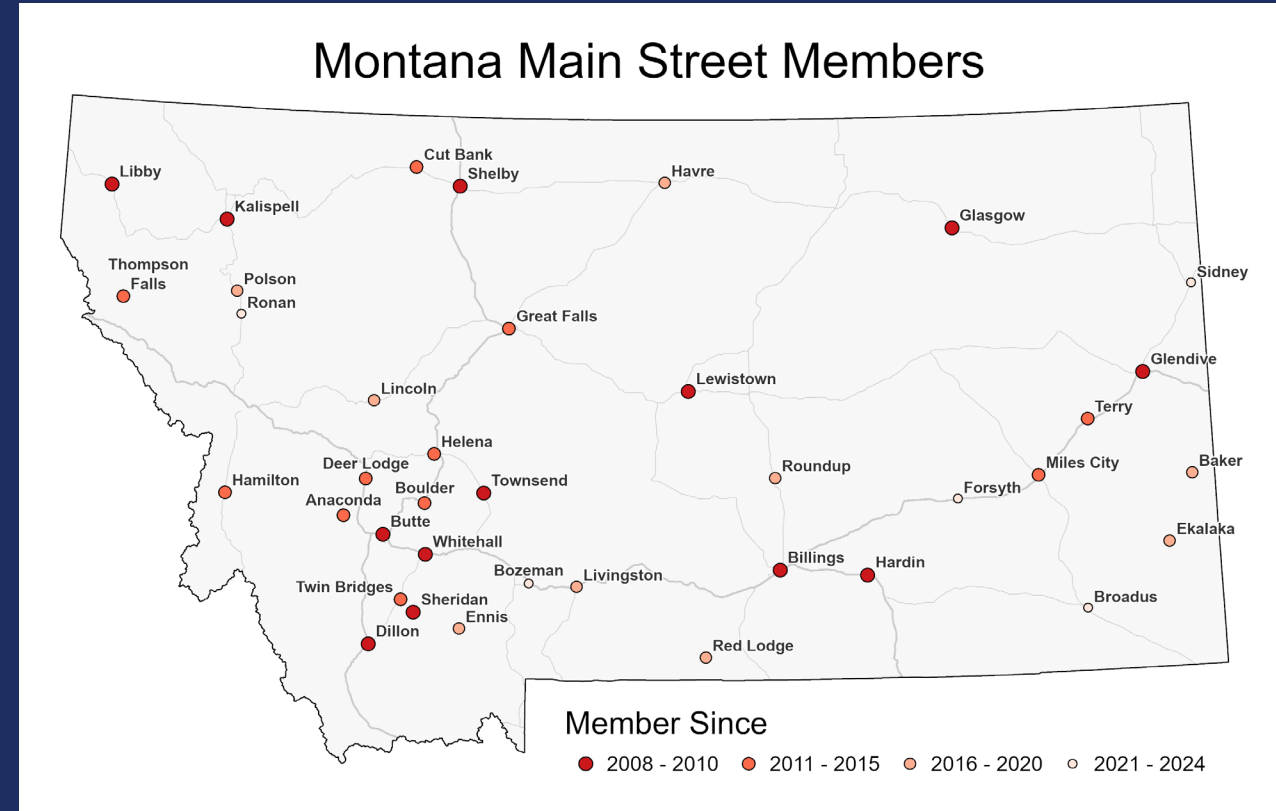
Bettering the economic, historic and cultural vitality of Montana downtowns through community development, revitalization and historic preservation.



Billings Light Bike Trail. Photo credit: Downtown Billings, 2024.

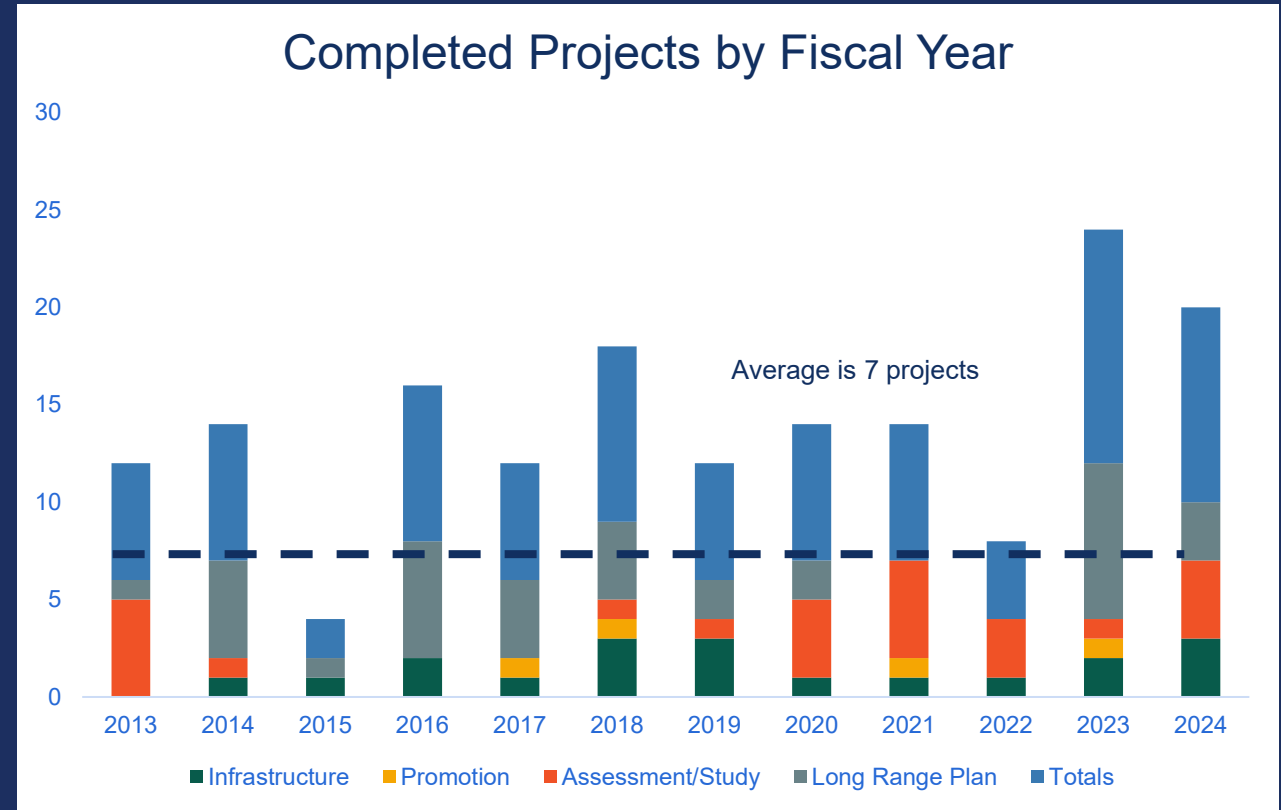
# Montana Main Street Program

**17** projects awarded in 2025 Biennium  
**\$1.7** million total awarded  
**\$7.7** million total leveraged  
**\$4.51** leveraged for every \$1 Main Street funds



# Montana Main Street Program

- Proactive assistance and funding revitalize downtowns
- Projects include downtown master plans, façade improvements and wayfinding signs.



# Montana Coal Board

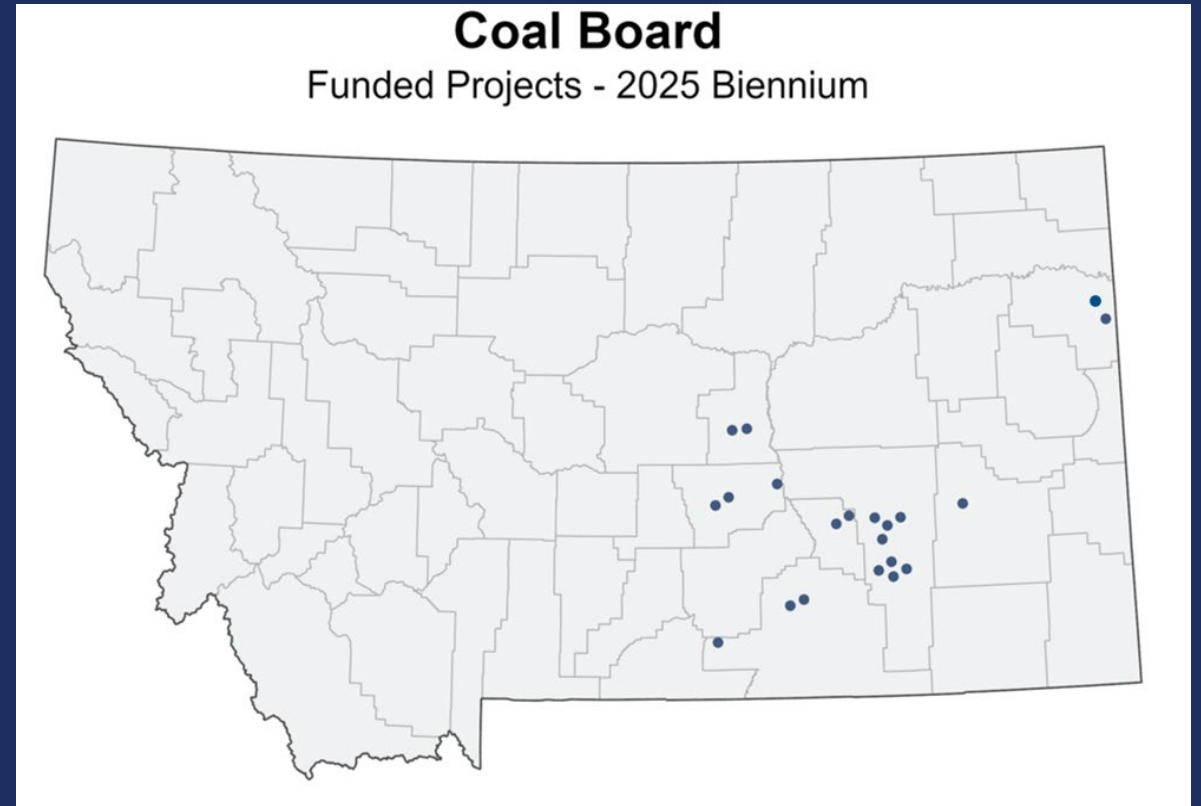
Assisting local governmental units impacted by coal mining with grants for planning, construction and equipment acquisition.



*Radiology equipment purchased for Big Horn Hospital. Photo credit: Big Horn County, 2023.*

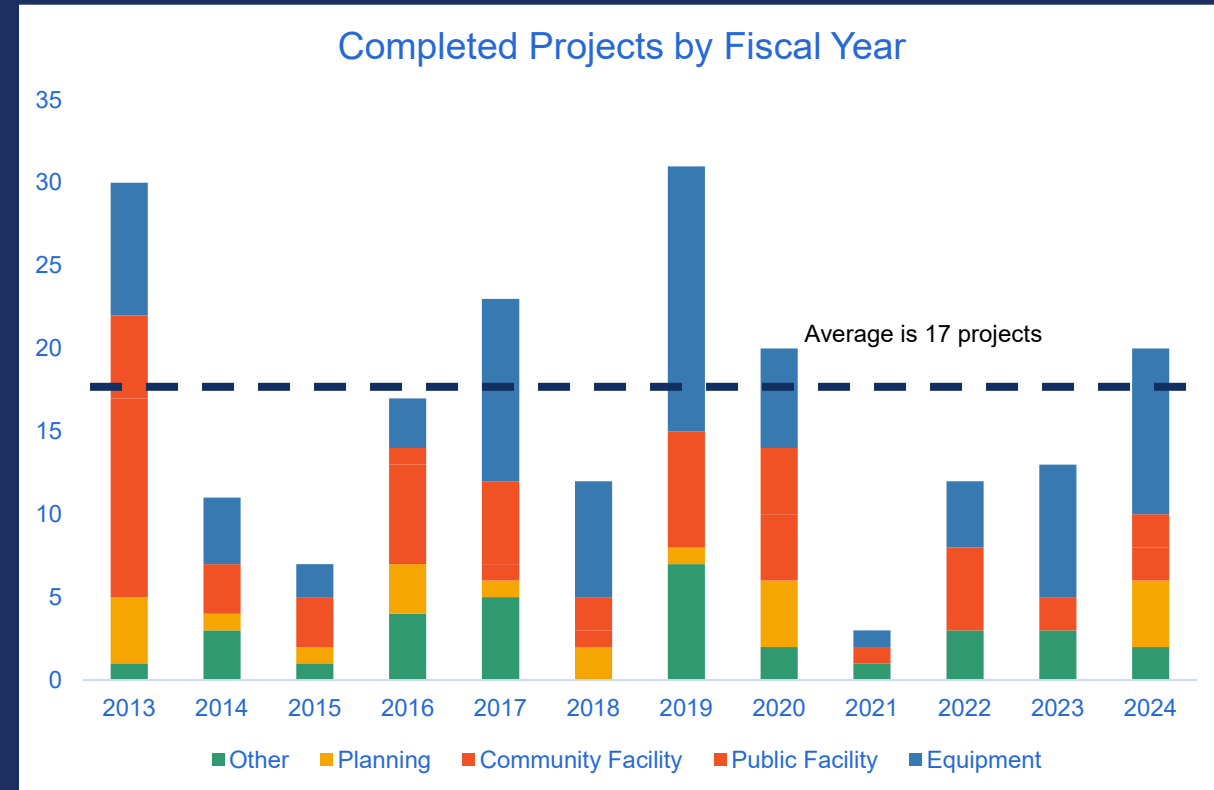
# Montana Coal Board

**32** projects awarded in 2025 Biennium  
**\$5.8** million total awarded  
**\$9.7** million total leveraged  
**\$1.66** leveraged for every \$1 Coal Board funds



# Montana Coal Board

- Grant funding assists communities impacted by coal with public facilities and services.
- Projects include improving drinking water systems, purchasing emergency vehicles and chip-sealing roads.



# Hard Rock Mining Impact Board

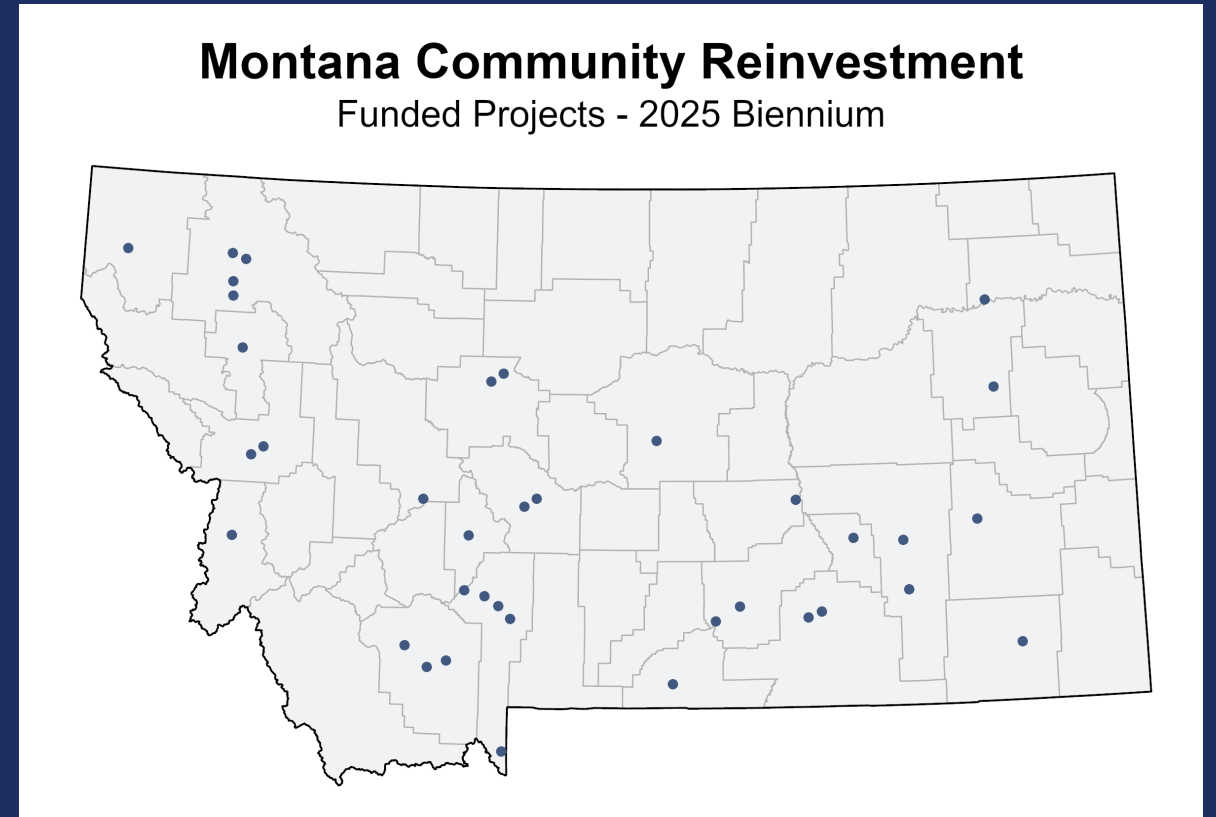
The five-member administrative board helps mitigate the fiscal impacts of large-scale hard rock mineral developments on local government services and facilities.



*Sibanye Stillwater Mine. Photo credit: Montana Department of Commerce, 2023.*

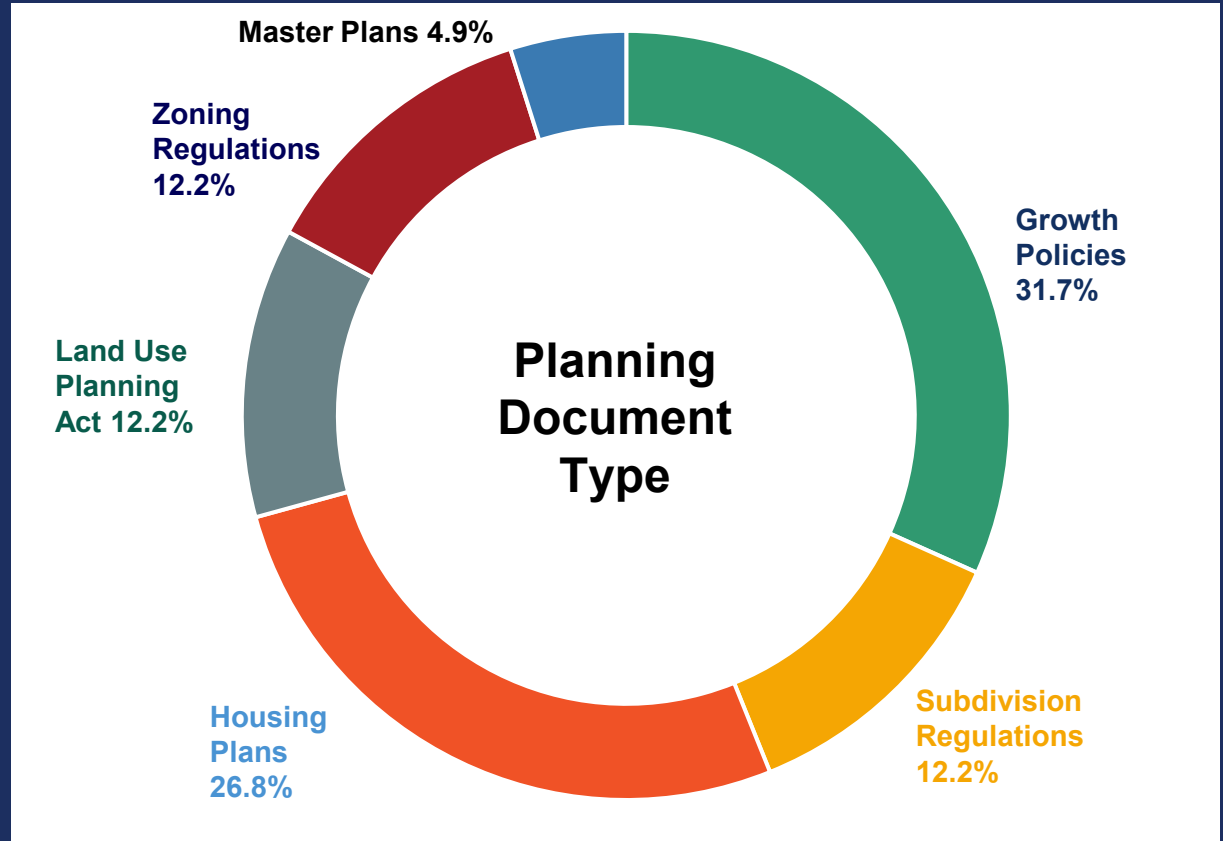
# Montana Community Reinvestment Program

**37** projects awarded in 2025 Biennium  
**\$993k** total awarded  
**\$1.6** million total leveraged  
**\$1.56** leveraged for every \$1 MCR funds



# Montana Community Reinvestment Program

Planning grant funding to address housing needs and offer a regional, community-based solution to creating affordable, attainable workforce housing infrastructure for the state.

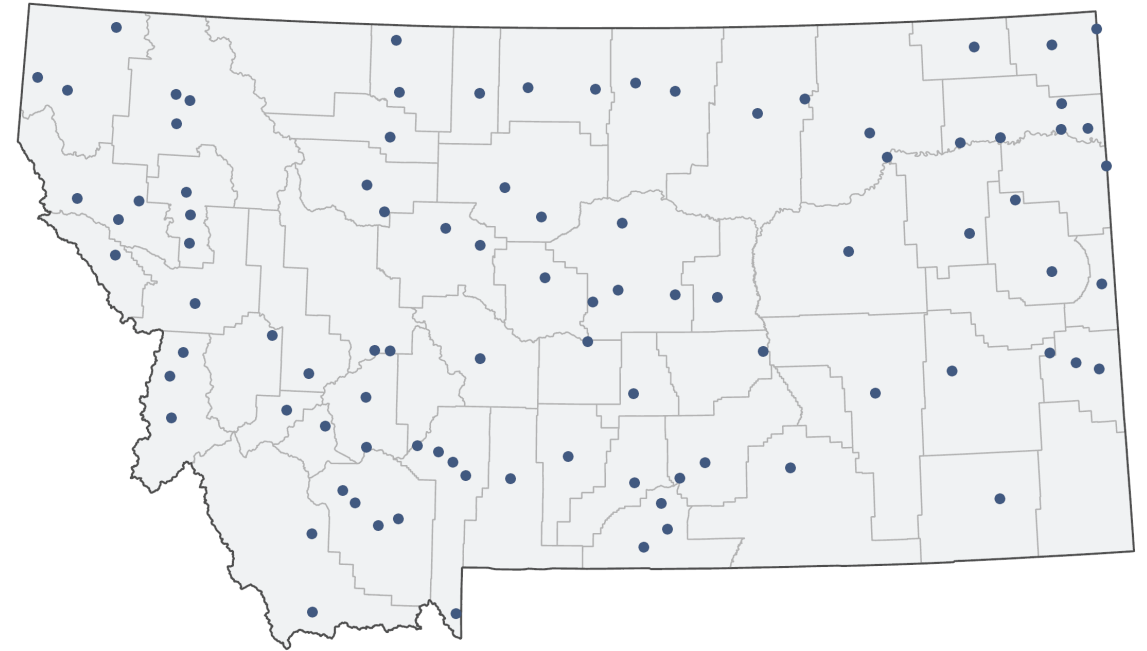


# State-Local Infrastructure Partnership Act

**190** projects awarded in 2025 Biennium  
**\$18.9** million total awarded  
**\$54.5** million total leveraged  
**\$2.88** leveraged for every \$1 SLIPA funds

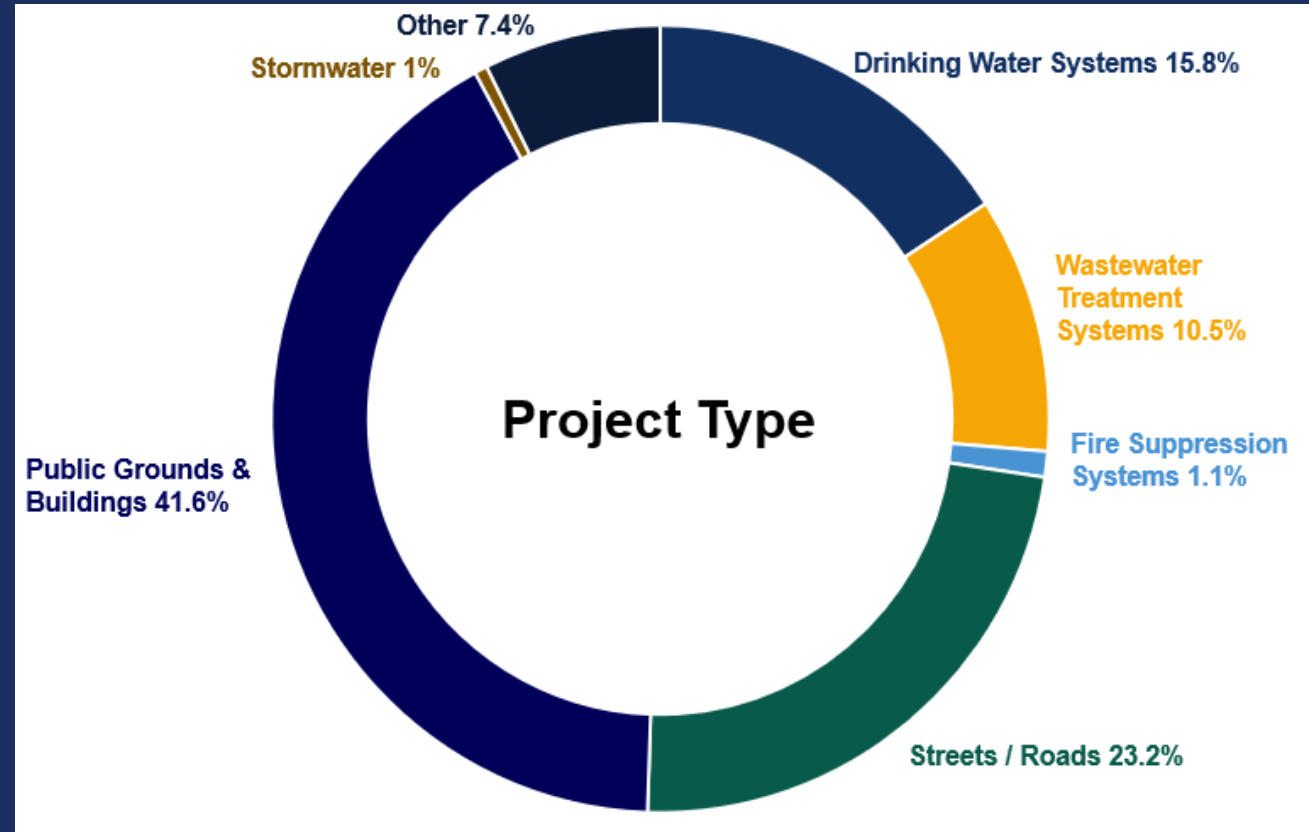
## State-Local Infrastructure Partnership Act

Funded Projects - 2025 Biennium



# State-Local Infrastructure Partnership Act

State-funded program to help cities and towns fund the maintenance/repair of local government facilities on a partnership basis, with local governments supplying a cash match.



## For more information:

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Division Administrator

406-841-2784

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[commerce.mt.gov](http://commerce.mt.gov)



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# Montana Facility Finance Authority - 71

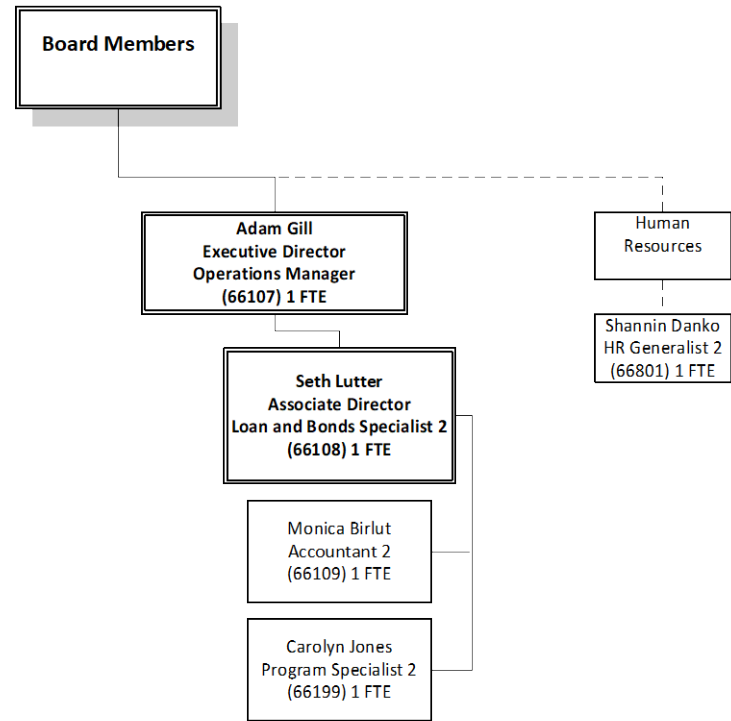
Our mission is to enhance Montana healthcare and community development through access to cost-effective capital financing and development services.



Since 1984, the MFFA has helped structure over \$4.13 billion in financings to support healthcare providers and businesses across Montana.

The MFFA is a self-supported enterprise fund.

 **COMMERCE**



# Conduit Bonds

Bonds issued by the MFFA serving as a conduit to allow eligible borrowers access to financing.



Bonds are either sold to the public through an underwriter or directly placed with a bank.

The bonds are not an obligation or debt of the MFFA or the State of Montana.

# Conduit Bonds

## Beartooth Billings Clinic – Red Lodge

### Series 2021 Stand-Alone Bonds

\$15.1 million refinancing of multiple loans used to build a new facility in 2009. The 2009 loans had interest rates ranging from 3.75% to 6.18%

Rate: 3.03%

Term: 20 years


Benefit: Refinancing provides Beartooth with \$2.2 million in savings over the life of the bond.



# Loans

**Direct Loan:** MFFA's Revolving Loan Program built from MFFA reserves. Loans can be for up to \$500,000.

The MFFA has made over \$18.4 million in direct loans with \$4.86 million currently outstanding.



**Trust Fund:** The MFFA can make loans of up to \$1.5 million from the Coal Trust with interest and principal repaid to the Trust.

The MFFA has made \$37.2 million in trust fund loans with \$11.1 million currently outstanding.

# Loans

## Central Montana Medical Center - Lewistown

July 2022 financing to purchase a new MRI machine. CMMC has the only MRI machine within 100 miles.

Trust Fund: \$625,000

Rate: 2.32%

Term: Five years

Direct Loan: \$375,000

Rate: 2.00%

Term: Five years

Impact: The new machine replaces an aging system and allows CMMC to continue to offer imaging services.



# C-PACE

Commercial Property Assessed Capital Enhancements is a financing structure that allows building owners to borrow private sector funds to pay for:

- Energy efficiency improvements
- Water conservation improvements
- Renewable energy systems

Program launched in 2022 with MFFA as the statewide administrator.

Five C-PACE loans completed totaling \$7.8 million.

# C-PACE

## Hedden Empire Building - Billings

Project type: Office/retail renovation

Amount: \$1.6 million

Lender: Three Rivers Bank in Kalispell

### Improvements:

- Heat pumps
- Lighting upgrades
- Windows
- Plumbing fixtures

Total savings/revenue: \$13.5 million



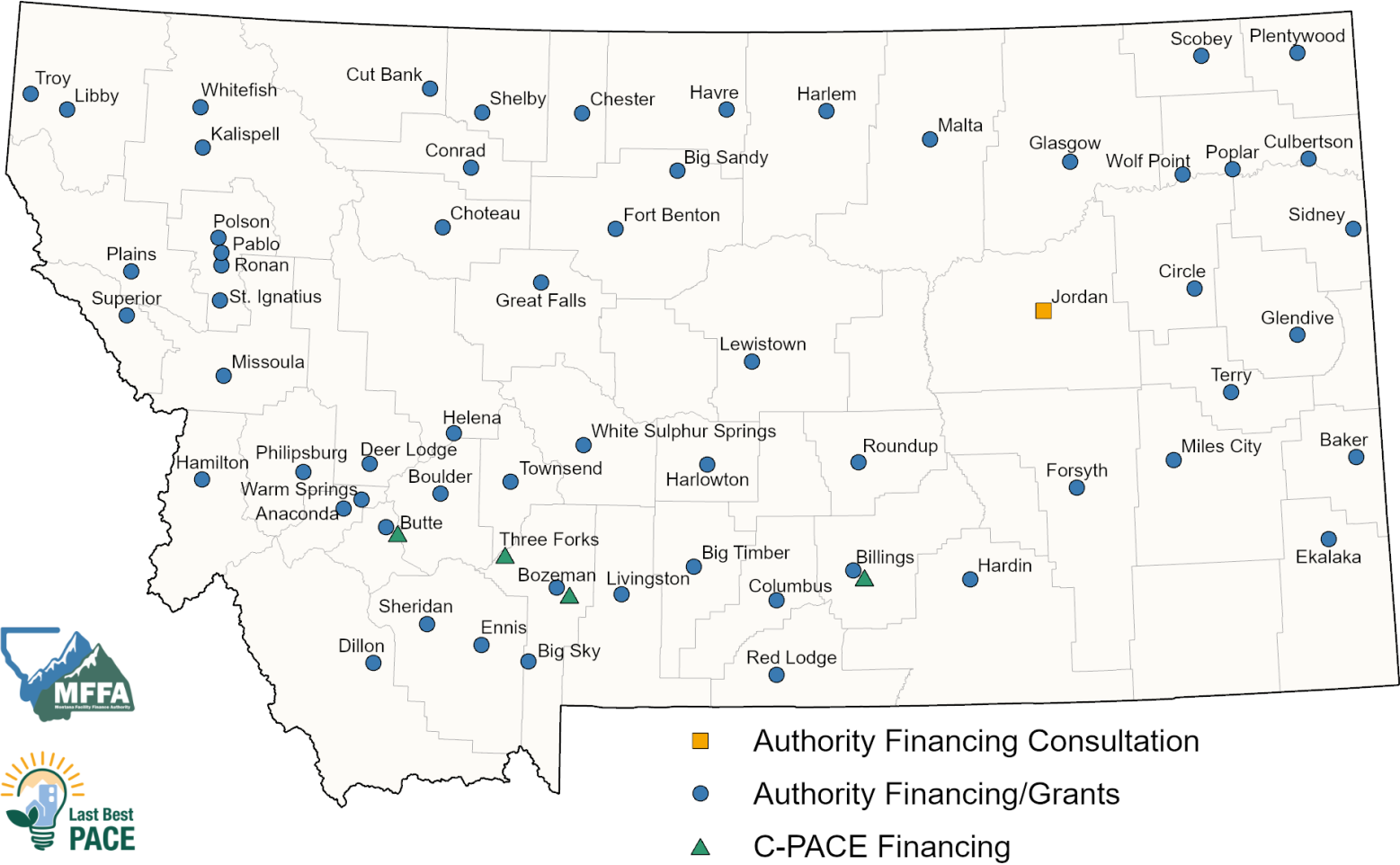
# MCAP

The Montana Capital Assistance Program provides grants of up to \$25,000 to support eligible facilities in their capital planning process.

Grants are made from MFFA reserves with 91 grants totaling \$921,220 awarded since 2001.

Recent recipients include Ruby Valley Medical Center in Sheridan and Roosevelt Medical Center in Culbertson.

# Funding Across Montana



For more information:

Montana Facility Finance Authority

Montana Department of Commerce

[MTFacilityFinance.com](http://MTFacilityFinance.com)

[LastBestPACE.com](http://LastBestPACE.com)

406-444-0259



# Housing MT Division - 74

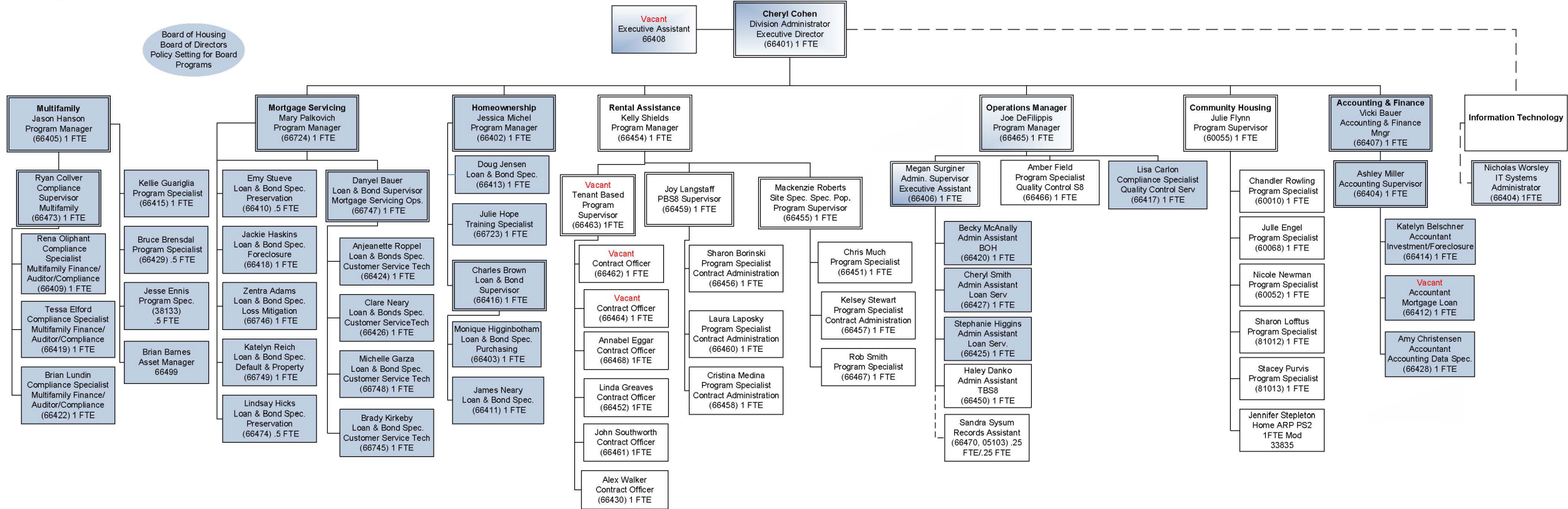
Commerce's Housing Team strengthens our vibrant communities by supporting access to safe, affordable and sustainable homes for Montanans whose housing needs are not met by the market.

Our team works to create a variety of housing opportunities by partnering with local organizations and leveraging federal funds.

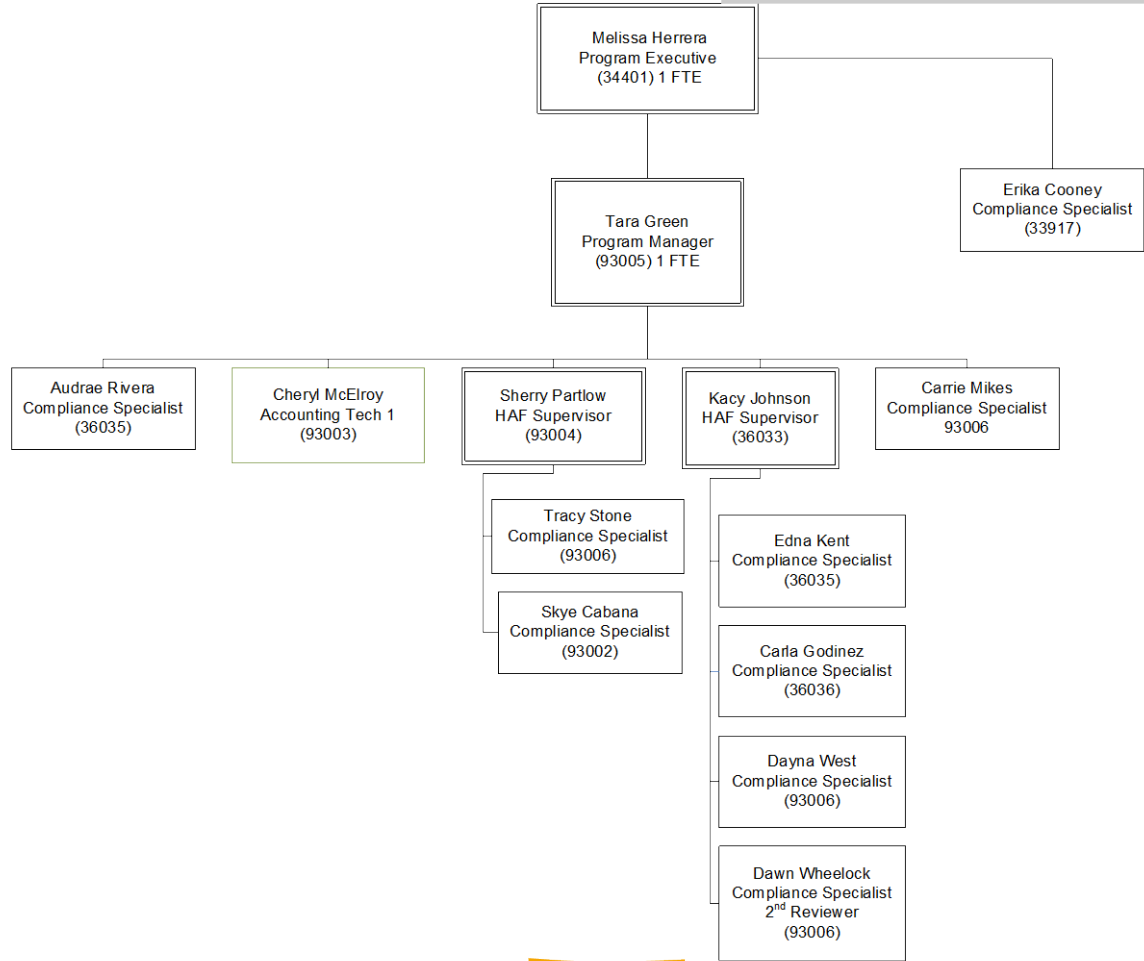
Homeownership – Affordable Development – Housing Stability

# Housing Division

Board of Housing  
Board of Directors  
Policy Setting for Board  
Programs



# ARPA Housing



# Multifamily Development

## Housing Credits

- 2023: Five projects awarded **\$31.68M** for projects in Big Horn, Cascade, Lincoln, Missoula and Silver Bow Counties
- 2024: Five projects awarded **\$32.35M** for projects in Lewis & Clark, Ravalli, Cascade, Gallatin and Yellowstone Counties
- 2025: Six projects awarded **\$37.20M** for projects in Missoula, Yellowstone, Gallatin, Lake and Beaverhead Counties

Investments to build or rehabilitate over **430** rental homes

# Multifamily Development

Conduit bonds are issued under the Montana Unified Volume Cap Bond Allocation Plan Act and leverage federal 4% Housing Credits

- FY22: MBOH issued **\$47.3M** to produce **330** rental homes
- FY23: MBOH issued **\$49.9M** to produce **288** rental homes
- FY24: MBOH issued **\$115.7M** to produce **600** rental homes



# Coal Trust Multifamily Homes Program

- HB 819 increased authority from \$15M to \$65M
- Interest Rate for all loans made under HB 819 at the average investment performance yield, as published by BOI

## MONTANA BOARD OF INVESTMENTS

### Coal Trust Multifamily Homes Program Rate Sheet

Interest Rates    November 7, 2024    through    December 4, 2024

Coal Trust Multifamily Homes Program Residential Rate	
Minimum Rate	Average Coal Trust Investment Performance
3.46%	3.96%


- Interest rates effective for one (1) month period, will be updated on the first Thursday of the month.
- The posted rates reflect a net yield to BOI and are exclusive to any service fees.
- The posted rates are for Montana Housing compliance purposes only, please contact Montana Housing for the program loan rates.

HB 819 CTMH Projects	City	Loan Amount	Interest Rate	Status
Carter Commons	Great Falls	\$1,700,000	3.9725%	Approved 9/2023
Mitchell Court	Billings	\$2,150,000	3.8325%	Approved 9/2023
Riverstone Senior	Hamilton	\$1,550,000	3.8325%	Approved 10/2023
Twin Creeks 9%	Helena	\$1,221,360	3.8325%	Approved 10/2023, 3/2024
Welcome Way	Darby	\$2,090,000	3.3825%	Closed 11/2023
Stan's Garden Community (ROC)	Belgrade	\$5,051,113	3.9425%	Closed 1/2024
Two Rivers	Lolo	\$5,460,833	3.8825%	Closed 2/2024
Elmore Roberts	Great Falls	\$4,989,000	4.0525%	Approved 3/2024
Alpenglow 2	Whitefish	\$3,000,000	3.8825%	Approved 4/2024, 12/2024
Twin Creeks 4%	Helena	\$6,890,000	3.8325%	Closed 8/2024
Skyview Apartments	Billings	\$2,400,000	4.0725%	Approved 12/2024
Casa Loma (ROC)	Missoula	\$9,300,000	4.0725%	Approved 9/2024
RLACF Rentals	Red Lodge	\$460,000	4.0825%	Closed 9/2024
Polson Gardens	Polson	\$1,750,000	4.0725%	Approved 10/2024
The Homestead	Dillon	\$420,000	4.0725%	Approved 10/2024
Old Hellgate Village (ROC)	Missoula	\$2,807,031	4.0725%	Closed 10/2024



**COMMERCE**

# Multifamily Development



For HB 16 and HB 819  
CTMH **Funded Loans** as  
of Nov. 1, 2024 (with six  
HB 16 loans based on  
prior/lower interest-rate  
structure), total interest for  
life of these loans will be  
**\$23.1M** with net servicing  
fee (0.25%) of \$21.2M

For HB 16 and HB 819  
CTMH **Committed Loans**  
as of Nov. 1, 2024, total  
interest for life of these  
loans will be **\$21.9M** with  
net servicing fee (0.25%)  
of \$20.3M

Available balance after  
closings and  
commitments:

**\$73**

## Multifamily Development Cont.

- The Housing Montana Fund established in 1999 by SB 349
- No state legislative appropriations have been made to the account
- Only a handful of loans originated over the last 10 years

## Housing Montana Fund

- Three loans for a total of \$1.2M made in 2023 and 2024, for 2 projects in Bozeman and Billings
- All loans made at 4.0% interest rate



# Mortgage Loan Servicing

- July 2022: Total loan portfolio of **\$522.9M** principal balance comprised of 5,352 loans
- July 2023: Total loan portfolio of **\$563.6M** principal balance comprised of 5,608 loans
- July 2024: Total loan portfolio of **\$688.7M** principal balance comprised of 6,236 loans

Over the last biennium, total loan portfolio principal balance increased by **31.7%** with total number of loans serviced increasing by **16.5%**

# Mortgage Loan Servicing

As of Aug. 2024, the portfolio's weighted average interest rate is 4.420%

- 2,473 loans with \$257.0M total principal balance have rate up to 4%
- 3,104 loans with \$352.1M total principal balance have rate 4% and above

As of Aug. 2024, 0.90% of portfolio is 60 days delinquent, compared to 0.41% for Montana per the June 2024 Mortgage Bankers Association report, or 0.70% nationally

Foreclosure rates for the Board's portfolio (0.27%) align with Montana as a whole (0.26%)

# Homeownership

FY2022: 593 single-family mortgages purchased with Bond Program for \$81.5M

FY2023: 481 single-family mortgages purchased with Bond Program for \$73.2M

FY2024: 772 single-family mortgages purchased with Bond Program for \$144.2M

FY2022: MBOH issued \$96.0M of Single-Family Mortgage Bonds

FY2023: MBOH issued \$40.0M of Single-Family Mortgage Bonds

FY2024: MBOH issued \$192.0M of Single-Family Mortgage Bonds

# Homeownership

## Request for Proposal: Master Servicer

- Issued Sept. 6, 2023
- Three responses submitted, all from expected vendors who work with other Housing Finance Agencies.
- Evaluation committee reviewed and ranked submissions, leveraged outside expertise with CSG Advisors (MBOH Financial Advisor) and Incenter Mortgage Advisors (pricing and valuation)
- MBOH approved Idaho Housing and Finance Association as its new Master Servicer in Dec. 2023

# Homeownership

## **Master Servicer: Idaho Housing & Finance Association**

- Feb. 2024: Due diligence visit to Boise
- April 2024: Contract executed
- May – Oct. 2024: IT testing, lender training, and document updates
- Nov. 1, 2024: Program launch

## Program documents created or substantially updated:

- Mortgage Purchase and Servicing Guide
- Single-Family Lock Guidelines
- Five separate loan program Terms and Conditions



## Reverse Annuity Mortgage

- Three loans originated for \$333.7K
- 240 loans since program inception; 201 paid in full
- Current available balance of **\$4.81M**

## RAM Outreach Campaign

- Commenced summer 2024, running through fall 2024
- \$8,230 including two radio PSAs, MT Senior News ad, op-ed, press release, “Aging Horizons” TV show and other media interviews
- Five new inquires / applications received since conclusion of campaign
- In-depth programmatic discussion with Board members in October 2024



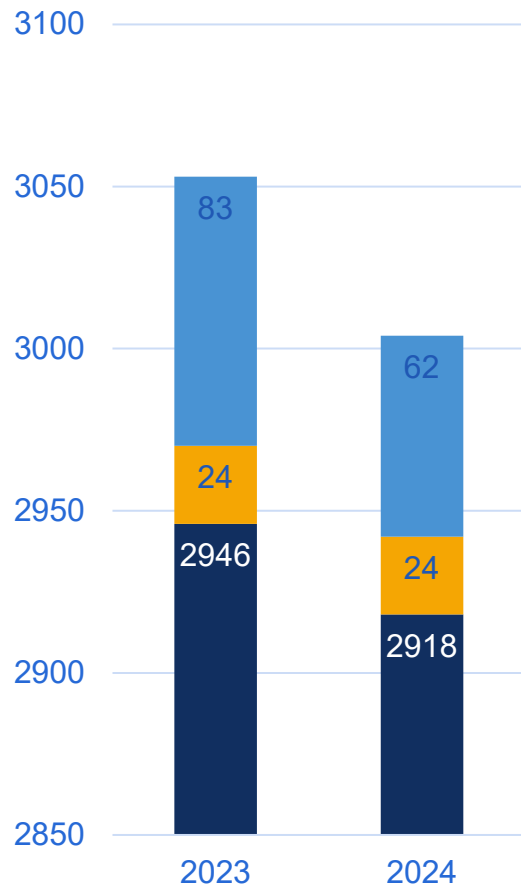
# Rental Assistance

## Federal Programs:

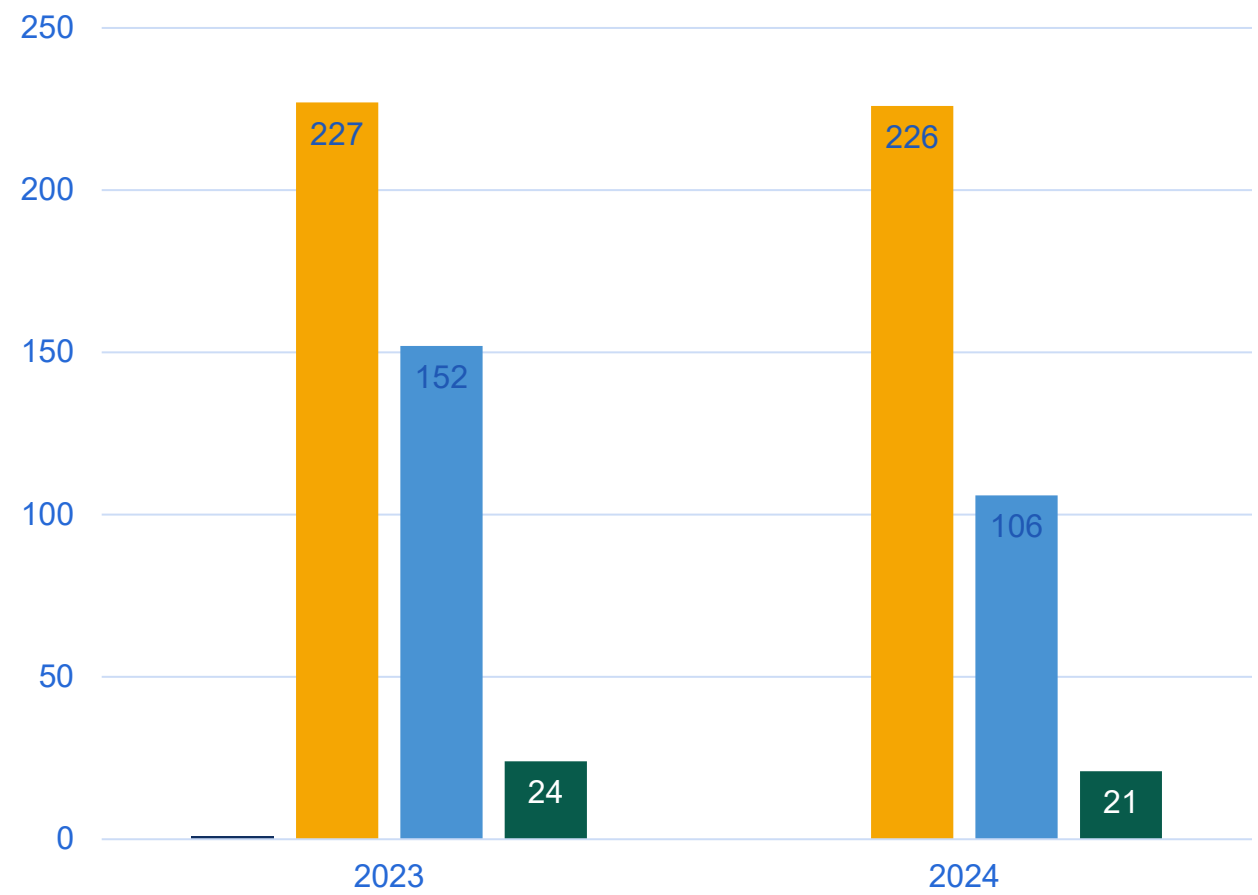
- Housing Choice Vouchers also known as Section 8 Vouchers
  - Veteran Affairs Supportive Housing (VASH and PB VASH)
  - Mainstream Vouchers
  - Emergency Housing Vouchers
- Project-Based Section 8 Contract Administration
- Moderate Rehabilitation Contract Administration
- Section 811 Project Rental Assistance

# Rental Assistance

Number of leased vouchers / units



■ HCV ■ Mainstream ■ EHV



■ VASH ■ ModRehab ■ Section 811

# Rental Assistance HCV Waitlist Closure

Waitlist closed and new voucher issuances paused, effective Aug. 2024

\$300-\$500K drawn from reserves each month to make up difference for reduced federal disbursements

HUD required two “offsets” to reserves, reducing fund balance by **\$1.55M**

Jan. 2024 reserve balance of **\$3.96M** reduced to **~\$170K** by year-end



Leasing and Spending Outcomes: Current and Following Year Projections		
	2024	2025
UML % of ACC (UMA)	72.6%	72.0%
HAP Exp as % of All Funds	99.3%	96.6%
HAP Exp as % of Eligibility only	109.7%	97.3%
End of Year Results		
Projected 12/31 Total HAP Reserves	\$168,500	\$899,601
HAP Reserves as % of ABA (Start: 19.3%)	0.9%	3.4%

## Rental Assistance

- Nearly **\$47M** in payments made to landlords in 2023
- Over **\$51M** in payments made to landlords in 2024
- Nearly **3,700** households reside in subsidized Project-Based Section 8 properties

## Request for PBV Proposals:

- Issued Sept. 30, 2024
- Three responses submitted
- Evaluation committee reviewed and ranked submissions and made the following contingent awards on Nov. 15, 2024:
  - Crowley Flats in Lewistown—four vouchers
  - Hidden Creek Apts. in Bozeman—40 vouchers



# Rental Assistance

## Fair Market Rent Survey

- In Nov. 2024, launched survey of renters to gather information about the actual amount of assistance low-income Montanans need to afford housing
- Funding for survey provided by HB 872 and the Behavioral Health System for Future Generations Commission
- Survey results will be used to request an update to FMRs from HUD, based on a more accurate reflection of current local market conditions
- Commerce is seeking more appropriate rental subsidies for lower-income households, particularly persons experiencing a disability and elderly households on fixed incomes



# Community Housing

- CDBG-Housing
  - CDBG-CARES
- National Housing Trust Fund
- HOME Investment Partnerships Program
  - HOME-ARP
- Emergency Shelter Facility Grant



## Community Housing

HOME and HTF project locations awarded during the last biennium:

- Belgrade
- Billings
- Bozeman
- Dillon
- Hamilton
- Helena
- Kalispell
- Libby
- Missoula

## HOME Investment Partnership

2023: Received \$6.55M in requests for projects totaling \$58.8M in development costs

- Awarded **\$4.11M** to 4 projects for 277 rental homes

2024: Received \$4.11M in requests for projects totaling \$164.0M in development costs

- Awarded all **\$1.55M** to 3 projects for 114 rental homes



# Community Housing

For HOME and HTF projects awarded during the last biennium:

- Total development costs of **\$219.3M**, supporting local jobs, wages and economic benefits for Montana communities
- Total investments will build or rehabilitate nearly **780** rental homes

# Housing Trust Fund

2023: Received \$7.64M in requests for projects totaling \$54.2M in development costs

- Awarded **\$6.49M** to 5 projects for 206 rental homes

2024: Received \$6.01M in requests for projects totaling \$221.0M in development costs

- Awarded all **\$1.93M** in funds available to 2 projects for 182 rental homes



# Community Housing

## HOME Homebuyer Assistance

- 2023: 9 first-time homebuyers received **\$536,889**
- 2024: 12 first-time homebuyers received **\$745,734**

## CDBG Affordable Housing Development and Rehabilitation Grants

- 2023: 3 projects awarded **\$2.25M** for rehabilitation of **128** rental homes in Hamilton and Butte, and to provide expanded transitional housing for **23** Montana families in Gallatin County
- \*Budget Authority for CDBG in Community MT

# Community Housing

## **\$10.17M** from CARES Act

- Prevent, prepare, and respond to COVID-19 pandemic
- Benefit low- and moderate-income Montanans
- Avoid duplication of benefits from other local, state or federal sources of funds

# CDBG-CARES

- Awarded 15 projects in 13 communities: Circle, Missoula, Trego, Superior, Helena, Hardin, Big Horn County, Bozeman, Shelby, Wolf Point, Red Lodge, Butte and Hamilton
- Improve air quality, expand common spaces, update hospital software, improve well and septic systems, increase suitable homes, and provide safer emergency shelters
- 9 projects complete; 65% of funds disbursed with remaining to be expended by end of 2025



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## Community Housing

**\$11.3M** from ARPA Bill.

Funding is intended to support communities and affordable housing organizations to help reduce homelessness and increase housing stability

## HOME-ARP

- Awarded more than **\$10M** to 6 projects that will provide permanent supportive housing, non-congregate shelter and supportive services to homeless and other at-risk populations
- Projects located in Hamilton, Kalispell, Butte, Bozeman and Hardin
- 13% of the funds expended with remaining funds expected to be disbursed during 2025 construction season



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# Community Housing

## HB 5 ESFG - \$5M

- Awarded funds to 10 service providers in 7 counties: Ravalli, Yellowstone, Gallatin, Missoula, Flathead, Butte-Silver Bow and Lewis & Clark
- ESFG will impact nearly **1,000** unhoused Montanans
- 3/4 of funds under contract; 48% of funds expended
- 4 projects complete, providing as many as 555 new or improved shelter spaces
- 3 additional projects expected to be completed by early 2025, improving 180 shelter spaces



# ARPA Housing Program - 74

The ARPA Housing Program has reduced housing instability and homelessness for Montanans, which was exacerbated by the COVID-19 pandemic, by providing financial assistance for low-income households who have experienced financial hardships directly or indirectly due to the pandemic.



# Montana Emergency Rental Assistance Program (MERA 2)

## Source of Funds

Section 3201 of the American Rescue Plan Act and Montana HB 632 Section 14(1) and included \$152,000,000 dollars for MERA 2.

1. Past due and future rent, utility and internet services;
2. Past due rent late fees;
3. Unpaid rental security deposit;
4. Rental application and screening fees;
5. Housing stability services;
6. Montana Eviction Intervention Program; and
7. Other eligible uses (FAQ 46).



# MERA Results

- Over 14,000 households assisted with rent, utilities and internet for over \$136M.
- Over 2,600 potentially fraudulent applications prevented, equaling over \$47M.
- Financial assistance provided in 54 counties.
- Through Sept. 24, 179 households received housing stability supports.
- \$5.3M provided for MERA other eligible uses.



# MERA 2 Overview



<b>MERA 2 Expenses</b>	
<b>Total Allocation</b>	<b>Other Eligible Uses</b>
\$105,472,471	\$5.3M
<b>Financial Assistance</b>	<b>Administration</b>
\$84,066,893	10%
<b>Housing Stability Services</b>	<b>Total Excess Funds</b>
\$7,682,210	(\$46,527,527)

# MERA Other Eligible Uses (FAQ 46)

Queen City Estates  
Rehabilitation  
Helena  
24 Units

Riverview  
New Construction  
Big Sky  
24 Units

Rocky Mountain Flats  
New Construction  
Bozeman  
296 Units

Summit Apartments  
Rehabilitation  
Livingston  
8 Units

Hearthstone  
Rehabilitation  
Anaconda  
74 Units

Samaritan House  
New Construction  
Kalispell  
18 Units

Skalkaho Apartments  
New Construction  
Hamilton  
8 Units



# Homeowner Assistance Fund

## Source of Funds

Montana Housing directed \$50 million of ARPA Section 3206 funds under HB 632 Section 14(1).

- Mortgage reinstatement
- Lien prevention
- Utilities
- Home repairs
- Education and counseling
- Legal assistance



# HAF Results

“  
*I want to start by thanking each and every one of you who have been a part of this pilot program and for you to know the impact and importance for so many Montanans, me personally, and what this means to us all.*”

*Homeowner , Frenchtown*

- 486 households assisted with mortgage reinstatement.
- 130 households received lien prevention.
- 160 households received utility/internet assistance.
- 42 households received home repairs.
- Assistance was provided in 46 counties.



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# HAF Overview

<b>HAF Expenses</b>	
<b>Mortgage reinstatement</b>	<b>\$6,029,698</b>
<b>Forward facing mortgage payments*</b>	<b>\$606,194</b>
<b>Lien prevention</b>	<b>\$493,733</b>
<b>Utilities</b>	<b>\$129,878</b>
<b>Home repairs</b>	<b>\$1,163,013</b>
<b>Counseling and education</b>	<b>\$354,166</b>
<b>Administration</b>	<b>\$3,046,291</b>
<b>Total expenses</b>	<b>\$11,822,973</b>

# ARPA Gap

## Source of Funds

Montana Housing directed \$15 million of ARPA Section 602 funds under HB 632 Section 12(1).

These funds provided critical gap financing for affordable housing development projects already in the pipeline experiencing significant development cost increases due to COVID-19-related worker shortages, supply chain disruptions and price escalations in key building materials and labor costs.



# ARPA Gap Overview

Location	Project Name	# of Units	Expected Completion	Amount Funded
Big Horn County	ANHA	43	December 2024	\$1,580,483
Flathead County	Alpenglow	38	Completed/Leased	\$280,000
Hill County	Highland	32	December 2024	\$409,517
Lake County	Meadowlark	24	Completed/Leased	\$210,000
Missoula County	Villagio/Trinity	402	Completed/ Leased	\$4,000,000
Park County	Bluebunch	37	Completed/Leased	\$520,000
Yellowstone County	Laurel Depot/ Jackson Court/MRM	91	November 2024 (May be extended)	\$6,000,000
Yellowstone and Carbon Counties	Spruce Grove	62	Completed/Leased	\$2,000,000



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**COMMERCE**

# Board of Horse Racing - 78

The Montana Board of Horse Racing's mission is to ensure the integrity of the state's horse racing industry, both live and simulcasting, through customer-oriented regulation and monitoring of compliance with the MBOHR laws and rules.



MBOHR is responsible for:

- Regulation and compliance of the horse racing industry, including auditing, supervising and conducting investigations.
- Licensing race personnel, establishing race dates and establishing veterinary practices and standards.
- Working closely with individuals in Montana's race industry to support and help the industry grow and be successful.

# 2027 Biennium Goals and Objectives

1. Support current race facilities, both financially and with other resources in order to help them succeed.
  - A. Stability achieves opportunity and strength in their respective communities, while providing an avenue for owners and breeders to grow their racing programs. Supporting industries also succeed.
  - B. Financial support has allowed current race facilities to improve their infrastructure. Upgrading stalls and equipment allows for a safer environment for both equine and human athletes.
2. Continue to grow the new Montana Bred Incentive Program.
  - A. Started in 2024 utilizing a portion of General Funds allocated in the 2023 Legislature. In the first year of this program, a 33% increase in the number of race starts were attributed to Montana- bred horses.
  - B. This is an excellent program for Montana owners and breeders, giving them an opportunity to grow and succeed.



# 2027 Biennium Goals and Objectives

3. Update regulations as needed, without allowing those regulations to restrict the growth of the industry.

A. Provide the highest level of integrity possible for the public and individuals involved in the racing industry in Montana.

B. Work to assure that our race facilities provide a safe environment for both equine and human athletes.

**Ultimate Goal: Growth and prosperity of Montana's storied horse racing industry.**



**COMMERCE**

# 2024 Season Successes

- Over 30,000 people attended horse racing in Montana in 2024.
- The number of licensees increased 33% from 2023 to 2024.
- Parimutuel handle increased 8.5% from 2023 to 2024.
- Purses have increased from \$2,500 in 2021 to \$6,000 in 2024, drawing more owners and trainers to Montana.
- The purchase of 200 new stalls at Miles City.
- Track equipment and stalls upgraded at Great Falls.
- Increased financial support for both race facilities from funds generated through advanced deposit wagering, from \$120,000 in 2020 to \$480,000 in 2024.
- General Funds allocated by the 2023 Legislature were utilized to start a new Montana Bred Incentive Program, upgrade stalls at Miles City and upgrade equipment at Great Falls.



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# 2024 Season Successes

- The new Montana Bred Incentive Program was directly responsible for a 33% increase in the number of Montana bred starts at Montana horse racetracks.
- The Board continues to work closely with individuals involved in Montana's racing industry to generate growth and stability.
- The officials mentor program continues to provide people an opportunity to work and succeed in the racing industry.



# General Fund Allocation and Spending

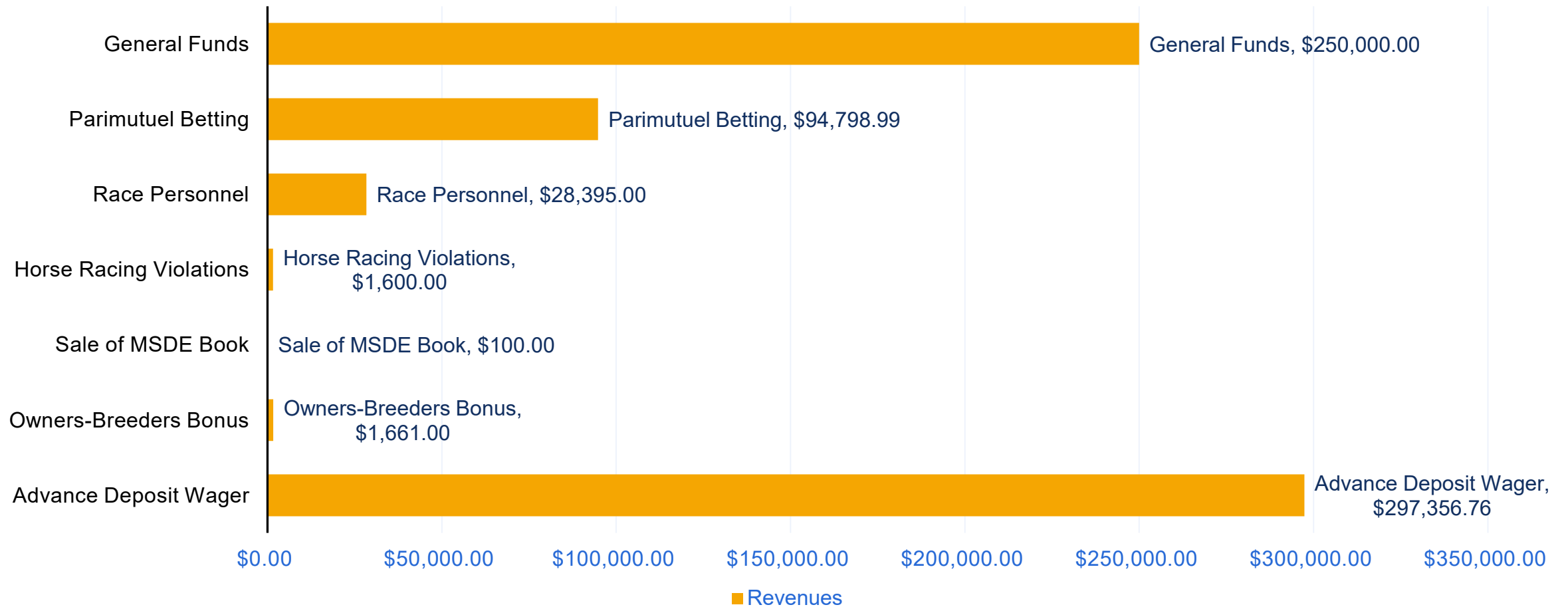
The MBOHR decided on a three-prong approach to best utilize General Funds allocated by the 2023 Legislature. The three areas of implementation were all very successful, showing immediate growth in 2024:

- Implementation of the new Montana Breeders Incentive Program in 2024. Every Montana-bred horse that started at a Montana race facility earned money, no matter how they finished. 33% more Montana-bred horses started in 2024 than 2023, showing an immediate success.
- The MBOHR allocated part of the General Fund monies to both the Great Falls Turf Club Race Meet and the Miles City Bucking Horse Sale Race meet for capital improvements. Great Falls upgraded its track equipment and improved their stalls, providing a safer environment for both equine and human athletes. Miles City used its funds in conjunction with their existing funds to purchase 200 portable stalls, replacing old stalls in need of upgrading. Additional stalls were also necessary for more horses that owners and trainers brought to Miles City.
- A portion of the funds were used at both facilities to increase purses, allowing Montana facilities to be competitive with surrounding states. More individuals brought more horses to race in Montana.



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# Board of Horse Racing Revenues



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## For more information

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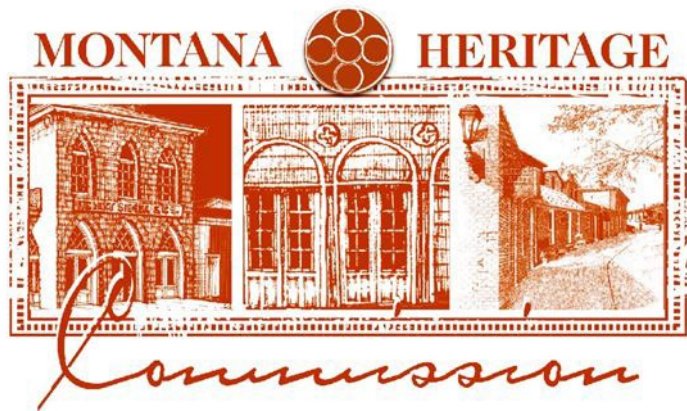
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# Montana Heritage Preservation and Development Commission - 81

The Montana Heritage Commission preserves and promotes Montana's territorial capital history and resources through quality visitor experiences and preservation of state-owned buildings and artifacts.



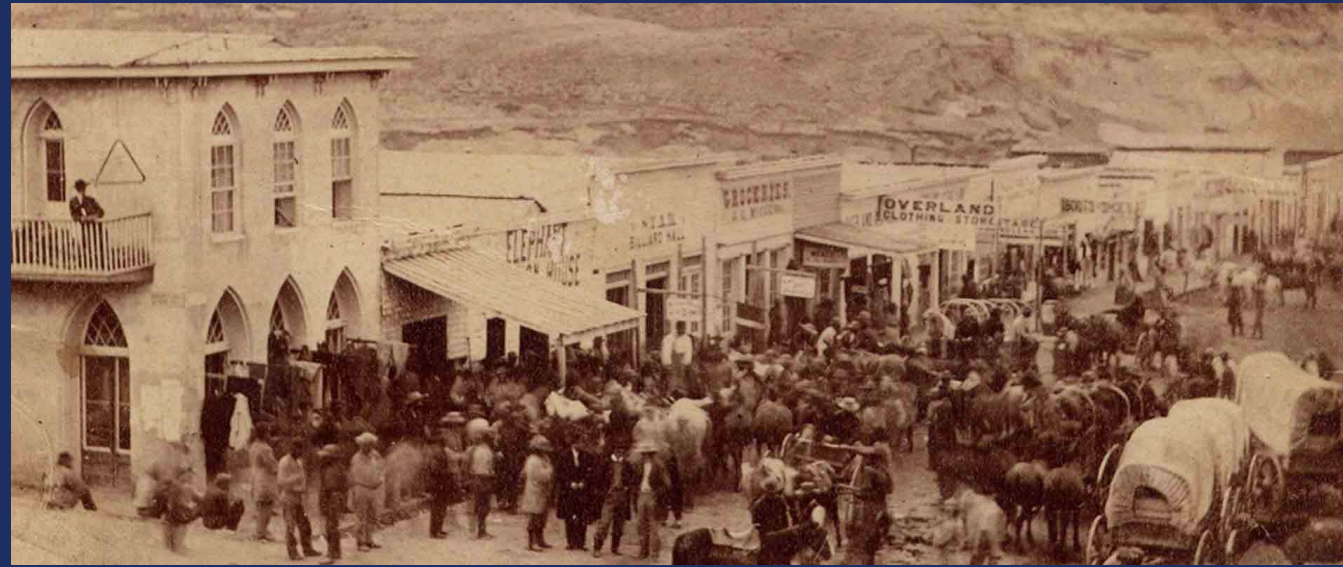






Virginia City and Nevada City were the site of the richest placer gold strike in the Rocky Mountains, with an estimated \$100 million dollars throughout the 18th and 19th century. Today, they are considered one of the largest historic sites in the US and constitute **Montana's #1 state-owned tourism destination.**





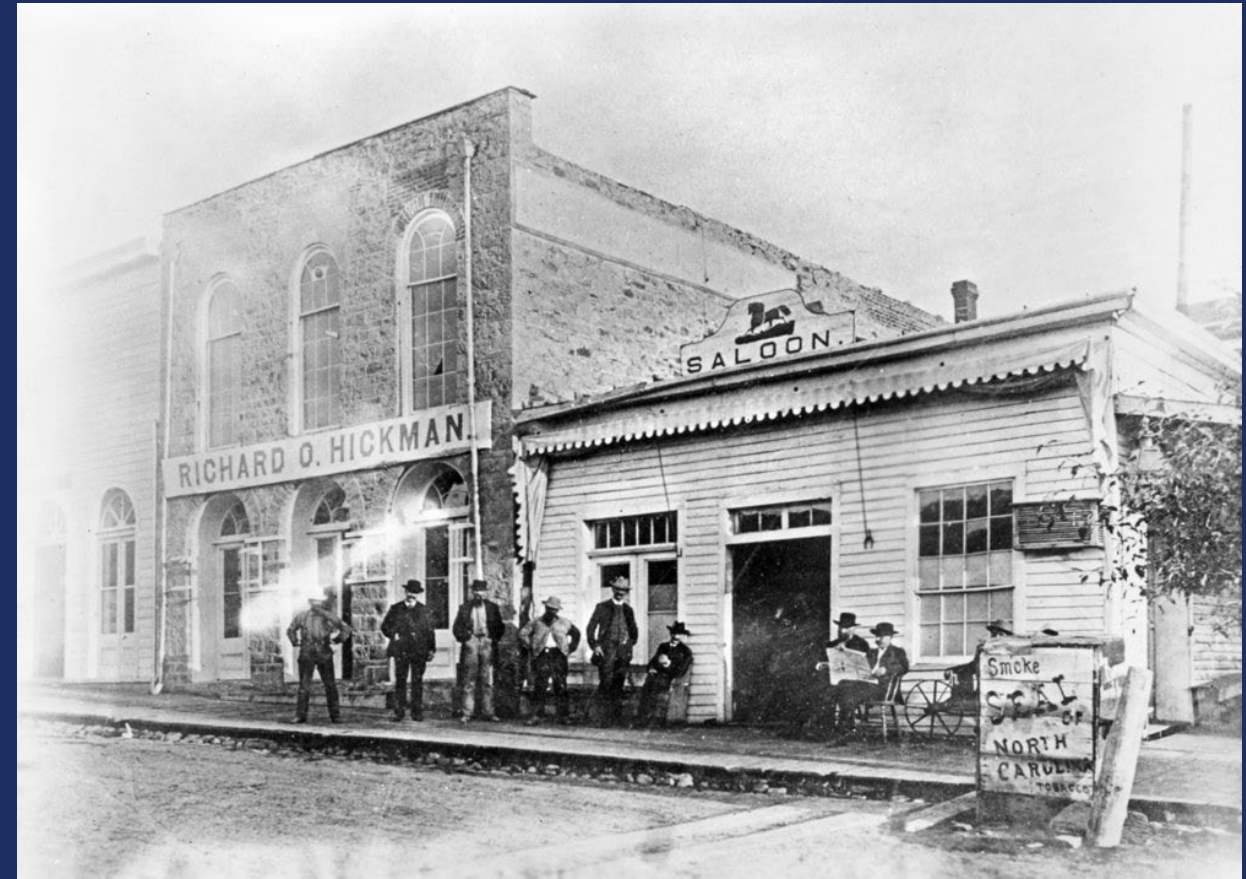


Today, historic properties are given new life as MHC concession leases. Currently, 40 small business owners partner with MHC to preserve and promote Montana's heritage through tourism.



# Stonewall Hall

Acquired by  
MHC in 2023



From 1865 to 1875 when Virginia City was Montana's territorial capital, the Territorial Legislature met on the second floor of this stone building. Constructed in 1864, it is Montana's oldest standing capitol building.

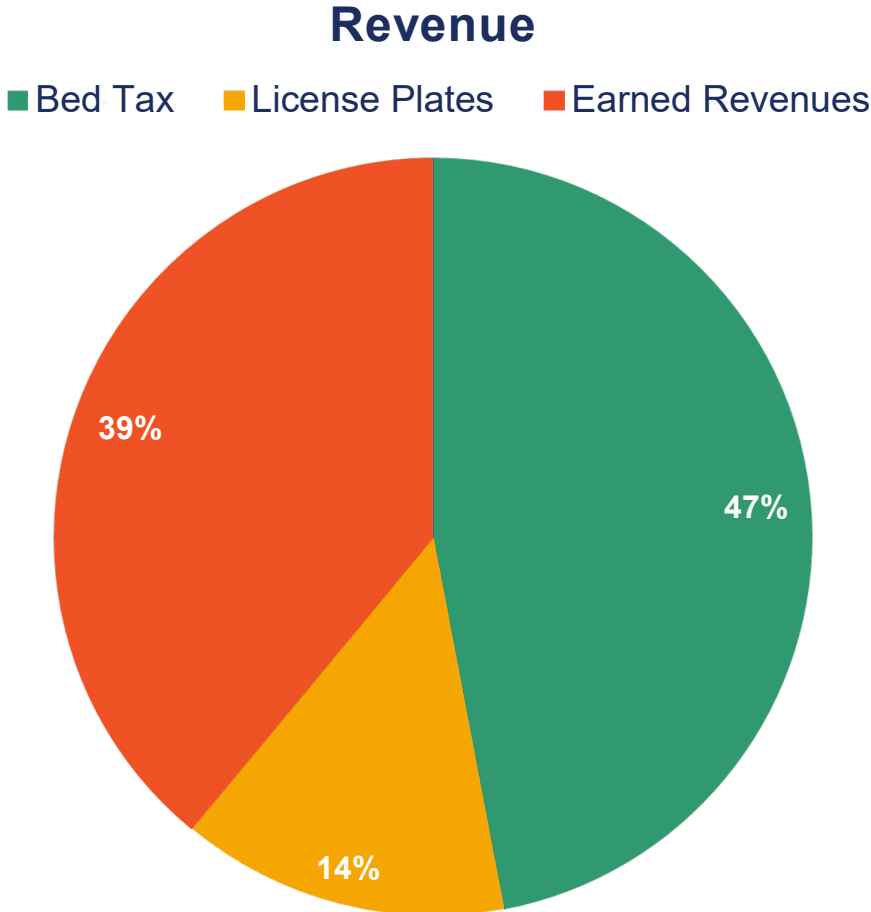
# How is MHC Funded?

**Income: Revenue FYE 2024 – \$2,138,402**

MHC operates on earned revenue from:

- MHC operations: \$846,404
- Bed Tax capped at: \$1,000,000
- License plate fees: \$291,998
- General Fund: \$0

2021-2022 were record breaking years in tourism counts and earned revenue. In FY2024 saw a slight downturn (7%) from that post-COVID 19 pandemic peak.



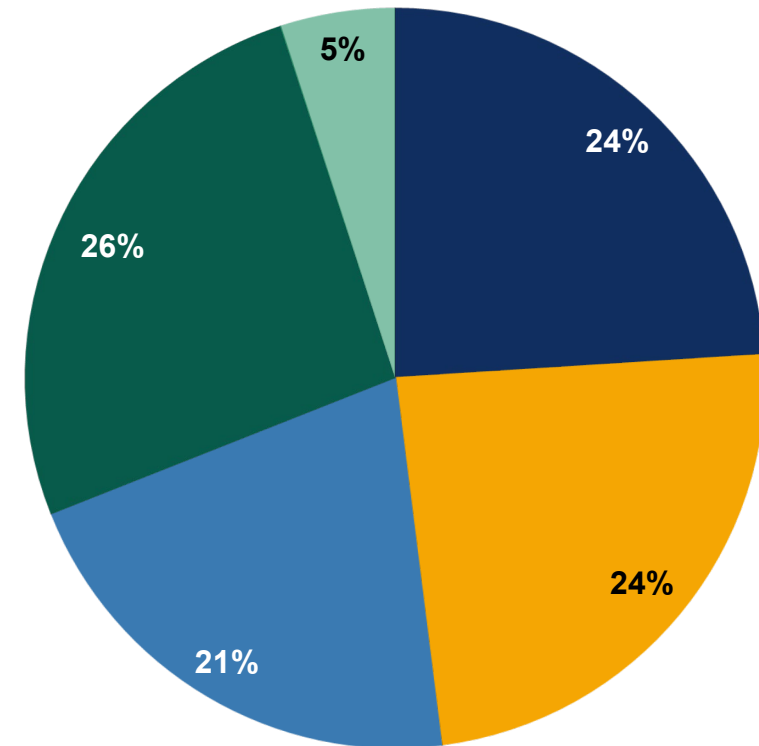
# Where Does the Money Go?

**EXPENSES: FY 2025 \$2,852,860**

- MHC operations in Virginia City, Nevada City and Reeder's Alley operating costs include all personal services, preservation, promotion, repairs, insurance and admin fees.
- The admin fee to the Montana Department of Commerce as an attached agency is 13.47% of personal services. (\$92,761)
- MHC has eight FTE positions, five full-time and 3 aggregate positions which hire 15 (90-day) seasonals that work from May - September each year.

## Expenses

■ Facilities ■ Personal Services ■ Operations ■ Services ■ Equipment





Portrait of the members of the Montana Council, the upper chamber of the Montana Territorial Legislature. Virginia City, 1874.

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**COMMERCE**

# Director's Office - 81



The Director's Office provides leadership, communication and management for the Department's economic, housing and community development efforts. The Office provides effective, efficient and sustainable internal support to Department programs and staff.

Leadership – Communication – Management

# Indirect Rate

	Approved FY 22	Approved FY 23	Approved FY 24	Approved FY 25	Budgeted FY 26	Budgeted FY 27
<b>State Programs</b>						
<b>Indirect Cost Rate</b>	14.78%	14.78%	13.47%	13.47%	19.89%	19.89%
<b>Federal Programs</b>						
<b>Indirect Cost Rate</b>	14.78%	14.78%	13.47%	13.47%	19.89%	19.89%

The indirect rate pays for 21.00 FTE within the Director's Office. Remaining Director's Office staff are paid for by Division programs and are notated in their FTE headcount.



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# Research and Information Services

The Research and Information Services Bureau within the Director's Office provides support in the below areas. The bureau has 6.35 HB 2 FTE.

**RIS uses research to find economic opportunity by partnering with people, agencies and organizations throughout the state, nation and globe to promote economic opportunity and enhance our understanding of the people and economy of Montana.**

**IDP Program:**

Researches industry sectors to provide strategic information and analysis to facilitate growth in Montana's top industries.

**CEIC:**

The State's official home for demographic and economic data. Includes economic analysis, mapping and modeling services.

**Tourism Research Program:**

Uses data and analysis to drive Montana's tourism economy.

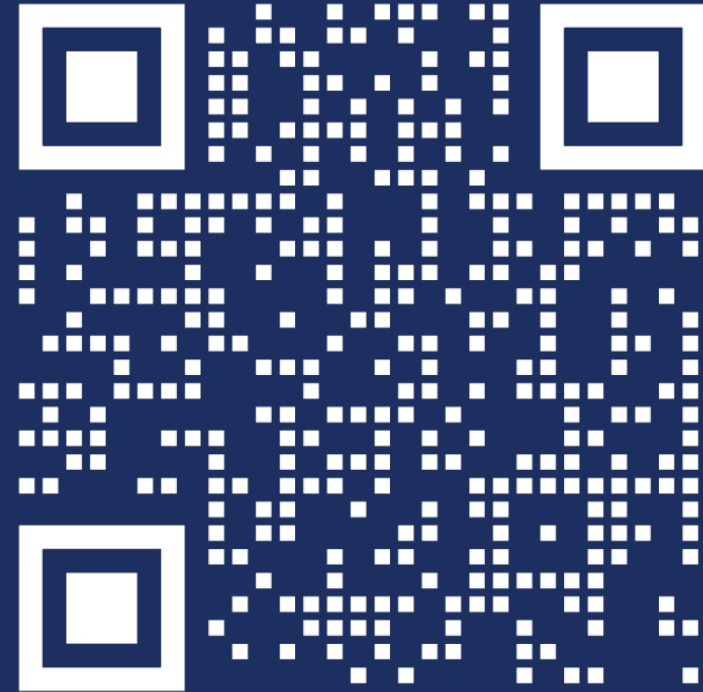
**Resort Tax Analysis:**

Conducted by staff to determine eligible resort areas and communities.



# Stay connected with Commerce

- Commerce Quarterly Newsletter
- Weekly Roundup Newsletter
- Press releases



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