

BIG SKY ECONOMIC DEVELOPMENT TRUST FUND PROGRAM

SWIB Sector Strategies Committee Meeting



OVERVIEW

- The BSTF Program is a state-funded program to assist in economic development for Montana.
- The Legislature created the BSTF Trust Fund which is a designated fund within the permanent Coal Trust Fund.
- Program is funded through the interest off the BSTF Trust Fund.
- Two eligible activities – Job Creation and Planning



PURPOSE

- Create good-paying jobs for Montana residents,
- Promote long-term, stable economic growth in Montana,
- Encourage local economic development organizations,
- Create partnerships between the state, local governments, tribal governments, and local economic development organizations that are interested in pursuing these same economic development goals,
- Retain or expand existing businesses,
- Provide a better life for future generations through greater economic growth and prosperity in Montana,
- Encourage workforce development, including workforce training and job creation, in High-Poverty Counties by providing targeted assistance, and
- Manufacturing ammunition components is a qualified economic development purpose.



PLANNING PROJECTS



WHO CAN APPLY



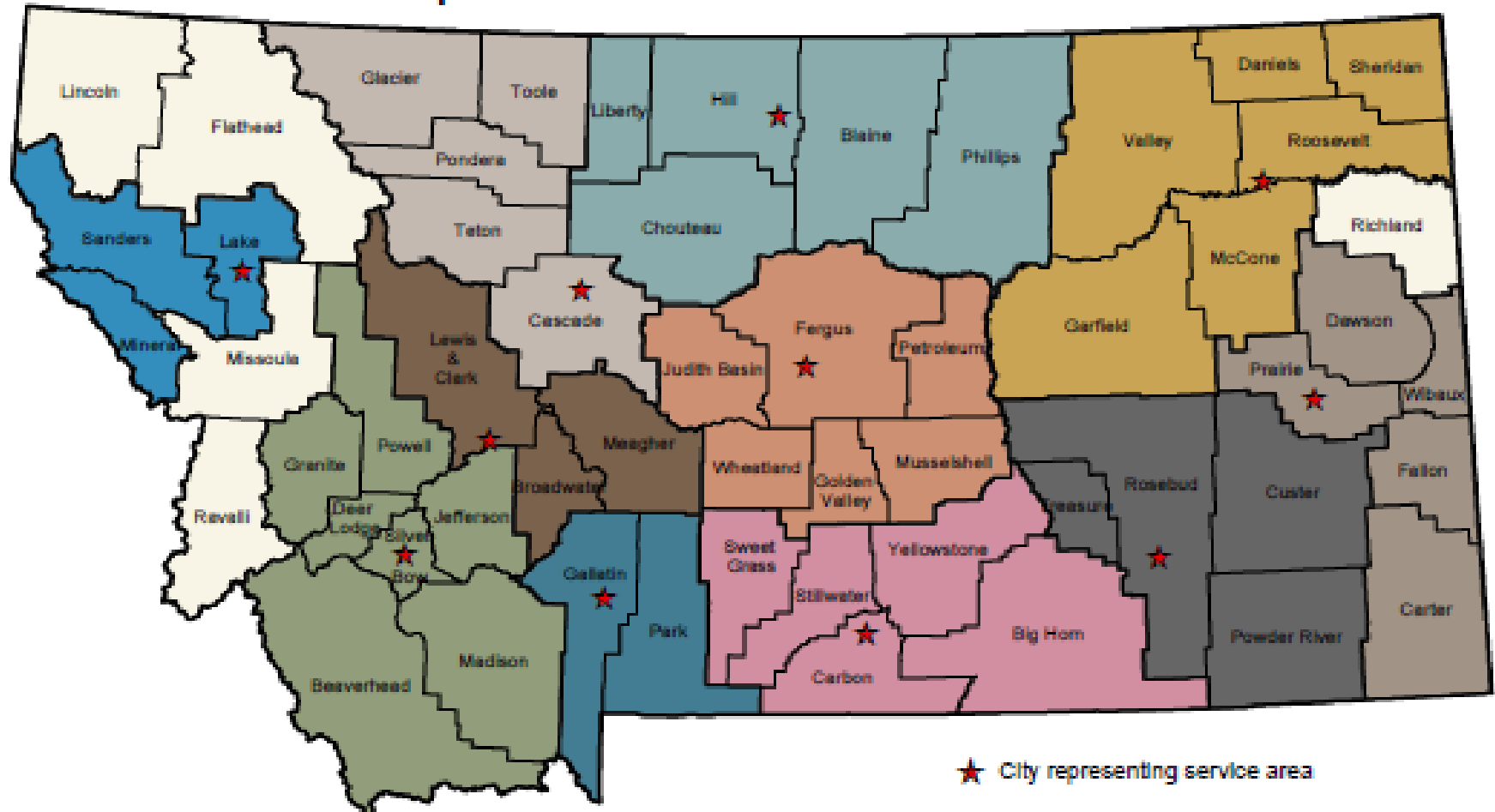
Awards are made to Certified Regional Development Corporations (CRDC), tribal governments and other eligible economic development organizations.

Typical project awards are \$27,000 with local match.

CRDC

CERTIFIED REGIONAL DEVELOPMENT CORPORATION REGIONS

Montana Department of Commerce - Business Resources Division



ELIGIBLE ACTIVITIES

- Support for business improvement districts and central business district re-development,
- Industrial development,
- Feasibility studies,
- Creation and maintenance of baseline community profiles,
- Matching funds for federal funds,
- Preproduction costs for film or media, and
- Administrative expenses.



MONTANA



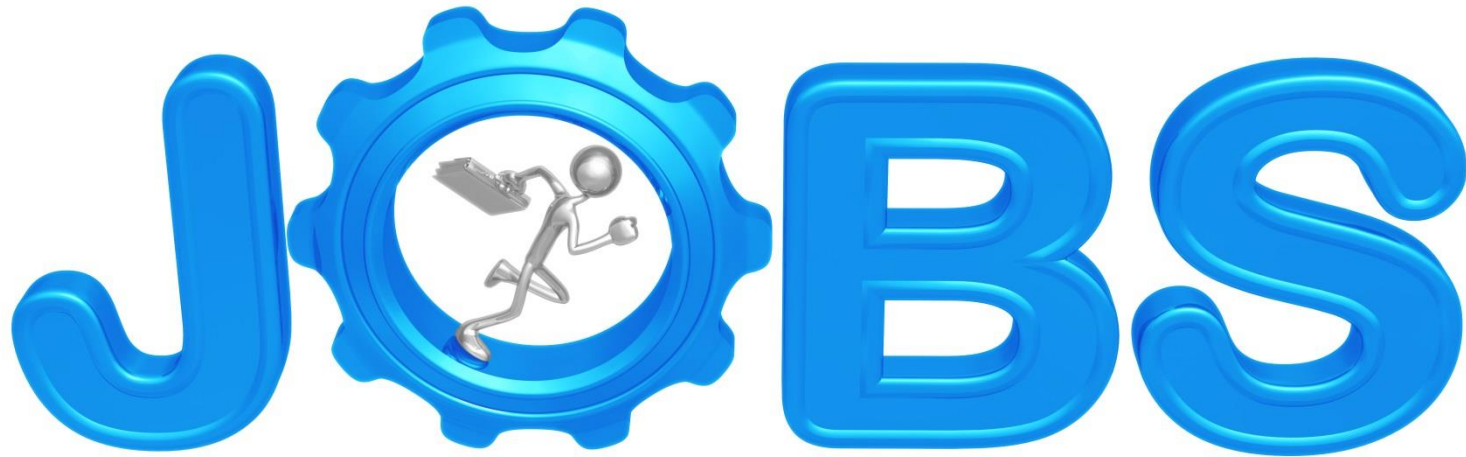
FUNDED PROJECTS

- BillingsWorks Workforce Council Master Plan
- North Central Montana Labor Market Study
- Regional Workforce Demand and Supply Study
- Bozeman Workforce Assessment Study

Since the inception of the Program, over \$5 million of planning funds have been awarded.



JOB CREATION PROJECTS



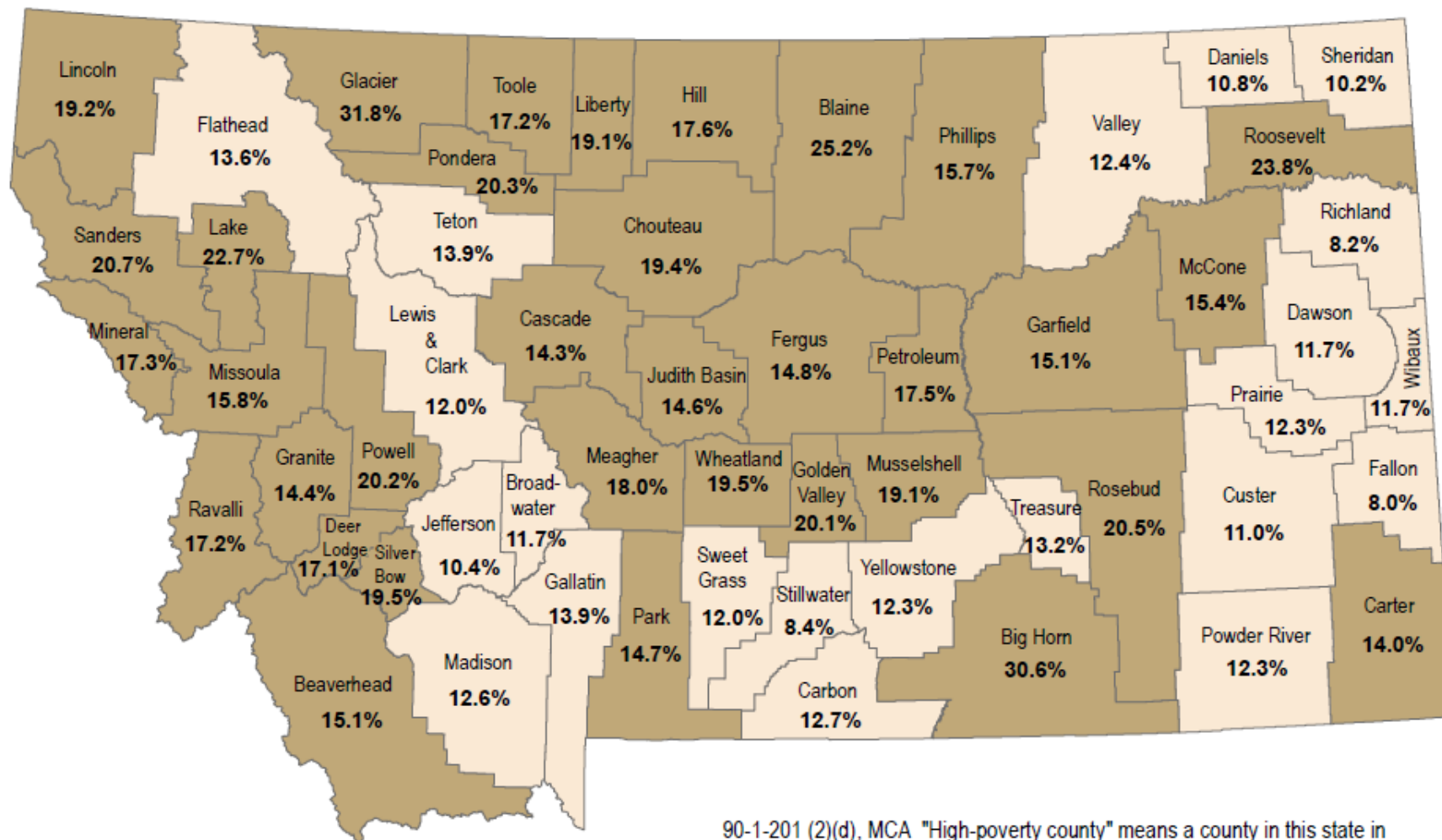
WHO CAN APPLY

- Local and tribal governments apply on behalf of an eligible assisted businesses
- The assisted business needs to:
 - Have a focus on out-of-state markets and clients or a business that engaged in business activities that will provide a sufficient positive economic impact to the community, regional and state beyond job creation or provide an essential service or function.
 - Create at least one job that pays, as a minimum, 170% of Montana's current minimum wage. The value of employee ERISA benefits can be included in the calculation to meet the wage.

HOW MUCH CAN APPLY FOR

- **\$5,000** per BSTF eligible job created and for projects located in a non-high poverty county with \$1 for \$1 match requirement
- **\$7,500** per BSTF eligible job created and for projects located in high poverty county with \$1 for \$2 match requirement.
- Reimbursement is based on the number of jobs created and amount of eligible expenses and match.

POVERTY MAP



90-1-201 (2)(d), MCA "High-poverty county" means a county in this state in which 14% or more of people of all ages are in poverty as determined by the U.S. Census Bureau estimates for the most current year available.



ELIGIBLE ACTIVITIES

- Reduction in the interest rate of a commercial loan;
- Grant or low interest loan for relocation expenses;
- Rental assistance or lease buy-downs for a relocation or expansion project;
- Grant or Purchase of Land, Building or Equipment;
- Wages of Net New Employees;
- Construction Materials, and
- Employee Training.



FUNDED PROJECTS

- ADF International, Inc. – 146 jobs, \$983,700
- All American Pharmaceutical – 34 jobs, \$170,000
- SmartLam, LLC – 29 jobs, \$217,500
- Montana Instruments Corporation – 17 jobs, \$127,500
- Glacier Hops Ranch, LLC – 5 jobs, \$37,500

Since the inception of the Program, over \$14 million of job creation funds have been awarded.

CONTACTS

- Karyl Tobel, Bureau Chief 841-2732
- Annmarie Robinson, Section Manager 841-2250
- Alyssa Townsend, Program Specialist 841-2748
- Debi Davidson, Program Specialist 841-2792

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QUESTIONS

