Comprehensive Economic Development Strategy

2019 - 2023

Beartooth Resource Conservation & Development

Economic Development District

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Comprehensive Economic Development Strategy (CEDS) 2019-2023

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Vision:

Beartooth RC&D seeks to build on the region's strengths and develop the region's opportunities in an inclusive and responsible manner that stimulates private and public sector participation resulting in an improved and diversified economy.

Thank you to the CEDS Strategy Committee:

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Marissa Hauge*	Stillwater County Economic Development
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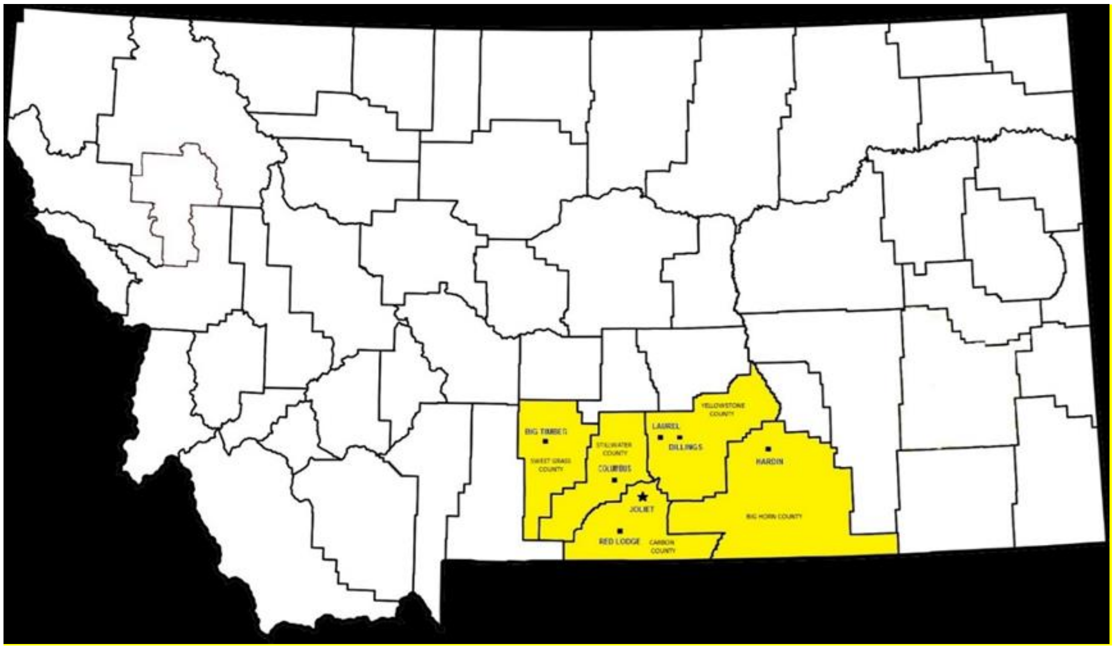
The Beartooth Service Region



The Board of Directors of the Beartooth Resource Conservation and Development District is proud to present the 2019 - 2023 Comprehensive Economic Development Strategy (CEDS), designed to integrate economic development efforts within the region. It tells a story about the region's past, present and future. The CEDS is prepared through a stakeholder input process designed to analyze local conditions, identify strengths, weaknesses, opportunities, and threats to the region and assist future economic development efforts to improve the living conditions of the local residents.

The CEDS document contains five primary sections:

1. Summary Background – *What have we done?*
2. SWOT Analysis – *Where are we now?*
3. Strategic Direction / Action Plan – *Where do we want to go and how do we get there?*
4. Evaluation Framework – *How are we doing and what can we do better?*
5. Economic Resilience – *How do we anticipate, respond and recover from economic shocks?*

Beartooth staff, Board members, CEDS strategy committee and organizational partners worked to gather the information and solicit input through a series of activities beginning in early September. These activities included stakeholder surveys, meetings with County Commissioners, Board updates and a strategy committee meeting to finalize the SWOT analysis and action plan goals.

This document represents a five-year update and identifies locally grown strategies that will guide regional economic development, encourage partnerships and collaboration, and improve economic outcomes and overall quality of life for the Beartooth Economic Development District.

Summary Background

The Beartooth RC&D Economic Development District (EDD) includes five counties located in south central Montana. They are Big Horn, Carbon, Stillwater, Sweet Grass, and Yellowstone counties. The District covers 13,328 square miles, and according to 2017 population estimates provided by Stats America, comprises a population of 196,146. Within the EDD are 2 Native American reservations, 5 county governments, 12 incorporated cities and towns and 29 unincorporated communities. The largest city in the state, Billings, is located within the district and has an estimated population of 109,642 (2017 US Census Bureau estimate).

Demographic and Socioeconomic Data

Indicator	Big Horn	Carbon	Stillwater	Sweet Grass	Yellow-stone
2017 Population	13,360	10,696	9,419	3,691	158,980
Population Growth 2010-2017	3.8%	6.1%	3.3%	1.1%	7.4%
Population Change 1980-2010	15.9%	24.4%	62.9%	13.5%	37.0%
Households 2016	3,602	4,385	3,784	1,447	62,459
Average Household Size 2016	3.60	2.30	2.40	2.40	2.40
Median Age 2017	30.0	49.6	46.6	48.1	38.2
Labor Force (persons) 2017	5,534	5,411	4,839	1,788	81,485
Per Capita Personal Income 2016	$29,532	$42,153	$44,314	$44,264	$47,467
Median Household Income 2016	$39,445	$53,794	$59,905	$49,666	$57,351
Median HH Income Change 2000-2016	43.4%	60.3%	42.4%	45.3%	49.7%
Poverty Rate 2016	25.5	10.3	8.4	9.8	8.8
Poverty Rate for children under 18 in 2016	31.2	13.5	9.1	11.4	10.6

Source: Stats America October 2018

The Appendix contains comprehensive profiles of each county prepared by the Montana Department of Labor and Industry and a complete side-by-side comparison data from Stats America.

Beartooth utilizes a number of sources to gather data and provide information as to the health of the region. One of these sources is the Economic Profile System (EPS) maintained by Headwaters Economics, an independent, nonprofit research group. The EPS tool is able to generate a number of reports that provide side-by-side comparisons for the region. The reports also include a study guide to understand what is being measured and why these measurements are important. Eleven custom regional data reports can be accessed on the Beartooth website: https://www.beartooth.org/reports-and-publications

Environmental Conditions

Most years, in the mid-to-late summer, the region experiences smoke from wildfires from in-state fires and those on the west coast. This smoke is a mixture of gases and fine particles, which cause mild to moderate eye and respiratory irritation.

Mining activity is and has been prevalent in the region. Coal is actively mined in Big Horn County and mining operations in Sweet Grass and Stillwater Counties extract gold and platinum group metals. The companies holding leases in these areas have effective reclamation programs and meet, or exceed air and water quality standards. An example of these efforts at the Absaloka Mine is located here: https://www.youtube.com/watch?v=j4QPhA1fP8I

The Smith Mine in Carbon County, south of Red Lodge, was an active underground coal-mining site until the state's worst mining disaster on February 27, 1943. There is a coal slack dump site in Red Lodge had been covered by a protective cap of dirt which began to erode, exposing the coal slack and creating a potential for infiltration of contaminants into Rock Creek. The City of Red Lodge and Montana DEQ's Abandoned Mine Lands program is working on a solution to place a more protective and permanent cap over the repository and efforts have begun to add recreational facilities on top of the new cap.

The region contains a number of Brownfields sites and a limited number of these sites are being remediated and scheduled for reuse. Brownfield site map: http://deq.mt.gov/Land/rem/data_maps

Cultural

Native American and Western Frontier heritage are important components of the regional culture. These two elements, combined with outdoor recreation and access to Yellowstone Park are the primary drivers of the region's healthy tourism industry.

The City of Billings is the most populated in the state, the only one with a population of more than 100,000, and the largest metropolitan area in over 500 miles. These factors allow for a reasonable range of cultural activities, medical facilities, and educational facilities, all within a 60-90 minute drive of the balance of the region.

Geography

The Beartooth RC&D Economic Development District contains geographic diversity; with a majority of the total land area (80.78%) considered farmland. The area is bounded to the north and east by wide-open prairies and to the west by the spectacular Beartooth Mountains. The southern boundary of the District is the Wyoming state border and the Pryor Mountains. Elevations within the District range from 12,660 feet above sea level to less than 3,000 feet, which contributes to a wide range of climates, plant and animal species, and land use within the district.

Major industries attributed to the region's geography include agriculture, precious metals mining and coal mining. Agriculture includes livestock, dryland and irrigated farming, sugar beets, alfalfa, and small grains. Tourism is also a product of the region's landscape, including Red Lodge Mountain ski area and the Big Horn River, a blue ribbon trout fishery.

Red Lodge, in Carbon County is a gateway community to Yellowstone National Park via the scenic Beartooth Highway, called "the most beautiful drive in America" by the late CBS correspondent Charles Kuralt. Montana's highest mountain, Granite Peak, with an elevation of 12,799 is located in the Beartooth Mountain Range. The Pryor Mountains, in the southeast corner of the District, are a mixture of arid red desert, high Douglas fir forests and subalpine meadows.

Interstate 90 intersects the upper half of the region and a spider web of state roads that are almost as numerous as Montana's rivers connect with every corner and natural wonder in the region. Camping areas as well as lodges and other accommodations are salted throughout Montana's south-central area, making it a prime vacation destination.

Political Geography

The five counties in the area are each governed by a 3 member county commission, elected every 6 years on a rotating basis. Within these counties are 12 incorporated cities or towns, operating under the jurisdiction of a City Council. The nine smaller communities are governed by the Mayor and a four-member Council. The City of Hardin has a Mayor and six-member Council, the City of Laurel has a Mayor, eight-member Council and a Chief Administrative Officer. The Billings City Government includes a ten-member Council, Mayor and City Manager. The District's unincorporated communities have service districts, but no organized government structure, so the county has jurisdiction in these areas.

Conservation Districts are subdivisions of state government and are located in each county. Each district is governed by a board of supervisors, five of which are elected in the general public election and two urban supervisors which are appointed by incorporated municipalities within the district.

The Crow Tribe's form of government is unique and quite extensive. The Executive Branch is comprised of the Cabinet, Executive Departments and Offices, Committees, Commissions, and Boards that are subordinate to the Executive Officials. The Cabinet includes the Chief Executive Officer and the heads of 10 executive departments including Crowland Security, Economic Development, Education, Finance, Health and Human Services, Human Resources, Natural Resource, Public Works, Residences and Renovation, and Water and Reclamation, as well as the Chief Operations Officer.

Within Crow government is the Crown Nation Legislature, established by Article 5 of their Constitution. The Legislature is the law-making body of the Crow Nation Government, and has 18 members elected by the voters of six reservation districts to staggered four-year terms. The Legislative officers are elected to a one-year term by the body every January.

The Northern Cheyenne Tribe has a representative form of government. Each district elects its representative to sit on the 16 person Tribal Council and the general membership votes for a Chairman. Departments carry out much of the activity conducted by the Northern Cheyenne tribe.

Climate

Montana, with an area of 146,316 square miles, is the fourth largest State of the Union with large climatic variations. The extent of these variations is indicated by the range in elevation of from 1,800 feet above sea level where the Kootenai River enters Idaho to 12,850 feet at Granite Peak near Yellowstone Park. Half the State lies over 4,000 feet above sea level. In January, the coldest month, temperature averages range from 11° F for the Northeastern Division to 22° F for the South Central (upper Yellowstone Valley) Division. In July, the warmest month, temperature averages range from 74° for the Southeastern Division to 64° F for the Southwestern Division.

Precipitation varies widely and depends largely upon topographic influences. Areas adjacent to mountain ranges in general are the wettest, although there are a few exceptions where the "rain shadow" effect appears. Generally, nearly half the annual long-term average total falls from May through July. This is perhaps the main reason why Montana in consistently one of the largest producers of dryland grain crops. Probably the driest part of the State is along the Clark Fork of the Yellowstone River in Carbon County. In this area, 8 miles south-southwest of Belfry, the average precipitation for a 16-year period is 6.59 inches.

Severe storms of several types can occur, but the most troublesome are hailstorms, which cause crop and property damage averaging about $5 million annually. This is not unusually large for an area of 146,000 square miles, however, and their occurrence is limited mainly to July and August, infrequently in June and September. Drought in its most severe form is practically unknown, but dry years do occur in some sections. All parts of the State rarely suffer from dryness at the same time.

Water supplies are usually sufficient for numerous irrigation projects. Irrigated crops that do well are potatoes, sugar beets, sorghums, alfalfa, and many varieties of grain. Smaller quantities of other hardy crops are grown under irrigation. Wide-open areas of rangeland provide excellent quality grass for an extensive livestock industry. Between livestock and other agriculture, Montana has developed into an important food supply state.

Source for Climate Information: Western Regional Climate Center www.wrcc.dri.edu

Infrastructure Assets Related to Economic Development

Transportation Access

Even though the District is in South Central Montana, when viewed from a regional perspective it is approximately centered between Denver and Calgary, and Minneapolis and Seattle. Being located at this intersection presents significant growth opportunity for transportation logistics, warehousing, and distribution center activity.

Interstate 94 serves the Beartooth District traveling eastward to Bismarck, ND and eventually the Twin Cities. Interstate 90 enters Montana from the south and serves as a major connector for over the road transport of freight from the Midwest and Southern tier states to the Pacific Northwest. The state highway system radiates out of Billings in all directions, significant routes that terminate in or near Billings include Highways 3 and 87, carrying trade to the north and Highway 212, which originates near Mount Rushmore and ends near Yellowstone National Park. Secondary highways that provide impact to local economies include highway 310 into Lovell, Wyoming and Highway 191 from Big Timber to Harlowton.

Air Travel

Billings Logan International Airport services the passenger and freight needs for eastern Montana and Northern Wyoming. The city owned and operated airport is classified as a small air traffic hub by the Federal Aviation Administration. The airport's importance to the region and the state has increased due to reduced services being offered to the more rural areas in the region. Over the years, the original site of 500 acres expanded to the current 2,200 acres. The airport is located just five minutes from downtown.

Billings Logan International Airport also serves as a drop off point for much of the Montana tourist trade as well as for commercial airfreight and business travel. The region draws tourists from around the world during the summer months with travel routes through the area providing access to the Absaroka-Beartooth Wilderness area, Yellowstone National Park, and the Little Big Horn Battlefield. In addition to the range of services offered at Logan, general aviation activities are supported by airports in each county.

Statistics for Logan International Airport: https://www.flybillings.com/651/Statistics

Rail

Rail service to and from the area is provided by the Montana Rail Link and Burlington Northern-Santa Fe lines. BNSF has an intermodal hub located in downtown Billings and serves rail traffic to the south. MRL serves as a regional railroad that links southern and western Montana to the nation's rail system. MRL operates a train-switching yard, an important bridge traffic facility for the region, and an equipment repair facility in Laurel that employs up to 400 people. As can be seen from the intermodal network map below, the District is positioned as a gateway to the Pacific Ocean ports for goods from the upper Midwest.

Wilderness and Roadless Areas

There are large expanses of road-less and congressionally designated wilderness areas in the region. The Absaroka-Beartooth Wilderness area is located in portions of four Montana counties, three of which are in the District including Sweet Grass, Stillwater, and Carbon Counties. These areas provide unique access in the Continental United States to vast expanses of remote, undeveloped territory that attracts local and foreign visitors to the area.

Industry Clusters

Industry clusters are regional concentrations of related industries. Clusters consist of companies, suppliers and service providers, as well as government agencies and other institutions that provide education, information, research and technical support to a regional economy. In other words, clusters are a network of economic relationships that create a competitive advantage for the related companies in a particular region. This advantage then becomes an enticement for similar industries and suppliers to those industries to develop or relocate to a region.

An analysis of industry clusters can help identify new and emerging clusters to replace older and ebbing clusters. Tools to assist in the analysis of clusters help Beartooth recognize opportunities for growth and expansion, common workforce needs, improve regional marketing effectiveness, and identify opportunities for entrepreneurial activity.

The table below summarizes the primary and secondary Industry Clusters in each county. Location Quotient (LQ) information is a valuable way of quantifying how concentrated a particular industry cluster is in a region as compared to the nation. It also helps us to understand what makes this a unique area and assists in the development of programming to support innovation and business development in these higher industry concentrations. Industry sectors projected to contract in the next ten years are of concern and warrant further study both to ensure economic diversification and to retain the potentially impacted workers.

The agricultural industry cluster is strong in the region, and forecasted to expand at a moderate rate over the next ten years. However, wages in this industry are relatively low, which presents an opportunity for expanded value-added activities and for AgTech activities. A complete Stats America industry cluster report of the region can be found in the Appendix.

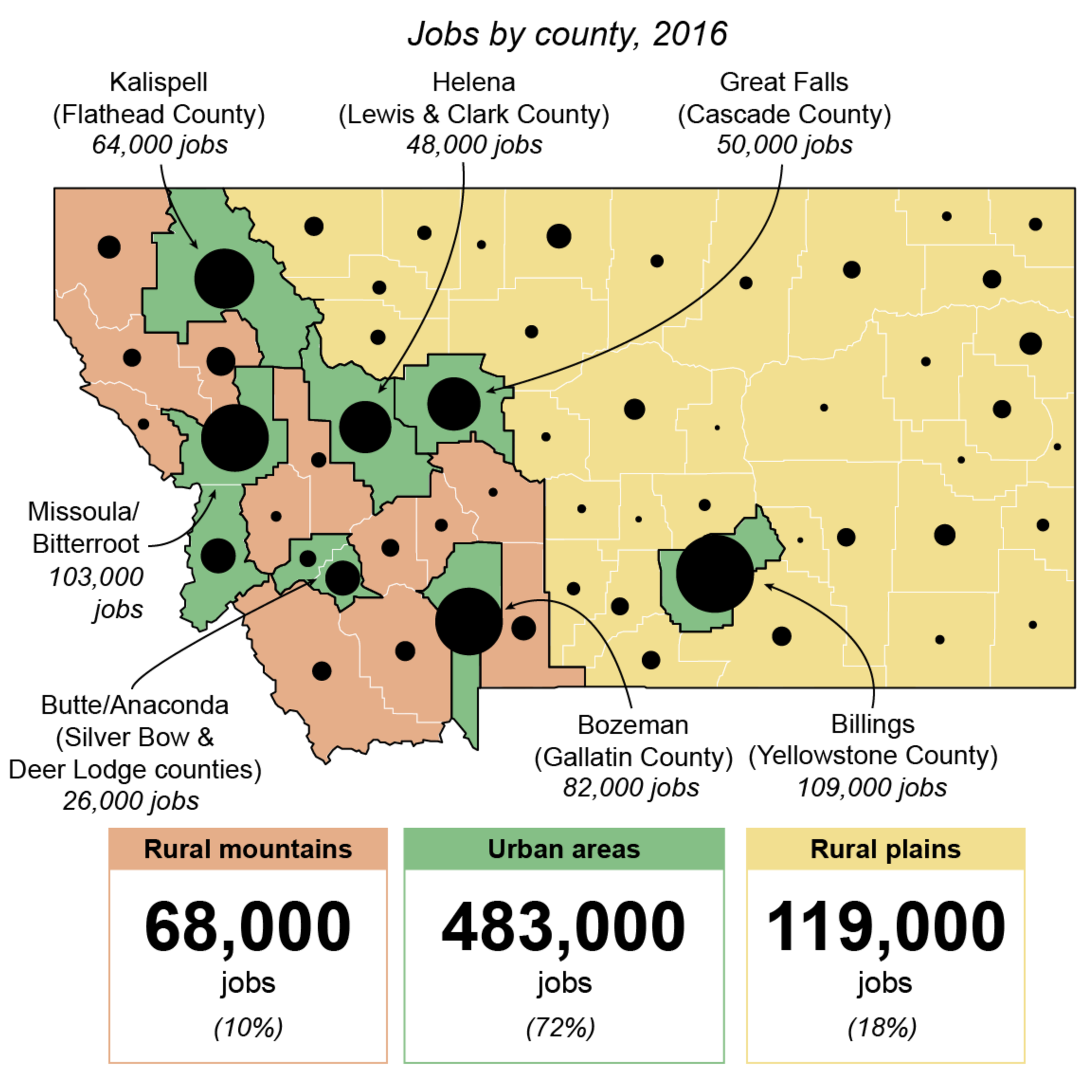
County	Primary Industry Cluster	LQ	# of Workers	Average Wage	10 Year Forecast		Secondary Industry Cluster	LQ
Big Horn	Coal/Oil/Power	14.81	627	72,052	0.3%		Public Administration	5.72
Carbon	Agricultural	8.55	439	34,456	0.4%		Coal/Oil/Power	2.09
Stillwater	Metal & Product Manufacturing	33.67	948	118,370	-0.4%		Agricultural	5.38
Sweet Grass	Metal & Product Manufacturing	26.93	364	82,420	-1.1%		Agricultural	7.69
Yellowstone	Coal/Oil/Power	2.38	1,833	106,192	1.2%		Freight Transportation	1.6

Data Source: JobsEQ Report by County as provided by the Small Business Development Center

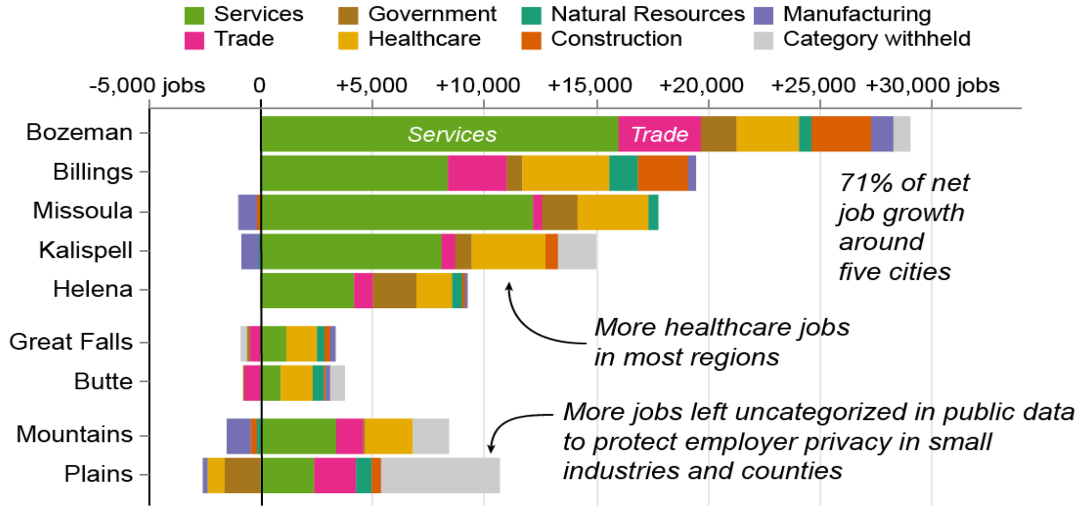
Relationship of the Region's Economy to the State of Montana

Montana Free Press' Long Street Project focuses on the economic trends and issues that shape the opportunity Montanans have – or do not have – to make a decent living. In a recent post titled *Montana's economic landscape, visualized,* author and researcher Eric Dietrich provides an in-depth look at the economic hubs, job growth, and wage gap throughout Montana. The research and graphs indicate the Billings metro area is a key economic hub for the eastern part of the state, providing 22.5% of all urban area jobs and is second to the Bozeman market in terms of employment growth. Earnings in the Billings region are higher than other areas of Montana, but still significantly lower than the nationwide average. The graphics that follow are a visual representation of county-level job data available from the U.S. Bureau of Economic Analysis.

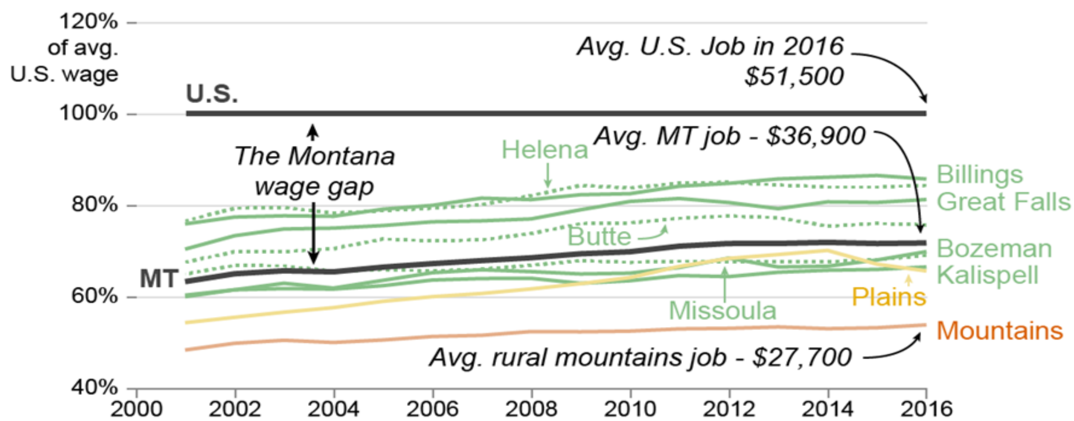
The full post of this article:
https://montanafreepress.org/where-the-jobs-are-montanas-economic-landscape-visualized/



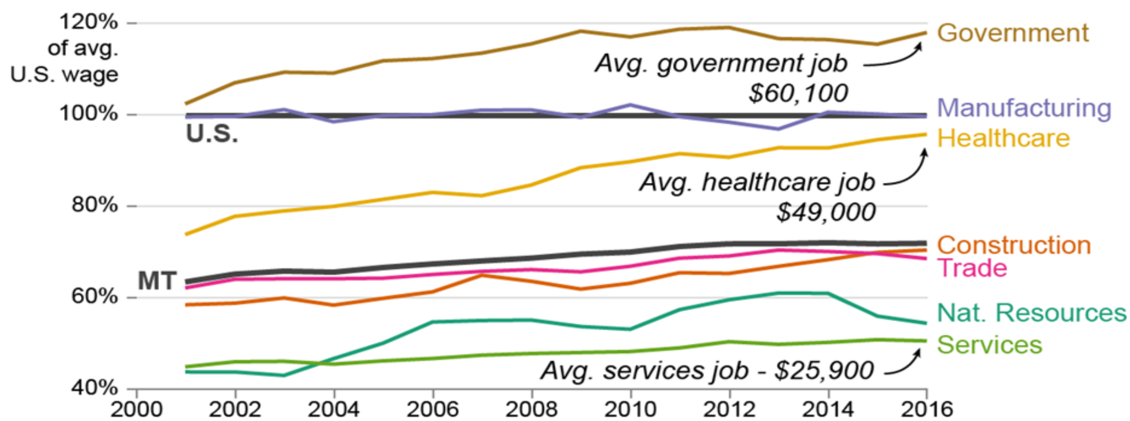
Employment change by region and sector, '01 to '16



Earnings by region, Montana vs. average U.S. wage

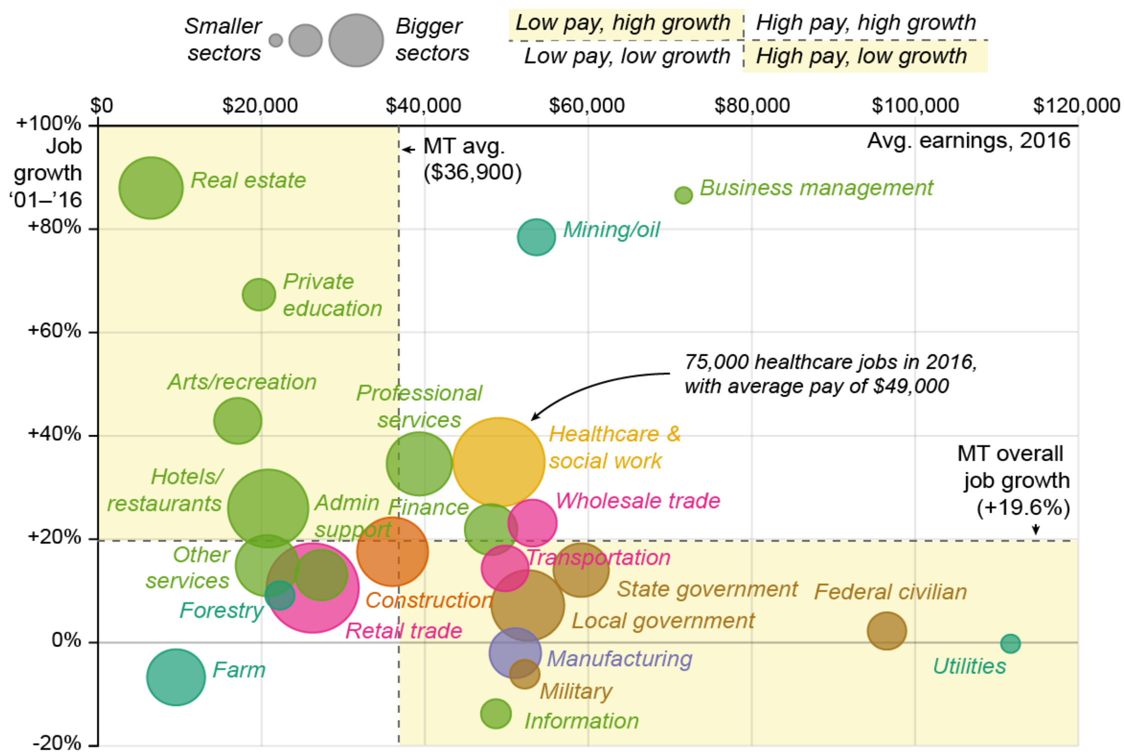


Earnings by sector, Montana vs. average U.S. wage

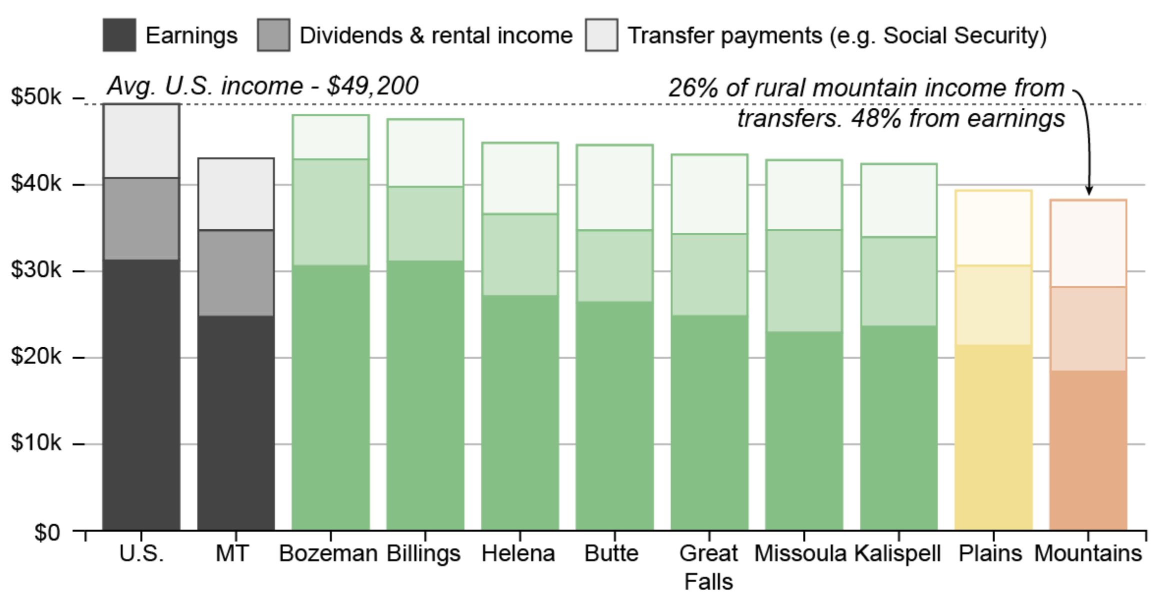


The data represented below is a good indicator of job growth concern in that the high growth industries represent low pay, and the high pay industries have low growth. These factors have been taken into consideration in the development of the strategic direction for the region.

Sector job growth versus average pay



Average personal income, by source



Economic Performance Indicators and Drivers

Workforce

A shortage of skilled, professional, technical and entry-level workers is being felt across the Beartooth Region and across the state. Unemployment rates in Billings are historically lower than the U.S. average. However, Big Horn County, particularly the Crow Reservation has a high unemployment rate as compared to the rest of the region and non-reservation areas around the state. A regional workforce asset, BillingsWorks, in a collaboration of Billings businesses and organizations hosted by Big Sky Economic Development that brings together partners and resources to anticipate and respond to community workforce needs. They conduct an annual employer survey and employ a full-time director. An employer toolkit is readily accessible at the following location: http://www.billingsworks.org/employers/employers-toolkit/

In an article published on April 12, 2018 by economist Bryce Ward *Tackling Montana's Workforce Shortage,* http://www.montanabusinessquarterly.com/tackling-montanas-workforce-shortage/
"If you travel across the state and talk with Montana's employers, you will hear frequent complaints about their difficulty finding workers. Montana's unemployment rate is low at 3.9 percent and even lower in Montana's metro areas, like Missoula at 3 percent and Billings at 3.1 percent. Given these data, it is not surprising that Montana's employers report they are having a hard time finding skilled workers.

This struggle will likely be a common theme over the next several years. There are 223,000 Montanans between the ages of 50 to 65, but only 199,000 between the ages 10 to 25. As such, the cohorts aging out of the labor force are larger than those aging in.

Montana's labor force participation is relatively high. Nearly 80 percent of prime-age workers in Bozeman, Billings, Missoula and Helena are employed. Each of these areas ranks in the top 10 percent of metro- or micro-areas. As such, Montana's ability to grow a workforce through greater participation is limited."

Housing

Workforce housing is a limiting element to workforce attraction and economic growth in the Beartooth region. Factors impacting this include age and condition of existing housing stock; variety of housing options; lack of senior housing; availability of rental units; building costs; subdivision development costs; cost of housing; and disparity in housing, especially in resort and second home areas. Red Lodge (Carbon County) and Big Timber (Sweet Grass County) are the areas of the region most impacted by the resort and second home markets.

In addition to workforce attraction connected to the range and desirability of existing housing stock is the cost for public employees, teachers, and health care support staff. These job positions are key to the everyday function of a community, but often these workers are not able to live in the community whose tax base supports their income. This was a factor, along with the need for reliable childcare, identified during the gathering of information for the CEDS.

Innovation Assets

The Innovation Index 2.0 provided through the Stats America portal provides some perspective on how well a regional economy translates knowledge and innovation capacity into prosperity. This tool http://www.statsamerica.org/ii2/overview.aspx indicates the following information for the Beartooth Region as of December 2018:

County	Headline Index	Rank of 3110 Counties	Dominant Sector(s)	Relative capacity for innovation
Big Horn	72.3	2,651	Public Administration	Low
Carbon	85.8	1,391	Accommodation and Food Services	Normal
Stillwater	91.6	881	Mining	High
Sweet Grass	79.6	1,993	Mining	Normal
Yellowstone	96.7	561	Health Care and Social Services	High

Underlying data for each major index category

County	Human Capital & Knowledge Creation Index	Business Dynamics Index	Business Profile Index	Employment & Productivity Index	Economic Well-Being Index
Big Horn	74.4	52.8	50.2	94.6	84.0
Carbon	89.4	52.0	72.6	97.5	137.9
Stillwater	76.7	63.4	82.7	108.1	146.5
Sweet Grass	65.4	49.6	75.9	89.9	143.9
Yellowstone	111.9	54.1	79.6	114.2	133.1

Rock 31 Entrepreneurship Program

Big Sky Economic Development's Rock 31 program operated by the Small Business Development Center is launching a program to provide concept to commercialization services for new and existing businesses in the region.

Rock 31 will generate a set of activities and programming based on the needs of entrepreneurs and innovators so they are in a position to bring their ideas from concept to commercialization. These activities and programs will complement or enhance existing economic development resources, while filling gaps in the entrepreneurial ecosystem. This program is available to pre-venture, startup, existing businesses and students throughout region in these four categories:

Concept to Commercialization Custom path to take client through every stage • Ideation Innovation • Research and Development • Proof-of-Concept (Validation) • Business Model (Profitability) • Access to Capital • Scale Market Distribution	**Connections to Capital and Markets** One-on-one consulting and training • Define, Size and Access client's Target Market • Pitch Prep • Elements of a Solid Pitch • How to Pitch to an Angel Investor • How to Pitch to a Venture Capital Firm • How to Access Debt Capital
Connections to Service Providers Direct referral with follow-up to connect clients with service providers and resources in the ecosystem • E-Space Program • Private Sector Resources • Local and Regional Partner Programs • Student Programs • Nonprofit Resources • Government Resources	**Industry Focused Education and Training** Based on the client's needs assessment utilizing the Kauffman FastTrac curriculum and • Business Fundamentals and Acumen • Intentional Entrepreneur • New Venture • Growth Venture • Tech Venture • Business Venture

Industry Supply Chains

The rural nature of the region and the relatively low concentrations of industry clusters are not conducive to strong industry supply chains. Local and regional businesses would benefit from the development and/or enhancement of these networks, if feasible. A recent effort, led by Stillwater County Economic Development and the Sweet Grass Chamber, is underway with the Sibanye-Stillwater mine to connect their significant purchasing needs to local and regional suppliers.

Local Option Taxation and Bonds

Montana is one of only five states without a sales tax, limiting revenue sources to fund local and regional services. Montana does allow limited options for local sales tax in the form of resort tax in qualifying communities. The lack of sales tax, combined with cuts to the state budget is having an impact on local municipalities who struggle to balance their available budget with growing community needs.

Bonding is an option to provide for larger, single project needs, but public approval is mixed concerning allowing additional taxation. In 2018, the citizens of Columbus, in Stillwater County, did pass bonds totaling just over fifteen million dollars for improvements at two facilities. However, the citizens of Laurel, in Yellowstone County, failed to pass school bonds on more than one occasion.

Tax Increment Financing

Tax increment financing (TIF) is a state authorized, locally driven funding mechanism that allows cities and counties to direct property tax dollars that accrue from new development, within a specifically designated district, to community and economic development activities within that district over a specific amount of time. This mechanism does not increase property taxes, but affects the way the incremental increases in taxes are distributed.

TIF may be used in Urban Renewal Districts (URDs) and Targeted Economic Development Districts (TEDDs). Allowable uses of funds include land acquisition, rehabilitation and renovation activities, demolition and removal of structures, and general redevelopment activities, including planning.
Yellowstone County, Laurel, Billings, and Hardin all contain TIF Districts.

Opportunity Zone Benefit

Opportunity Zones are an economic development tool—that is, they are designed to spur economic development and job creation in distressed communities. These areas are located within an economically distressed census tract where new investments, under certain conditions, may be eligible for preferential tax treatment. Opportunity Zones are designed to spur economic development by providing tax benefits to investors and this investment can be layered with other funding sources, increasing the impact to the region. The Beartooth region contains three certified zones: downtown Billings, Red Lodge, and Crow Agency.

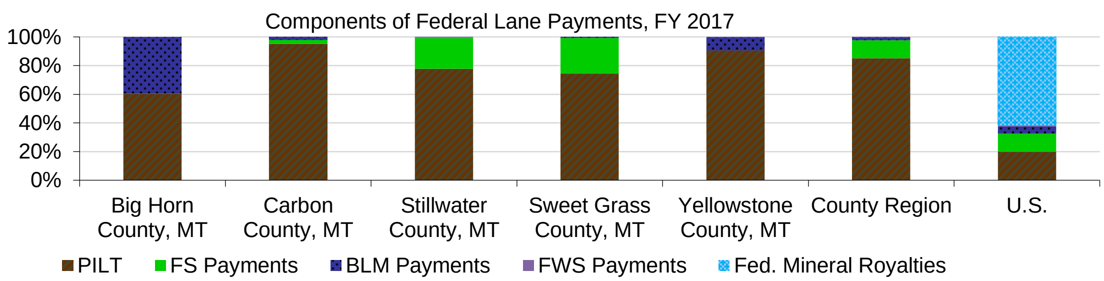
Land Ownership and PILT Funding

State and local government cannot tax federally owned lands the way they would if the land were privately owned. Of the approximately 8.4 million acres in the Beartooth region, 4.4 million are privately owned, limiting the tax base and in some instances the ability to grow.

Payments in Lieu of Taxes (PILT), Forest Service Revenue Sharing, and Bureau of Land Management Revenue Sharing contribute a significant source of revenue to the counties in this region, as represented below.

	Big Horn County, MT	Carbon County, MT	Stillwater County, MT	Sweet Grass County, MT	Yellowstone County, MT	County Region
Total Federal Land Payments	25,365	1,150,266	577,151	728,123	224,559	2,705,464
PILT	15,286	1,094,898	448,508	541,699	203,279	2,303,670
Forest Service Payments	0	30,277	124,181	181,163	0	335,621
BLM Payments	10,079	24,913	1,652	5,260	21,013	62,917
USFWS Refuge Payments	0	178	2,811	0	267	3,256
Federal Mineral Royalties	0	0	0	0	0	0
Percent of Total						
PILT	60.3%	95.2%	77.7%	74.4%	90.5%	85.1%
Forest Service Payments	0.0%	2.6%	21.5%	24.9%	0.0%	12.4%
BLM Payments	39.7%	2.2%	0.3%	0.7%	9.4%	2.3%
USFWS Refuge Payments	0.0%	0.0%	0.5%	0.0%	0.1%	0.1%
Federal Mineral Royalties	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: Headwaters Economics



Source: Headwaters Economics

Public lands provide recreational, environmental, and lifestyle amenities that have increasingly been shown to contribute to population growth and economic development. There continues to be an importance of public land access to people who can choose where to live and work and for businesses that do not have location restraints. Employers now use public land amenities as a means to attract and retain talented workforce.

An October 2018 report by Headwaters Economics highlights the role of Montana's outdoor recreation economy and the connection to public lands to strengthen community well-being and offering a competitive advantage to help attract and retain businesses, families, and visitors.
https://headwaterseconomics.org/economic-development/trends-performance/montana-outdoor-recreation/

Placemaking

Communities throughout the Beartooth region are beginning to understand how important a sense of place is to attracting and retaining businesses and workers. Placemaking capitalizes on a community's assets, inspiration, and potential, with the intent of creating public spaces that promote people's health, happiness, and well-being. Parks, trails, public art, and public spaces are becoming as important as an area's essential infrastructure in contributing to its desirability and viability. A growing movement of workers are choosing where they want to live and then identifying how they can make a living there. Effective placemaking projects can give a community a distinct advantage over areas without these projects.

Placemaking activities can generate excitement, can be short-term single projects, can be carried out by small or large groups of people, can be relatively inexpensive, and can build on other activities to create a ripple effect of transformation and public perception of a community. The City of Billings participates in a National Citizens Survey, which measures a number of factors and trends over time, with general community characteristics including overall quality of life, overall image, place to live, neighborhood, place to raise children, place to retire, and overall appearance. This survey may become an evaluation tool to gauge how these efforts may be contributing over time. https://ci.billings.mt.us/1506/Citizen-Survey-Results

Big Sky Economic Development hosted a Space2Place program in 2018 and awarded grants to six exceptional projects that transformed dull, empty spaces into vibrant, beautiful, interesting places that people want to live, work, plan, and learn in.
http://www.bigskyeconomicdevelopment.org/2018-space2place-micro-grant-winners/

Regional Observations from Outside Perspectives

Montana Secretary of State, Corey Stapleton, visited two areas in the Beartooth region during 2018. The report provided by the Secretary's Office can be found in the Appendix.

A brief summary of these visits, *A Tale of Two Counties and Two Cities*:

> "These two trips – the first to Montana's largest community and economy, followed by a visit to the 13th largest county – highlighted a common concern: The impact online shopping is having on Montana's small businesses. Secretary Stapleton noted that when people lose the sense of community and turn to the internet, we lose a piece of ourselves and our future. We see empty retail spaces because a "url" is a shorted trip. Yet some of our primary industries – energy, transportation, manufacturing, agricultural, and tourism continue to be bright spots in the local and state economies."

SWOT Analysis

Strengths

- Quality of life and place
- Agriculture
- Tourism
- Natural resources
- Entrepreneurship
- Business friendly tax structure
- Younger leaders emerging
- Strong youth engagement
- Multi-generational collaboration
- Access to health care & tele-medicine in rural areas (but not all counties)
- Online education access & opportunities
- Diversity in organizational stakeholders
- Rural to urban diversification

Weaknesses

- Distance to markets
- Available workforce
- Housing availability, variety, and condition
- Access to funding and funding incentives
- Industry diversification (especially in Stillwater and Sweet Grass Counties)
- Access to healthcare (Crow Reservation and Big Horn County)
- Aging infrastructure
- Shortage of long-term planning efforts
- Broadband coverage
- Tax structure leaves funding gaps in education and community development
- Sparse population
- Cultural diversification

Opportunities

- Opportunity Zone investment
- Value-added agriculture
- Tourism Development
- Manufacturing sector development
- Innovation and technology development
- High growth entrepreneurial development
- Workforce recruitment & retention
- Connect business and education
- Business-to-Business purchasing
- Partner with national organizations to build more external resources
- Place-making in rural areas
- Better planning for future growth

Threats

- Natural resource regulation
- Reductions in revenue for local and state governing Bodies
- Pressure to reduce fossil fuel energy generation, potentially causing higher base load costs for industry
- Competition from other communities and states to attract workers and businesses
- Perception of Montana as a rural area lacking basic amenities
- Aging workforce
- Widening gap between high income earners and the very poor

SWOT Analysis

Regional Strengths:
Montana is rich in natural beauty and outdoor recreation, offering residents and visitors a wealth of options to enjoy. Many communities in the region are leveraging those assets to embark on strategic placemaking initiatives and we anticipate this will increase in quality of life and place to be an ongoing activity for at least the next several years.

Agriculture, tourism, and natural resource-based industries provides a strong backbone for the economy and will continue to do so in the near future. Montana has also ranked very high in the Kauffman Index for Entrepreneurship, and continues to rank among the best in business friendly tax structure, which is both a strength and an opportunity.

The Beartooth region, along with others areas in the nation, is experiencing an influx of younger citizens who are more interested in overall change. They are showing a higher degree of civil engagement and an interest in overall living conditions, especially environmental impact topics. They are also part of a multi-generational collaboration, which is stronger than in recent years and not led by one generation or another. The Strategy committee observed young people willing to talk about their ideas and the older generations are providing mentorship and guidance in developing these ideas. This shift has been building for a number of years and is reflected in younger County Commissioners, younger volunteers serving on nonprofit boards, and a new energy in the region. The Billings Chamber NextGen young professional’s network of 21-40 year olds includes 290 members and counting.

Access to online education and opportunities as well as access to health care and telemedicine are strengths in most areas of the region, but health care and telemedicine are a weakness in Big Horn County and the Crow Reservation.

The organization has a diverse group of stakeholders represented on the Board of Directors and CEDS strategy committee in terms of economics, culture, incomes and issues. It is also worth noting that the region provides a good mix of rural to urban diversification.

Regional Weaknesses:
Identified weaknesses from a commercial standpoint include distance to markets, especially for area manufacturers; available workforce; workforce housing; childcare options for working parents; access to funding and funding incentives as compared to other states; and a need for industry diversification, especially in Stillwater and Sweet Grass Counties.

Civic weaknesses include access to healthcare in Big Horn County and Crow Reservation; aging infrastructure; shortage of long-term planning efforts; broadband coverage; and housing needs. The state tax structure is business friendly, but leaves gaps in the ability to fund education and economic development.

Another weakness is our sparse population, which leads to higher costs per capita for a range of goods and services, lower tax revenues, and lessens our ability to have a voice on the federal level. Also cited as a weakness, including the ability to attract workers from outside the area, is a shortage of cultural diversification. Cultural diversification manifests itself into two primary areas. One is that of attractions such as arts and music, sports teams, and activities not connected to outdoor recreation. The other area is that of diversification in the population, but not specifically in terms of ethnicity. Long-standing Montana residents are not always accepting of or welcoming to people moving here from other states. This is a growth barrier in some of the rural areas and became a target of recent political campaigns.

Regional Opportunities:
The Beartooth region contains three designated Opportunity Zones, allowing the potential to encourage long-term investments in low-income and rural areas.

- Downtown Billings – revitalization, housing, and investment in the One Big Sky District https://www.onebigskydistrict.com/ are the best initial targets for this zone.
- Red Lodge and Carbon County – housing downtown revitalization and tourism amenities are likely investment potential for this area.
- Crow Reservation – housing and commercial ventures are being considered for this zone.

Strengthening and growing commercial ventures, including elevating existing industry clusters is a priority for the strategic direction for the next five years and beyond. Opportunities in agriculture, tourism, manufacturing, innovation and technology will be explored, researched, and potentially implemented as part of the regional CEDS.

Montana has a strong base of entrepreneurs, and has ranked at, or near, the top of the Kauffman Index of Entrepreneurship. However, Montana companies tend to start very small and do not scale up quickly, which indicates an opportunity to develop programs and strategies to increase the growth of entrepreneurial endeavors.

Better long-term planning in business and government is another opportunity identified during the development of the CEDS. We have found that businesses and governmental units have tended to focus on the "sprint" versus the "marathon" and many of our smaller communities in rural areas lack longer-term, strategic planning for future growth.

Regional Threats:
External factors of concern include a range of topics as outlined above. The Beartooth region and the state of Montana are heavily dependent on natural resources to attract tourists, sportsmen and women, and to support the mining industry. State and Federal regulation changes or additions to these resources could have a negative impact on the economic vitality of the region. This is especially true for the increased pressure to reduce fossil fuel energy production and generation, which would

not only cause a further reduction in revenue for governmental agencies and the extraction-based industry, but would potentially result in higher energy costs for the large industrial users in the region and state. These industrial users rely heavily on affordable, consistent power to fuel their operations.

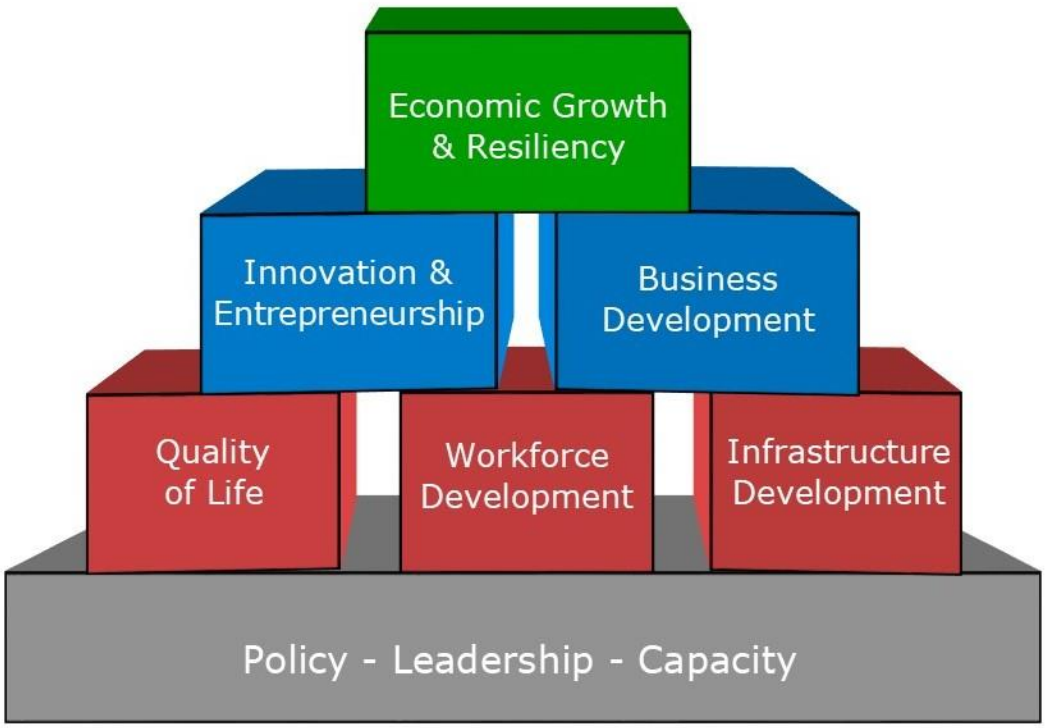
County Commissioners expressed a concern over reduced state revenues tied to severance and gross proceeds taxes on coal. The concern is not only in annual payments, but also in the long-term impact from reduced revenue into the coal trust fund, which is tied to significant sources of project fund assistance for counties and municipalities.

Montana has a favorable tax structure for businesses, but lags behind other areas of the country in the ability to attract companies and workers. The state's lower population, fewer funding options in the form of angel and venture capital funding, fewer high-growth firms, and lack of available incentives put the region at a disadvantage.

Strategic Direction / Action Plan

Vision:

Beartooth RC&D seeks to build on the region's strengths and develop the region's opportunities in an inclusive and responsible manner that stimulates private and public sector participation resulting in an improved and diversified economy.



The diagram above is a visual representation as to how economic development is accomplished. The foundation is policy, leadership and the capacity of governmental units, local organizations, institutions, and individuals. Immediately above that foundation are the elements of essential community ingredients that form the basis to develop a viable economy. Business development, innovation and entrepreneurship are the driving factors of a healthy economy and all of these factors working together result in economic growth and resiliency.

Woven throughout the building blocks and essential to their function is the ability of a community, region, state or nation to identify and leverage available assets through collaboration, communication and working towards common goals. The CEDS process and document are valuable tools to help identify these goals and continue to grow the regional economy to be more competitive in a global marketplace.

Policy - Leadership - Capacity

Goal 1: Support the creation and timely revision of public policy planning	Goal 2: Encourage the development and delivery of leadership initiatives, including volunteer-based programs	Goal 3: Develop and promote programs that lead to capacity building activities throughout the service region

Goal 1: Support the creation and timely revision of public policy planning

Current community and county planning documents can be found at the Department of Commerce website: http://comdev.mt.gov/Programs/CTAP/Toolkit/PlanningDocuments

Strategy: Understand and be able to communicate the value and overall goals of public policy documents including, but not limited to the following:

- Growth Policy Plans
- Downtown Master Plans
- Capital Improvement Plans
- Overall Economic Development Plan
- Zoning Ordinances
- Annexation Policies
- Housing Assessments

Strategy: Provide assistance with citizen education and public meeting facilitation for the purpose of the creation and/or revision of public policy documents, as appropriate.

Strategy: Promote the integration of economic development activities with all appropriate local and regional plans, including sustainability, transportation, land use, housing, trails, etc.

Strategy: Provide assistance to local governments in order to secure funding for the creation and/or revision of public policy documents, including grant writing as appropriate.

Goal 2: Encourage the development and delivery of leadership initiatives, including volunteer-based programs

Strategy: Support local and regional initiatives that nurture future community leaders in business, government, education, and nonprofit organizations.

Strategy: Encourage and support community participation in the Montana Economic Development Association's Community Review program to spur citizen involvement in the implementation of community-identified projects for community and economic development activities.

Goal 3: Develop and promote programs that lead to capacity building activities throughout the service region

Strategy: Strengthen and enhance Beartooth RC&D's ability to provide programs and services on a regional basis that augment local community efforts through coordination, facilitation and education in the following areas:

- Revolving Loan Fund
- Montana Certified Regional Development Corporation (CRDC)
- Economic Development District (EDD)
- Montana Food and Ag Center (FADC)
- Montana Cooperative Development Program (MCDC)
- Montana Main Street Program
- Business Expansion and Retention (BEAR) Program
- Business Planning/Technical Assistance (with Small Business Development Center)
- Manufacturing assistance (with Montana Manufacturing Extension Center)

Strategy: Continue to promote regional communication and awareness of economic development-related issues through bi-monthly Board of Directors meetings, press releases, regular updates of website and Facebook page, Board/community reports, success stories, and organizational outreach activities to promote program activities.

Strategy: Provide facilitation assistance to community projects through services offered such as project coordination, community organizing, and working as a liaison between stakeholder groups.

Strategy: Assist economic development partners, as appropriate, with the completion of their projects through collaboration and leveraging resources.

Infrastructure Development

Goal 1:	Goal 2:	Goal 3:
Support public and private sector entities in the completion of infrastructure projects	Support public and private sector entities in the development of commercial infrastructure	Support public and private sector entities in the assessment and development of workforce housing

Goal 1: Support public and private sector entities in the completion of infrastructure projects, including broadband

Strategy: Provide assistance with citizen education, communication and public meeting facilitation for the purpose of the completion of infrastructure projects.

Strategy: Provide assistance to public and private sector entities in order to help them secure funding for the completion of infrastructure projects.

Goal 2: Support public and private sector entities in the development of commercial infrastructure

Strategy: Assist in the assessment of commercial infrastructure needs, including industrial parks, downtown revitalization, commercial district revitalization, and shovel-ready sites.

Strategy: Assist in the development, including feasibility, and potential implementation funding for identified commercial infrastructure needs.

Strategy: When requested, assist in the identification, evaluation, and potential cleanup of brownfield sites for the purpose of appropriate reuse.

Goal 3: Support public and private sector entities in the assessment and development of workforce housing

Strategy: Continue to work with the Red Lodge Workforce Housing Committee to develop appropriate workforce housing solutions.

Strategy: Provide technical assistance and facilitate planning efforts for other areas of the region who are exploring workforce housing options to assess needs, identify gaps, and develop a plan of action that encourages private investment in the development of new housing or redevelopment of existing housing stock to fill gaps in workforce housing needs.

Strategy: Continue to build relationships with housing resource partners and stay informed as to workforce housing activities taking place in Montana and other rural areas, including potential sources of funding for planning and project implementation.

Strategy: Remain aware of the Montana Cooperative Development Center's activities involving housing cooperatives as a potential option.

Strategy: Monitor information from the National Association of Counties (NACo) regarding affordable housing options being leveraged in other parts of the country, including "Housing as Part of a County's ED Strategy" report.

Workforce Development

Goal 1:	Goal 2:	Goal 3:
Learn, understand, and address the needs of area employers and employees, including attraction and retention	Collaborate with regional stakeholders to increase the alignment of education, industry, and workforce development	Support training and retraining programs to further develop and retain the existing and future regional workforce

Goal 1: Learn, understand, and address the needs of area employers and employees, including attraction and retention

Strategy: Learn from and stay informed as to the activities, priorities, and tools available from BillingsWorks http://www.billingsworks.org/ and the Department of Labor and Industry to assist employers throughout the region, especially outside of Yellowstone County.

Strategy: Determine the capacity for rural areas to support the creation of a local workforce council, committee or program with local leadership, utilizing BillingsWorks as a model.

Strategy: Continue to work with the Sweet Grass County Chamber of Commerce's volunteer-based economic development committee to develop their capacity and knowledge, especially in the area of workforce development.

Strategy: Understand and incorporate underlying factors influencing workforce development, such as housing options and shortage of reliable, affordable childcare into planning and implementation activities.

Goal 2: Collaborate with regional stakeholders to increase the alignment of education, industry, and workforce development

Strategy: Participate in working groups, meetings, and training opportunities to increase this alignment throughout the region, as appropriate.

Strategy: Assist in identifying resources, including funding resources and existing programs that would allow for implementation of partnering agency's work in this area.

Goal 3: Support training and retraining programs to further develop and retain the existing and future regional workforce

Strategy: Assist Crow Tribal Housing Authority in the development of workforce training programs that would provide skilled trades' workers to build, update, and rehabilitate housing within their jurisdiction.

Strategy: Understand and educate local stakeholders as to the benefits of internship programs and work-based learning options to increase workforce development options.

Strategy: Continue to participate in Business Expansion and Retention initiatives, including the current BEAR program.

Strategy: Continue to collaborate with the Department of Labor's POWER grant program to assist in the retraining and retention of coal-impacted workers, especially in Big Horn County and the Crow Reservation.

Quality of Life

Goal 1:	Goal 2:	Goal 3:
Assist public and private sector entities in the planning and completion of strategic placemaking projects	Assist public and private sector entities to achieve mutually beneficial natural resource development	Encourage and engage entities participating in healthy living options (food, recreation)

Goal 1: Assist public and private sector entities in the planning and completion of strategic placemaking projects

Strategy: Assist communities and organizations in understanding the importance of placemaking, including generational priority factors, and facilitate planning meetings, as appropriate.

Strategy: Assist communities and organizations with the identification of resources to complete placemaking projects.

Goal 2: Assist public and private sector entities to achieve mutually beneficial natural resource development

Strategy: Continue to support the development of renewable energy projects and monitor activity and progress in the region.

Strategy: Continue to learn and understand concerns by units of government regarding development of renewable energy projects, especially view-shed concerns.

Strategy: Continue to provide technical assistance and support to fuels mitigation initiatives, as appropriate.

Strategy: Continue to collaborate on projects involving natural resource development and provide facilitation and liaison services, as appropriate.

Goal 3: Encourage and engage entities participating in healthy living options (food, recreation)

Strategy: Continue to support and participate in activities and initiatives involving the marketing and distribution of local foods.

Strategy: Continue to support and participate in activities that address food deserts and food sovereignty in the region.

Strategy: Continue to support and assist in the implementation of recreation activities throughout the region, including indoor and outdoor sports facilities.

Business Development

Goal 1: Provide technical assistance and mentorship to new and existing business	Goal 2: Provide access to capital and funding mechanisms, including a regional RLF, to qualified existing and new businesses	Goal 3: Support local and regional business recruitment and outreach activities

Goal 1: Provide technical assistance and mentorship to new and existing business

Strategy: Continue partnerships with the local Small Business Development Center (SBDC), the MT Dept. of Commerce, Montana Manufacturing Extension Center (MMEC), local economic development specialists, the BEAR program, Job Service personnel, and local institutions of higher education to provide assistance to businesses and provide access to these important programs.

Strategy: Continue to support and enhance existing industry clusters through technical assistance, research, and leveraging available resources.

Strategy: Continue to support and enhance existing primary industries, including tourism through technical assistance, research, and leveraging available resources.

Strategy: Continue to serve agriculture-related businesses, and value added processing opportunities for locally grown crops, as one of Montana's four Food and Ag Centers.

Strategy: Continue to support cooperative business development in the region, including housing cooperative development and investment cooperative development.

Goal 2: Provide access to capital and funding mechanisms, including a regional RLF, to qualified existing and new businesses

Strategy: Continue to provide assistance that would lead to funding from the Beartooth regional Revolving Loan Fund (RLF) to new or existing businesses.

Strategy: Continue to promote and market the RLF while making technical assistance visits and providing planning assistance to business clients.

Strategy: Continue to expand the RLF by marketing its services to and cooperating with commercial bankers and chambers of commerce throughout the region.

Strategy: Support partner initiatives, including the Rock 31 program, which would provide access to capital and funding mechanisms, including venture capital and angel network funding.

Goal 3: Support local and regional business recruitment and outreach activities

Strategy: Collaborate and assist local economic development partners to recruit and develop businesses that want to locate in our region, as requested.

Strategy: Assist partners in the development and distribution of recruitment materials, as appropriate.

Innovation & Entrepreneurship

Goal 1: Support local and regional activities that elevate entrepreneurship and innovation	Goal 2: Support local and regional activities, including incentives, that increase the growth rate and revenue of area businesses	Goal 3: Support job creation, private investment attraction, and advances in technology that strengthen existing traded sectors

Goal 1: Support local and regional activities that elevate entrepreneurship and innovation

Strategy: Participate in and leverage resources available through Big Sky Economic Development's Rock 31 program operated by the Small Business Development Center that provides concept to commercialization services for new and existing businesses in the region.

Strategy: Support and promote activities that lead to economic diversification.

Strategy: Support and participate in local and regional activities that enhance the Innovate Montana initiative http://innovatemontana.com/ during an annual Innovate Week.

Goal 2: Support local and regional activities, including incentives, that increase the growth rate and revenue of area businesses

Strategy: Continue to provide technical assistance that would lead to funding for clients engaging in planning activities such as feasibility studies, building expansion, and industrial growth.

Strategy: Support local incentives designed to increase the growth rate and revenue of local and regional businesses, as appropriate.

Strategy: Support industry focused education and training developed by Beartooth or partner entities, including institutes of higher education and Rock 31.

Goal 3: Support job creation, private investment attraction, and advances in technology that strengthen existing traded sectors

<u>Strategy:</u> Support the Billings Library in the possible formation of a Patent and Trademark Research Center to assist innovators and entrepreneurs in researching potential parent opportunities.

Economic Growth & Resiliency

Goal 1:	Goal 2:	Goal 3:
Support and generate activities that will lead to an increase in the capacity and diversity of the regional economy to produce goods and services	Engage the region in **Steady-State** initiatives to bolster long-term economic durability	Engage the region's networks in **Responsive** initiatives to collaborate on existing and potential future challenges

Goal 1: Support and generate activities that will lead to an increase in the capacity and diversity of the regional economy to produce goods and services

<u>Strategy:</u> Assist communities with assessment, facilitation and planning efforts that would lead to the development of an economic diversification plan, especially in those areas with heavy reliance on a single industry.

<u>Strategy:</u> Assist communities in the implementation of an economic diversification plan, including the identification and securing of funding resources.

Goal 2: Engage the region in <u>Steady-State</u> initiatives to bolster long-term economic durability

<u>Strategy:</u> Encourage and participate in comprehensive planning efforts that include extensive community participation to define and embrace a collective vision for resilience.

Strategy: Assist communities and partners with business planning initiatives that address resiliency and post-disruption recovery.

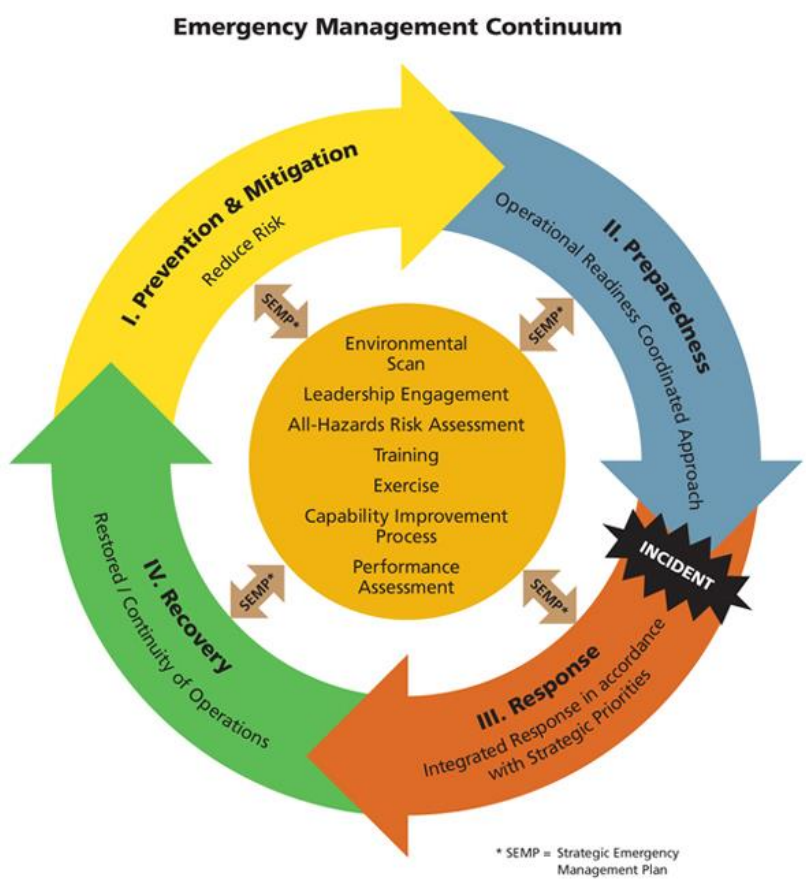
Strategy: Assist communities with planning efforts to employ safe development practices in business districts, including awareness and mitigation strategies for floodplain-designated areas

Goal 3: Engage the region's networks in Responsive initiatives to collaborate on existing and potential future challenges

Strategy: Support and assist communities and counties in their adoption or update of hazard mitigation plans, utilizing tools such as those found at http://readyandsafe.mt.gov/Emergency

Strategy: Assist in establishing a process for regular communication, and updating of business community needs as they relate to disaster recovery, as appropriate.

Strategy: Communicate with elected officials as to their existing disaster response plans and potential gaps that should be addressed as part of their overall recovery plan.



Economic Resilience

It is becoming increasingly apparent that regional economic prosperity is linked to an area's ability to prevent, withstand, and quickly recover from major disruptions (i.e., 'shocks') to its economic base. Many definitions of economic resilience limit its focus on the ability to quickly recover from a disruption. However, in the context of economic development, economic resilience becomes inclusive of three primary attributes: the ability to recover quickly from a shock, the ability to withstand a shock, and the ability to avoid the shock altogether. Establishing economic resilience in a local or regional economy requires the ability to anticipate risk, evaluate how that risk can affect key economic assets, and build a responsive capacity.

Often, the disruptions to the economic base of an area or region are viewed in these categories:

1. Downturns or other significant events in the national or international economy which impact demand for locally produced goods and consumer spending;
2. Downturns in particular industries that constitute a critical component of the region's economic activity; and/or
3. Other external shocks (a natural or man-made disaster, closure of a military base, exit of a major employer, the impacts of climate change, etc.).

In recent years, the Beartooth region has experienced natural disasters from flooding, oil spills, fire, and mudslides. All having varying degrees of negative impact on the economy. The region has also experienced downturns in agriculture and the extraction industry, especially recent changes in the coal industry.

The two keys to resilience are to mitigate the risk and capture the opportunity, which is easier in theory than it is in practice. It is also understood that people and regions respond rather quickly to disaster and recovery, but are less equipped to anticipate or avoid the disaster altogether. It is always a challenge to prepare for the worst-case scenario than to learn from having to respond to that scenario.

In the Beartooth region, the opportunity we plan to capture is that of economic diversification, which will lessen the shock of industry downturns and allow for a stronger region.

Economic Resilience and Diversification - Needs and Opportunities

The following three reports highlight the need for economic diversification, and the opportunity to assist in the creation of more new ventures, especially those who demonstrate the capacity for high-growth and innovation.

The Market Opportunity Assessment prepared by Business Cluster Development and Claggett Wolf Associates in April 2018 in advance of launching the Rock 31 program, identified the following impact factors and areas of highest opportunity:

Alignment/Attainment Objectives (Needs)	Potential Level of Alignment/Attainment (Opportunity)
Strengthen Existing Traded Sectors	High
Diversify Region's Traded Sectors	Low/Moderate
Build & Grow Successful Businesses	High
Create & Retain Knowledge-based Jobs	Low/Moderate
Increase Student Experiential Learning	High
Enhance Region's Innovation & Entrepreneurial Culture	High
Viable Deployment Channels	High
Buy-In & Support	Moderate/High

The State of Entrepreneurship in Montana, prepared by the Bureau of Business and Economic Research at the University of Montana, prepared for the Montana Chamber Foundation, and published in August 2018 states "For several years, Montana has ranked at, or near, the top of the prestigious Kauffman Index of Entrepreneurship. Montana has more entrepreneurs per capita than any other state; it continues to create more entrepreneurs than most states, and Montana's business survival rate (the share of new businesses who survive their first five years) ranks in the top 10. These facts are encouraging. They suggest Montana's entrepreneurial ecosystem is strong."

"However, a deeper dive into entrepreneurship data reveals a more complicated story. Montana entrepreneurs tend to start very small businesses that do not scale up quickly. They are more likely to start seasonal businesses and/or businesses that serve only local markets. They are less likely to have a patent, trademark, or copyright."

These statements would seem to indicate that the soil is ready, but we need to do a better job cultivating and growing new businesses to reach their full potential.

The Changing Coal Industry: Regional Economic Impacts, Workforce Analysis, Transition Strategies, a 2017 report prepared by Taimerica Management, investigated the impact that the downturn of the coal industry will have on the economies of a fifteen county project area, including the Beartooth region. The report hypothesizes that "employment in the 15-county region of Montana [will] decline by 800-4,300 jobs from shifts in market and regulatory forces that shape export and domestic coal demand over the next decade. It also suggests that direct and indirect coal job losses will stimulate the need for retraining workers, thereby diversifying our economy, and that "the ability to innovate at an accelerated pace will be the most important capability differentiating the success of communities."

Specific Goals and Strategies (opportunities) presented in the study and actions relevant to this project:

- Montana inventors develop new commercial technologies that lower carbon emissions and increase efficiency of coal-fired generators.

- Billings, Roundup, Colstrip and Crow Nation/Hardin and other employment centers in Coal Country develop formal strategies for economic diversification. Please note that Colstrip has completed this plan. http://semdc.org/wp-content/uploads/2016/12/Colstrip-Econ-Div-Summary-Document-FINAL-2017.pdf
- The Coal Country Coalition, formed to explore together opportunities to diversify the economies in the fifteen county project region. Coalition members are supporting this application with in-kind match, outreach and engagement activities, and delivery of technical assistance to the region.

All three of these reports provide a logical starting point to the development of diversification plans to bolster the region's ability to respond and recover from an economic shock.

Beartooth Resource Conservation & Development
Economic Development District
PO Box 180 | Joliet, Montana 59041
406.962.3914

Evaluation Framework

Key projects with the highest impact and potential for regional impact employing multiple, integrated funding sources.

Key Projects	Performance Measure	Implementation Partners	Cost Estimate	Timeframe Short (1-3 years) Mid (3-5 years) Long (5+ years)
Policy – Leadership – Capacity				
Update of public policy planning documents more than 5 years old	• Number of planning documents updated each calendar year • Funding secured for planning document updates	Cities, Counties, Planning Offices, LDOs	$40-$50,000 per plan	Ongoing
Local or County Leadership Program	Minimum of two programs launched over the next five years	County extension, LDOs, Community Foundations	$10-20,000 per program	Mid
Develop and/or promote web-based capacity building training resources	Number offered per year	MEDA, NACo, NADO	$100 – 400 each	Short and Mid
Infrastructure Development				
TSEP grant funding for infrastructure	Number of projects funded per year	Cities, Counties, Planning Offices, LDOs	$100,000 - $3,000,000 each	Ongoing
Opportunity Zone commercial investment	• Number of projects per year • Private investment in each zone	MDOC, qualified Opportunity Funds, private developers	Varies	Ongoing
Workforce housing development in Red Lodge	• Number of units built • Public and private investment secured	MBOH, RLACF, Trust Montana, private developers	$180,00 - $250,000 per unit	Ongoing
Workforce Development				
Sweet Grass County Winter Workshop Series for employers	Number of employers attending	SGC, DLI	Under $500	Short

POWER grant deployment for Big Horn County and Crow Reservation	• Number of workers participating per year • Amount of funding deployed per year	DLI, LDOs, employers	Varies	Ongoing
Quality of Life				
Placemaking planning and implementation	• Number of projects completed each calendar year • Funding secured for completion	Cities, Counties, LDOs, RLACF, Chambers, SCED	Varies	Ongoing
Yellowstone Valley Food Hub	Annual report of activity	Northern Plains Resource Council, regional producers	Varies	Short
Southside Billings grocery store	Opening of grocery store	Riverstone Health and Steering Committee	$75,000 - $1,000,000	Mid to Long
Food desert project(s) at Pryor	Annual report of activity	Many Arrows CDC, NADC, TEDD	$250,000 - $1,000,000	Mid to Long
Business Development				
Expand value-added agriculture projects	• Number of projects implemented each calendar year • Funding secured	FADC, MDOA	$5,000 - $50,000 per project	Ongoing
Investment Cooperative established	Annual report of activity	MCDC	Varies	Mid to Long
Expand Beartooth RLF	Annual report of activity	Bank partners	Varies	Long
Innovation & Entrepreneurship				
Deploy Rock 31 program throughout the Beartooth service region	• Number of clients served per year • Number of events per year	BSED, SBDC, LDOs,	Varies	Ongoing
Innovate Montana regional activities, including meet-ups and reverse pitch platforms	Number of participants per event during Innovate Week	BSED, SBDC, LDOs, Chambers, GOED	$50 and up per event	Ongoing
Patent and Trademark Research Center	• Launch of Center (target of 2020) • Number of clients served annually after launch • Number of patent applications after launch	Billings Library, BSED, SBDC, LDOs	No cost to clients	Ongoing after launch
Economic Growth & Resiliency				

Formal Diversification plan for Big Horn County and Crow Reservation	Completed plan ready for implementation	Elected officials, Tribal planners	$40-50,000 per plan	Short to Mid
Business-to-Business procurement program	Launch of program	SCED, SGC, private industry	Under $100	Short
Annual Energy Summit with Coal Country Coalition members	Annual report of activity	Coalition Partners	$250 - $500 per year for host organization	Ongoing
Other				
Monitor and report positive or negative economic trends impacting growth and development	Annual report to stakeholders	Stats America tools, Headwaters Economics Reports and ESRI data	No cost	Ongoing

<u>Implementation Partners</u>

BSED – Big Sky Economic Development
DLI – Department of Labor and Industry
FADC – Food and Ag Development Center
GOED – Governor's Office of Economic Development
LDO – Local Development Organization
MBOH – Montana Board of Housing
MCDC – Montana Cooperative Development Center
MDOA – Montana Department of Agriculture
MDOC – Montana Department of Commerce
MEDA – Montana Economic Developers Association
NACo – National Association of Counties
NADC – Native American Development Corporation
NADO – National Association of Development Organizations
RLACF – Red Lodge Area Community Foundation
SBDC – Small Business Development Center
SCED – Stillwater County Economic Development
SGC – Sweet Grass Chamber of Commerce
TEDD – Tribal Economic Development

Appendix

EDA/CEDS Requirements

From the EDA (Economic Development Administration) website https://eda.gov/ceds/:

The Comprehensive Economic Development Strategy (CEDS) contributes to effective economic development in America's communities and regions through a locally-based, regionally-driven economic development planning process. Economic development planning – as implemented through the CEDS – is not only a cornerstone of the U.S. Economic Development Administration's (EDA) programs, but successfully serves as a means to engage community leaders, leverage the involvement of the private sector, and establish a strategic blueprint for regional collaboration. The CEDS provides the capacity-building foundation by which the public sector, working in conjunction with other economic actors (individuals, firms, industries), creates the environment for regional economic prosperity.

Simply put, a CEDS is a strategy-driven plan for regional economic development. A CEDS is the result of a regionally-owned planning process designed to build capacity and guide the economic prosperity and resiliency of an area or region. It is a key component in establishing and maintaining a robust economic ecosystem by helping to build regional capacity (through hard and soft infrastructure) that contributes to individual, firm, and community success. The CEDS provides a vehicle for individuals, organizations, local governments, institutes of learning, and private industry to engage in a meaningful conversation and debate about what capacity building efforts would best serve economic development in the region. The CEDS should take into account and, where appropriate, integrate or leverage other regional planning efforts, including the use of other available federal funds, private sector resources, and state support which can advance a region's CEDS goals and objectives. Regions must update their CEDS at least every five years to qualify for EDA assistance under its Public Works and Economic Adjustment Assistance programs. In addition, a CEDS is a prerequisite for designation by EDA as an Economic Development District (EDD).

A CEDS should be developed with broad based community participation and result in a document that is readily accessible to regional stakeholders. Potential partners for developing a CEDS could include government agencies, private sector interests, education providers, non-profits, community and labor groups, workforce boards, utilities, etc. Stakeholders should be able to use it as a guide to understanding the regional economy and to take action to improve it. The CEDS should take into account and, where appropriate, incorporate or leverage other regional planning efforts, including the use of available federal funds, private sector resources, and state support which can advance a region's CEDS goals and objectives. Its quality should be judged by its usefulness as a tool for regional economic development decision-making.

Beartooth RC&D Board Roster

Voting Membership, *representing*	Director Name
County Commissions	
Big Horn County Commission	Sidney Fitzpatrick
Carbon County Commission	*vacant/pending new appointment*
Sweet Grass County Commission	Bob Faw
Stillwater County Commission	Maureen Davey
Yellowstone County Commission	John Ostlund
Conservation Districts	
Big Horn Conservation District	Dan Lowe
Carbon Conservation District	Clinton Giesick
Stillwater Conservation District	Bob VanOosten
Sweet Grass Conservation District	Chris Mehus
Yellowstone Conservation District	Barb Wagner
Tribal Government	
Crow Nation	(pending)
Municipalities	
City of Big Timber	Page Dringman
City of Billings	Frank Ewalt
City of Columbus	Chuck Egan
City of Red Lodge	William Foisy (Chairman)
City of Hardin	Clayton Greer
City of Laurel	Marvin Carter
Town of Bridger	Clinton Giesick
Special Authorities	
Big Sky Economic Development Authority	Lorene Hintz
Two Rivers Authority	Jeff McDowell
Special Appointments	
MSU-Billings College of Technology	Lisa Skriner
Sibanye-Stillwater Mine	Randy Weimer
Elation, Inc.	Bob Carr (Treasurer)
First Interstate Bank of Hardin	Holly Higgins
Billings Job Service	Ryan VanBallegooyen (Vice-Chair)
Laurel City Area	Ken Gomer (EC alternate)
Non-Voting Members (Ex Officio)	
US Senator Steve Daines' Office	Jenna McKinney
US Senator Jon Tester's Office	Molly Bell
US Rep. Greg Gianforte's Office	Tayla Snapp
MT Dept. of Labor and Industries	Liz Ching
Stillwater Economic Development Office	Marissa Hauge

CEDS Development Process

The Beartooth Economic Development District (EDD) began to preparations for this five-year update in August of 2018 with a planning session involving staff and the executive committee, two of whom attended a CEDS training session in October of 2017 in Billings. The outreach and engagement plan kicked off at the September 2018 Board meeting and the next three months involved research and gathering of stakeholder input. Staff drafted the SWOT Analysis and goals from stakeholder input and the CEDS Strategy Committee met on November 20, 2018 to confirm and refine the SWOT and goals drafted by staff. The final draft was made available for a 30-day public comment period on Monday, December 17, 2018 when the document was posted on Beartooth's website. The CEDS Strategy Committee, Beartooth RC&D Board members and stakeholders were made aware of this posting via email. The Board of Directors is scheduled to adopt the CEDS document on Thursday, January 17, 2019 and their regular Board meeting.

Outreach and Engagement Plan

- Board handout (September 13)
- Online and printed Surveys, including resident by county, business owner, and elected official
- Social Media promotion of surveys and onset of CEDS update
- Press Release to local print media outlets
- Engagement of Local Development Organizations, chambers, and organizational partners to provide input to form initial broad goals
- Meetings with each County Commission to gather input relative to the region and their jurisdictions

Stakeholder Survey Results Summary

A total of seven surveys were created to solicit input from residents, elected officials, and business owners. Participation was extremely low and did not offer a high enough response rate to consider the results as being indicative of the region. However, the open-ended questions were considered in drafting the finalizing the SWOT analysis and goals.

1. Business Owner Survey – 2 respondents
2. Elected Official Survey – 5 respondents
3. Big Horn County Resident Survey – 5 respondents, 4 from Hardin and 1 from Lodge Grass
4. Carbon County Resident Survey – 19 respondents, with 15 from Red Lodge
5. Stillwater County Resident Survey – 11 total, 5 from Columbus and 6 from outlying areas
6. Sweet Grass County Resident Survey – 1 respondent from outside of Big Timber
7. Yellowstone County Resident Survey – 32, with 28 from Billings, 1 Laurel, and 3 outlying

Public Input Results

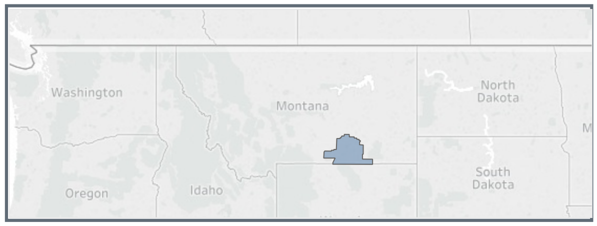
The CEDS was made available for public comment from December 17, 2018. Comments received and action taken in regards to any comments will be summarized in a document submitted to EDA and posted with the 2019 CEDS, as appropriate.

Select Coverage: Counties

Area Name: Big Horn

Big Horn

Big Horn County is the location of the famous Little Big Horn Battlefield National Monument and the annual Custer's Last Stand Reenactment. The majority of Big Horn County lies within the Crow and Northern Cheyenne Indian Reservations. Coal mining and agriculture both play major roles in the local economy. The county also boasts the Big Horn Canyon National Recreation Area, known for its world-class trout fishing. Hardin is the county seat and largest city in Big Horn County. Other communities in the county include Busby, Crow Agency, Fort Smith, Garryowen, Lodge Grass, P..



Labor Force Statistics for Big Horn (2017)

Labor Force	Employed	Unemployed	Unemployment Ra
5,534	4,791	743	13.4%

Source: Local Area Unemployment Statistics. Not seasonally adjusted.

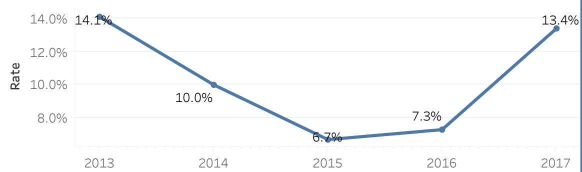
What is the difference between the number employed from the Labor Force Statistics box (left) and the Employment by Ownership box (below)?

Employment from the Labor Force Statistics includes all employment while the Employment by Ownership table does not include self-employed and some agricultural workers. These two tables come from different data sources.

What is ownership?

Ownership describes the type of owner of the business. Ownership can be government (federal, state, or local) or private.

Annual Unemployment Rate



Source: Local Area Unemployment Statistics.

Employment by Ownership for Big Horn (2017)

Industry Name	Establishments	Avg Employed	Annual Avg, Wage
Total	289	4,275	$41,240
Total Govt	46	2,042	$38,148
Federal Govt	20	399	$65,823
State Govt	5	32	$50,205
Local Govt	21	1,610	$31,074
Private	243	2,233	$44,068

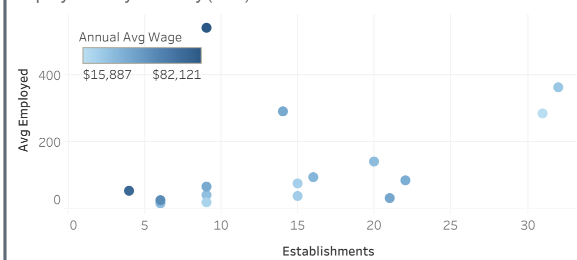
Source: Quarterly Census of Employment and Wages. QCEW does not include self-employed and some agricultural workers.

Employment by Industry for Big Horn (2017)

NAICS	Industry Name	Establishments	Avg Employed	Avg Wage
11	Agriculture, Forestry, Fishing a..	20	140	$31,918
112	Animal production and aquac..	11	101	$31,271
21	Mining, Quarrying, and Oil and ..	9	539	$82,121
212	Mining, except oil and gas	5	395	$83,069
22	Utilities	4	53	$73,285
23	Construction	21	32	$42,087
236	Construction of Buildings	8	14	$29,950
42	Wholesale Trade	6	24	$54,876
424	Merchant Wholesalers, Nond..	6	24	$54,876
44-45	Retail Trade	32	362	$27,046

Source: Quarterly Census of Employment and Wages. This table includes private employment only.

Employment by Industry (2017)



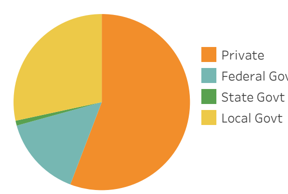
Source: Quarterly Census of Employment and Wages. This graph includes private employment only.

Total Wages for Big Horn

2013	2014	2015	2016	2017
$164,942,864	$175,923,562	$186,776,582	$182,271,049	$176,301,682

Source: Quarterly Census of Employment and Wages.

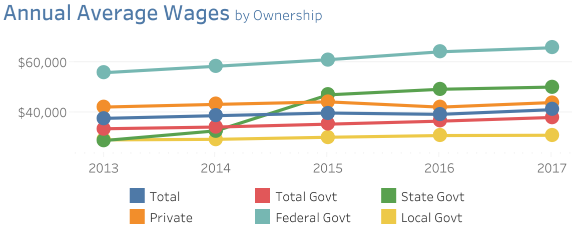
Total Wages by Ownership (2017)



Source: Quarterly Census of Employment and Wages.

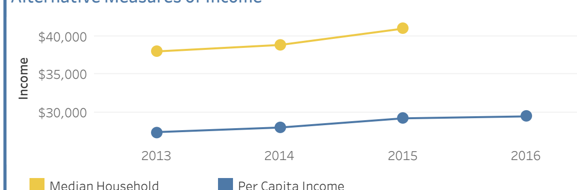
Average wages (below) is from the Quarterly Census of Employment and Wages (QCEW), which is a count of all workers (excluding self-employed and some agricultural workers) in Montana. However, there's many other sources that provide an alternative measure to average wages/income. The "Alternative Measures of Income" graph shows median household income, per capita income, and real per capita income as a comparison to the QCEW's annual average wages.

Annual Average Wages by Ownership



Source: Quarterly Census of Employment and Wages (QCEW).

Alternative Measures of Income



Source: Median Household Income is from the U.S. Census Bureau's American Community Survey. Per Capita Income and Real Per Capita Income is from the Bureau of Economic Analysis.

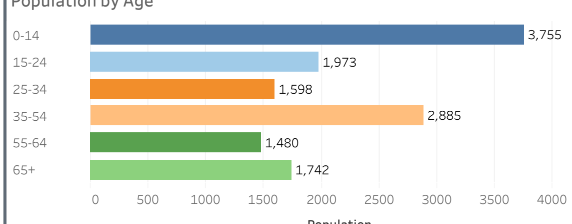
Top Private Employers

Top 10

Business Name	Employment Range	Top 10
Awe Kualawaache Care Center	50-99	■
Big Horn / Little Horn IGA	50-99	■
Big Horn Hospital Association	100-249	■
Big Horn Valley Health Center	50-99	■
Decker Coal Company	100-249	■
McDonalds	50-99	■
Sinclair	50-99	■
Spring Creek Coal	100-249	■
St Charles Mission School and Pretty Eagle Catholic School	50-99	■
Westmoreland Resources Inc	100-249	■

Total Population = 13,079

Population by Age



Source: US Census Bureau. American Community Survey. 2014 (5-year estimates).

There are many sources of local labor market data. For some other helpful tools, see:
1. U.S. Census Bureau's Quarterly Workforce Indicators or "QWI"
2. U.S. Census Bureau's "On-the-Map"

https://qwiexplorer.ces.census.gov/static/explore.html#x=0&g=0

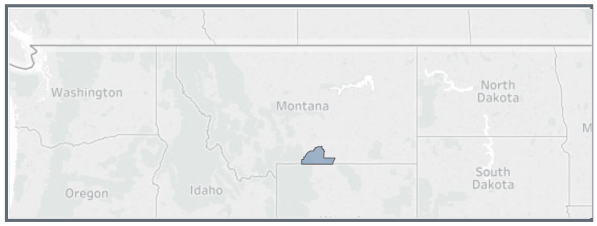
https://onthemap.ces.census.gov/

Select Coverage
Counties

Area Name
Carbon

Carbon

Carbon County took its name from the vast coal deposits discovered there; and for much of its history, coal mining was the county's major industry. The present day economy relies more on agriculture, recreation, and tourism. The Red Lodge Mountain Ski Area and the Custer National Forest are major tourist draws, and the Pryor Mountain National Wild Horse Range is home to about 130 wild, free-roaming mustangs. Red Lodge is the county seat and largest city in Carbon County. Other communities in the county include Bearcreek, Belfry, Boyd, Bridger, Edgar, Fromberg, Joliet, Luther, Roberts, ..



Labor Force Statistics for Carbon (2017)

Labor Force	Employed	Unemployed	Unemployment Ra
5,411	5,212	199	3.7%

Source: Local Area Unemployment Statistics. Not seasonally adjusted.

What is the difference between the number employed from the Labor Force Statistics box (left) and the Employment by Ownership box (below)?
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What is ownership?
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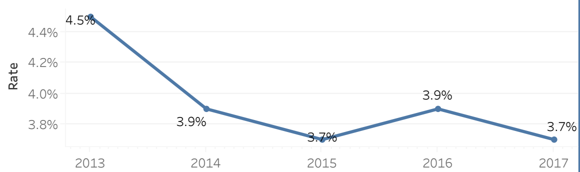
Annual Unemployment Rate



Source: Local Area Unemployment Statistics.

Employment by Ownership for Carbon (2017)

Industry Name	Establishments	Avg Employed	Annual Avg, Wage
Total	498	2,746	$34,102
Total Govt	36	573	$39,780
Federal Govt	13	78	$66,783
State Govt	4	18	$66,300
Local Govt	19	477	$34,363
Private	462	2,173	$32,605

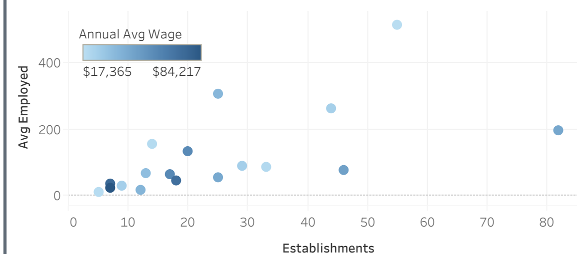
Source: Quarterly Census of Employment and Wages. QCEW does not include self-employed and some agricultural workers.

Employment by Industry for Carbon (2017)

NAICS	Industry Name	Establishments	Avg Employed	Avg Wage
11	Agriculture, Forestry, Fishing a..	20	133	$57,636
115	Agriculture and forestry supp..	8	74	$48,304
21	Mining, Quarrying, and Oil and ..	7	35	$75,276
22	Utilities	7	23	$84,217
23	Construction	82	197	$43,781
236	Construction of Buildings	35	56	$34,860
237	Heavy and Civil Engineering C..	7	44	$52,196
238	Specialty Trade Contractors	40	97	$45,114
31-33	Manufacturing	13	67	$32,561
42	Wholesale Trade	25	54	$42,700

Source: Quarterly Census of Employment and Wages. This table includes private employment only.

Employment by Industry (2017)



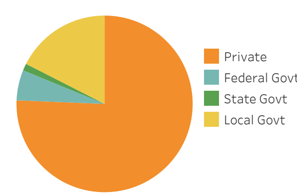
Source: Quarterly Census of Employment and Wages. This graph includes private employment only.

Total Wages for Carbon

2013	2014	2015	2016	2017
$78,837,172	$78,363,218	$84,139,998	$85,161,402	$93,644,804

Source: Quarterly Census of Employment and Wages.

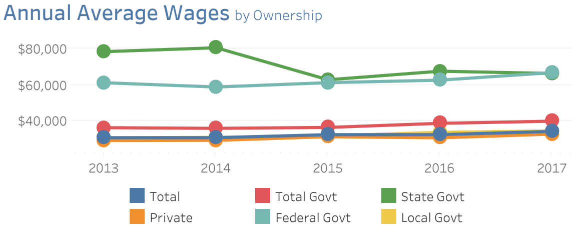
Total Wages by Ownership (2017)



Source: Quarterly Census of Employment and Wages.

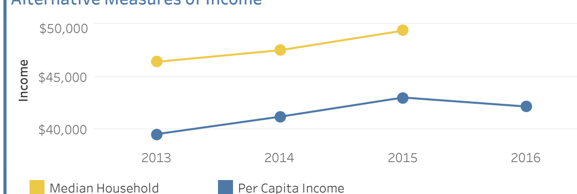
Average wages (below) is from the Quarterly Census of Employment and Wages (QCEW), which is a count of all workers (excluding self-employed and some agricultural workers) in Montana. However, there's many other sources that provide an alternative measure to average wages/income. The "Alternative Measures of Income" graph shows median household income, per capita income, and real per capita income as a comparison to the QCEW's annual average wages.

Annual Average Wages by Ownership



Source: Quarterly Census of Employment and Wages (QCEW).

Alternative Measures of Income



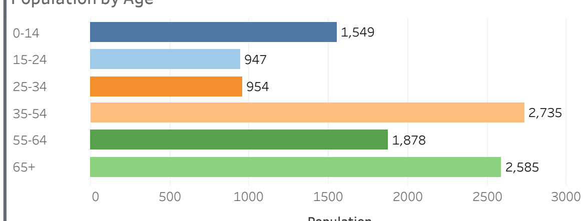
Source: Median Household Income is from the U.S. Census Bureau's American Community Survey. Per Capita Income and Real Per Capita Income is from the Bureau of Economic Analysis.

Top Private Employers

Top 10

Business Name	Employment Range	
Bank of Bridger	20-49	■
Beartooth Hospital & Health Center	100-249	■
Bogarts Restraunt	20-49	■
Downings IGA	20-49	■
Montana Wildfire	20-49	■
Pollard Hotel	20-49	■
Red Lodge Healthcare	20-49	■
Red Lodge Mountain Resort	100-249	■
Red Lodge Pizza Company	50-99	■
Rock Creek Resort	20-49	■

Total Population = 10,189
Population by Age



Source: US Census Bureau. American Community Survey. 2014 (5-year estimates).

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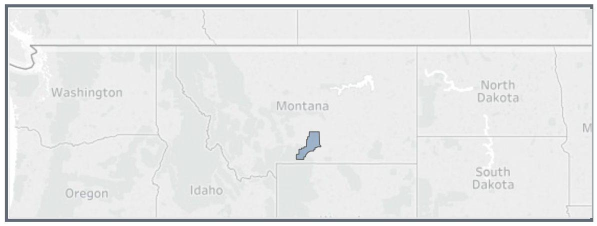
2. U.S. Census Bureau's "On-the-Map"

https://qwiexplorer.ces.census.gov/static/explore.html#x=0&g=0

https://onthemap.ces.census.gov/

Select Coverage: Counties

Area Name: Stillwater



Stillwater

From the Beartooth Absaroka Wilderness Area to the Stillwater and Yellowstone River valleys, Stillwater County has no shortage of outdoor recreation opportunities, making tourism an important component of the local economy. The Hailstone and Halfbreed National Wildlife Refuges are part of Stillwater County's Big Lake Complex, which is known for its abundance of waterfowl and migratory birds. The Stillwater Mining Company, headquartered in Columbus, is one of the world's leading producers of platinum group metals and the only significant producer of pa..

Labor Force Statistics for Stillwater (2017)

Labor Force	Employed	Unemployed	Unemployment Ra
4,839	4,652	187	3.9%

Source: Local Area Unemployment Statistics. Not seasonally adjusted.

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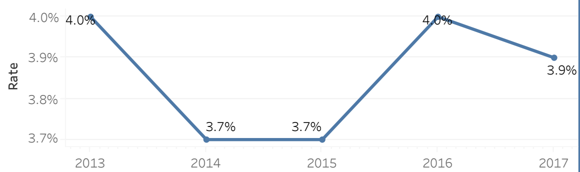
Annual Unemployment Rate



Source: Local Area Unemployment Statistics.

Employment by Ownership for Stillwater (2017)

Industry Name	Establishments	Avg Employed	Annual Avg, Wage
Total	334	3,112	$60,377
Total Govt	36	482	$36,028
Federal Govt	11	33	$46,809
State Govt	5	25	$49,212
Local Govt	20	423	$34,492
Private	299	2,630	$64,839

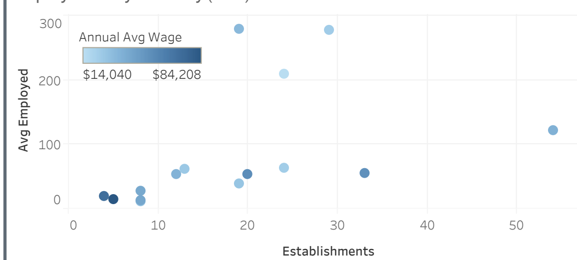
Source: Quarterly Census of Employment and Wages. QCEW does not include self-employed and some agricultural workers.

Employment by Industry for Stillwater (2017)

NAICS	Industry Name	Establishments	Avg Employed	Avg Wage
11	Agriculture, Forestry, Fishing a..	12	54	$35,570
112	Animal production and aquac..	5	26	$42,021
22	Utilities	5	15	$84,208
23	Construction	54	121	$36,460
236	Construction of Buildings	16	23	$38,006
237	Heavy and Civil Engineering C..	3	5	$41,724
238	Specialty Trade Contractors	35	93	$35,795
31-33	Manufacturing	10	238	$39,606
42	Wholesale Trade	20	53	$54,840
423	Merchant Wholesalers, Dura..	5	26	$40,704

Source: Quarterly Census of Employment and Wages. This table includes private employment only.

Employment by Industry (2017)



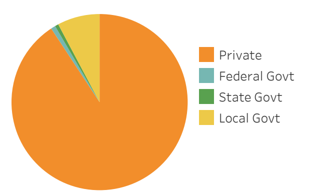
Source: Quarterly Census of Employment and Wages. This graph includes private employment only.

Total Wages for Stillwater

2013	2014	2015	2016	2017
$201,242,344	$194,281,325	$182,642,336	$174,388,418	$187,892,933

Source: Quarterly Census of Employment and Wages.

Total Wages by Ownership (2017)



Source: Quarterly Census of Employment and Wages.

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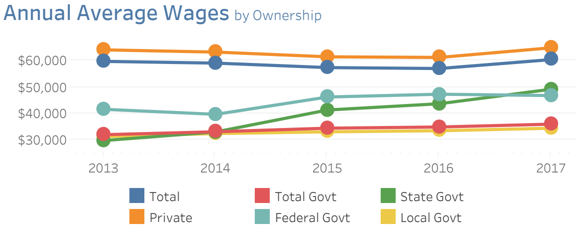
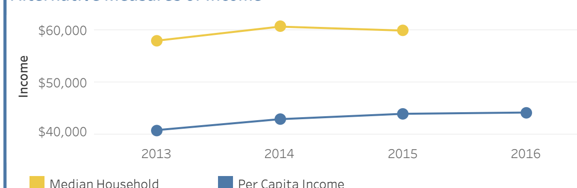
Annual Average Wages by Ownership



Source: Quarterly Census of Employment and Wages (QCEW).

Alternative Measures of Income



Source: Median Household Income is from the U.S. Census Bureau's American Community Survey. Per Capita Income and Real Per Capita Income is from the Bureau of Economic Analysis.

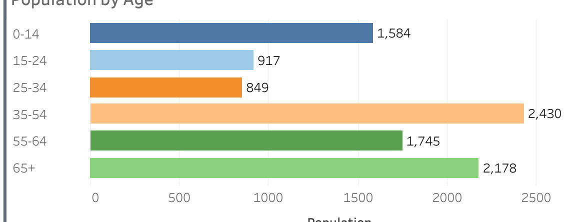
Top Private Employers

■ Top 10

Business Name	Employment Range	
Beartooth Healthcare Community	50-99	■
Cenex Harvest States	20-49	■
Columbus IGA Plus	50-99	■
McDonalds	50-99	■
Montana Silversmiths	100-249	■
Special K Ranch	50-99	■
Stage FX	20-49	■
Stillwater Community Hospital	50-99	■
Stillwater Mining Company	500-999	■
Town Pump	50-99	■

Total Population = 9,214

Population by Age



Source: US Census Bureau. American Community Survey. 2014 (5-year estimates).

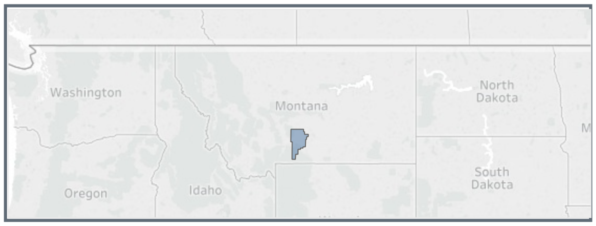
There are many sources of local labor market data. For some other helpful tools, see:
1. U.S. Census Bureau's Quarterly Workforce Indicators or "QWI"
2. U.S. Census Bureau's "On-the-Map"

https://qwiexplorer.ces.census.gov/static/explore.html#x=0&g=0

https://onthemap.ces.census.gov/

Select Coverage
Counties

Area Name
Sweet Grass



Sweet Grass

Sweet Grass County comprises 1,846 square miles of land, of which 449 are public lands. Natural amenities include the Absaroka-Beartooth Wilderness; the Absaroka, Beartooth, and Crazy Mountain Ranges; the Yellowstone and Boulder Rivers, and seven creeks. Natural resources industries are important to Sweet Grass County, with significant mining and agricultural activity. The Stillwater Mining Company provides substantial employment in the county and has the distinction of being the only significant producer of palladium in the United States. Agriculture is prevalent throughout the eas..

Labor Force Statistics for Sweet Grass (2017)

Labor Force	Employed	Unemployed	Unemployment Ra
1,788	1,732	56	3.1%

Source: Local Area Unemployment Statistics. Not seasonally adjusted.

What is the difference between the number employed from the Labor Force Statistics box (left) and the Employment by Ownership box (below)?
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What is ownership?
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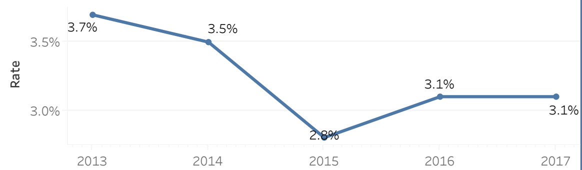
Annual Unemployment Rate



Source: Local Area Unemployment Statistics.

Employment by Ownership for Sweet Grass (2017)

Industry Name	Establishments	Avg Employed	Annual Avg, Wage
Total	231	1,499	$49,585
Total Govt	20	225	$35,128
Federal Govt	7	26	$52,802
State Govt	5	13	$73,540
Local Govt	8	186	$29,973
Private	211	1,274	$52,138

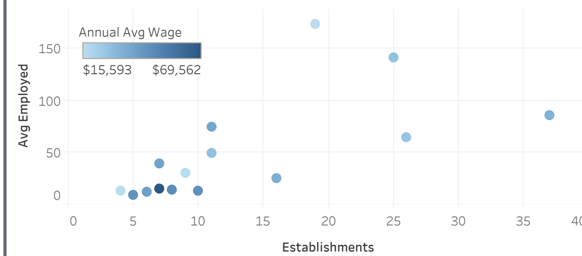
Source: Quarterly Census of Employment and Wages. QCEW does not include self-employed and some agricultural workers.

Employment by Industry for Sweet Grass (2017)

NAICS	Industry Name	Establishments	Avg Employed	Avg Wage
11	Agriculture, Forestry, Fishing a..	11	49	$26,748
112	Animal production and aquac..	7	32	$29,304
23	Construction	37	85	$32,660
236	Construction of Buildings	17	39	$31,723
31-33	Manufacturing	11	74	$36,945
332	Fabricated Metal Product Ma..	6	38	$37,199
42	Wholesale Trade	7	15	$69,562
425	Electronic markets and agent..	3	2	$150,838
44-45	Retail Trade	25	141	$26,744
444	Building material and garden ..	3	19	$51,404

Source: Quarterly Census of Employment and Wages. This table includes private employment only.

Employment by Industry (2017)



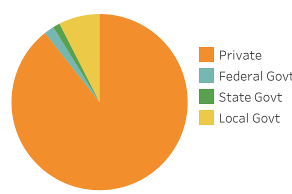
Source: Quarterly Census of Employment and Wages. This graph includes private employment only.

Total Wages for Sweet Grass

2013	2014	2015	2016	2017
$67,264,642	$69,096,407	$71,750,939	$72,204,761	$74,327,326

Source: Quarterly Census of Employment and Wages.

Total Wages by Ownership (2017)



Source: Quarterly Census of Employment and Wages.

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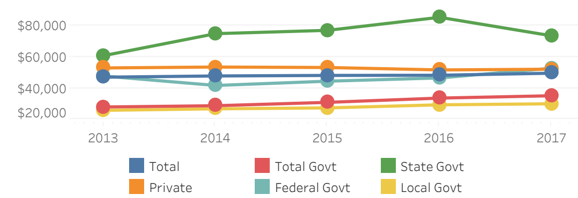
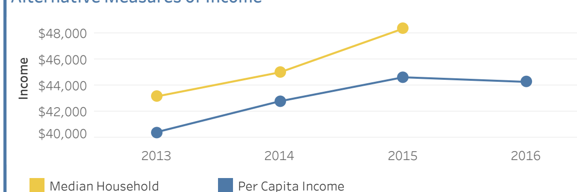
Annual Average Wages by Ownership



Source: Quarterly Census of Employment and Wages (QCEW).

Alternative Measures of Income



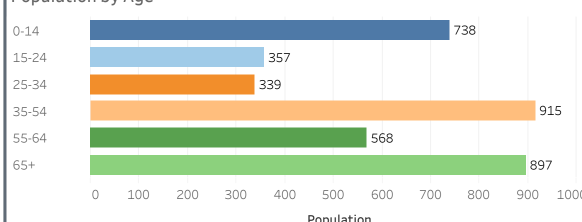
Source: Median Household Income is from the U.S. Census Bureau's American Community Survey. Per Capita Income and Real Per Capita Income is from the Bureau of Economic Analysis.

Top Private Employers

Top 10

Business Name	Employment Range	Top 10
Big T IGA	10-19	■
Citizens Bank and Trust	10-19	■
Frosty Freez	10-19	■
Pioneer Meats	20-49	■
Pioneer Medical Center	50-99	■
Stillwater Mining	250-499	■
The Fort	20-49	■
The Grand Hotel & Restaurant	20-49	■
Thirsty Turtle Tavern & Grill	10-19	■
Town Pump / Super 8 Motel	50-99	■

Total Population = 3,622
Population by Age



Source: US Census Bureau. American Community Survey. 2014 (5-year estimates).

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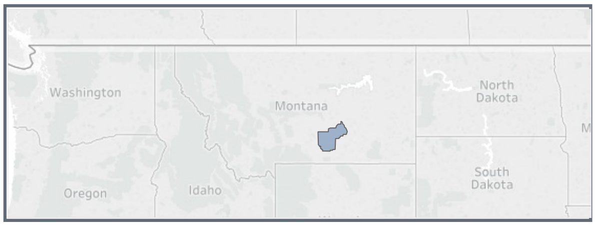
https://qwiexplorer.ces.census.gov/static/explore.html#x=0&g=0

https://onthemap.ces.census.gov/

Select Coverage: Counties | Area Name: Yellowstone

Yellowstone

Yellowstone is Montana's most populous county and is home to the state's largest city, Billings. The largest population center in a 500-mile radius, Billings serves as a commercial and transportation hub for the state, as well as a major center for education and medical services. Billings benefits from having a diversified economy, where oil and gas, health care, livestock, and banking play significant roles. The city boasts three colleges (MSU-Billings, City College - MSU, and Rocky Mountain College), two major hospitals, two oil refineries, and an international airport. Other communities in the count..



Labor Force Statistics for Yellowstone (2017)

Labor Force	Employed	Unemployed	Unemployment Ra
81,485	78,627	2,858	3.5%

Source: Local Area Unemployment Statistics. Not seasonally adjusted.

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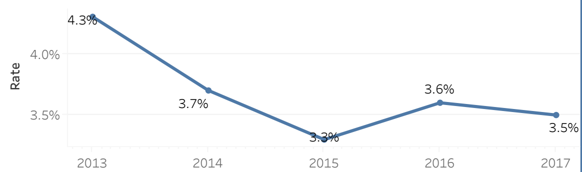
Annual Unemployment Rate



Source: Local Area Unemployment Statistics.

Employment by Ownership for Yellowstone (2017)

Industry Name	Establishments	Avg Employed	Annual Avg, Wage
Total	6,713	81,259	$46,291
Total Govt	104	8,704	$53,508
Federal Govt	57	1,759	$77,197
State Govt	18	1,605	$45,180
Local Govt	29	5,340	$48,209
Private	6,609	72,555	$45,426

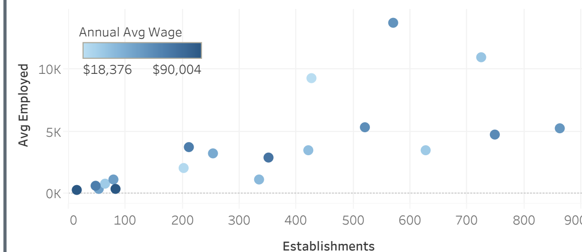
Source: Quarterly Census of Employment and Wages. QCEW does not include self-employed and some agricultural workers.

Employment by Industry for Yellowstone (2017)

NAICS	Industry Name	Establishments	Avg Employed	Avg Wage
11	Agriculture, Forestry, Fishing a..	53	352	$49,613
111	Crop Production	13	60	$45,143
112	Animal production and aquac..	24	146	$37,314
115	Agriculture and forestry supp..	17	146	$63,750
21	Mining, Quarrying, and Oil and ..	82	372	$90,004
211	Oil and Gas Extraction	24	157	$119,426
212	Mining, except oil and gas	7	68	$56,031
213	Support Activities for Mining	51	147	$74,295
22	Utilities	14	254	$89,703
23	Construction	863	5,226	$55,038

Source: Quarterly Census of Employment and Wages. This table includes private employment only.

Employment by Industry (2017)



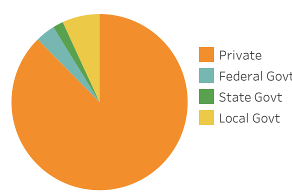
Source: Quarterly Census of Employment and Wages. This graph includes private employment only.

Total Wages for Yellowstone

2013	2014	2015	2016	2017
$3,247,565,867	$3,402,339,614	$3,606,739,331	$3,651,258,892	$3,761,599,938

Source: Quarterly Census of Employment and Wages.

Total Wages by Ownership (2017)



Source: Quarterly Census of Employment and Wages.

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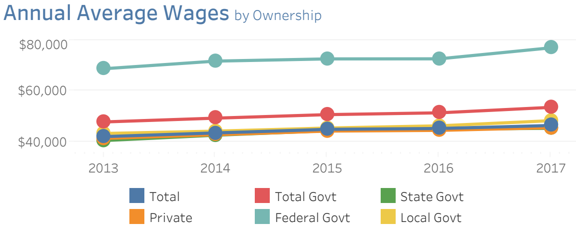
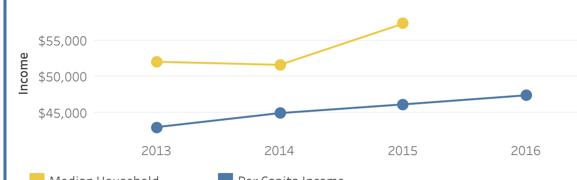
Annual Average Wages by Ownership



Source: Quarterly Census of Employment and Wages (QCEW).

Alternative Measures of Income



Source: Median Household Income is from the U.S. Census Bureau's American Community Survey. Per Capita Income and Real Per Capita Income is from the Bureau of Economic Analysis.

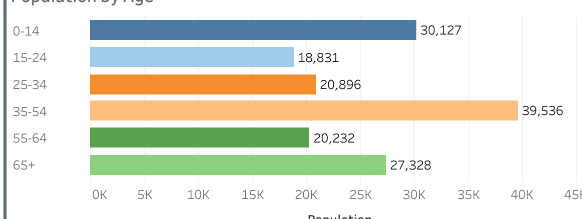
Top Private Employers

Top 20

Business Name	Employment Range	Top 20
Advanced Employment Services	250-499	■
Albertsons Food & Drug	500-999	■
Billings Clinic	1000 and over	■
Cenex Harvest States	500-999	■
Charter Communications	250-499	■
Costco	250-499	■
ExxonMobil	250-499	■
First Interstate Bank	500-999	■
Phillips 66 Company	250-499	■
Rocky Mountain College	250-499	■
Scheels	250-499	■

Total Population = 151,965

Population by Age



Source: US Census Bureau. American Community Survey. 2014 (5-year estimates).

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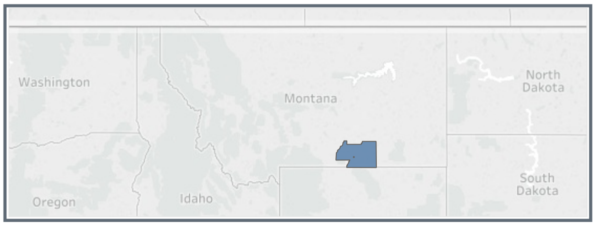
https://qwiexplorer.ces.census.gov/static/explore.html#x=0&g=0

https://onthemap.ces.census.gov/

Select Coverage	Area Name
Reservations	Crow Indian Reservati..



Crow Indian R..

The Crow Reservation, located in southeastern Montana, is the state's largest reservation encompassing approximately 2.2 million acres. The area is comprised of a wide range of scenery with the Big Horn River, vast plains and rolling hills surrounded by the Wolf Mountains to the east, and the Big Horn and Pryor Mountains to the south.

Labor Force Statistics for Crow Indian Reservation (2017)

Labor Force	Employed	Unemployed	Unemployment Ra
3,005	2,420	585	19.5%

Source: Local Area Unemployment Statistics. Not seasonally adjusted.

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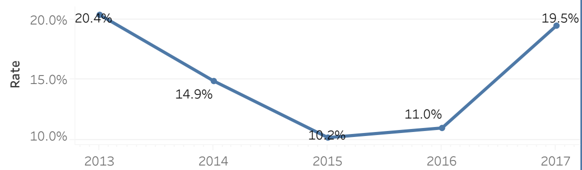
Annual Unemployment Rate



Source: Local Area Unemployment Statistics.

Employment by Ownership for Crow Indian Reservation (2017)

Industry Name	Establishments	Avg Employed	Annual Avg, Wage
Total, All Industries	67	1,894	$39,023

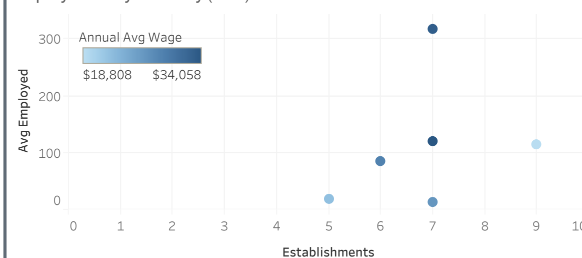
Source: Quarterly Census of Employment and Wages. QCEW does not include self-employed and some agricultural workers.

Employment by Industry for Crow Indian Reservation (2017)

NAICS	Industry Name	Establishments	Avg Employed	Avg Wage
11	Agriculture, Forestry, Fishing a..	6	85	$28,982
44-45	Retail Trade	9	115	$18,808
48-49	Transportation and Warehousi..	7	12	$26,735
61	Educational Services	7	318	$33,269
71	Arts, Entertainment, and Recr..	7	120	$34,058
72	Accommodation and Food Serv..	5	18	$22,146
92	Public Administration	8	921	$41,950

Source: Quarterly Census of Employment and Wages. This table includes private employment only.

Employment by Industry (2017)



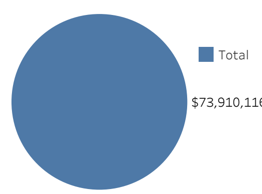
Source: Quarterly Census of Employment and Wages. This graph includes private employment only.

Total Wages for Crow Indian Reservation

2015	2016	2017
$86,212,534	$82,451,584	$73,910,116

Source: Quarterly Census of Employment and Wages.

Total Wages by Ownership (2017)



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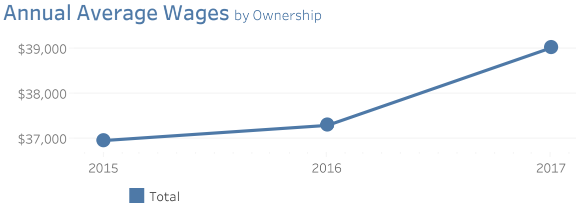
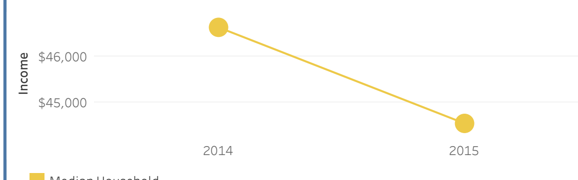
Annual Average Wages by Ownership



Source: Quarterly Census of Employment and Wages (QCEW).

Alternative Measures of Income



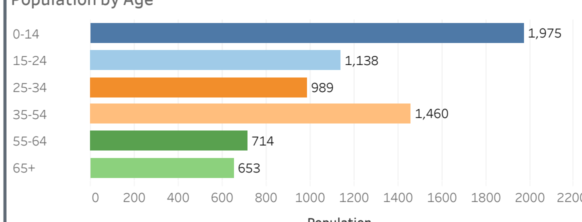
Source: Median Household Income is from the U.S. Census Bureau's American Community Survey. Per Capita Income and Real Per Capita Income is from the Bureau of Economic Analysis.

Top Private Employers

Top 10

Business Name	Employment Range	
Abasoloka Mine	100-249	■
Awe Kualawaache Care Center	50-99	■
Big Horn Electric Co-op	10-19	■
Big Horn Trout Shop	10-19	■
Custer Battlefield Trading Post	20-49	■
Little Horn IGA	20-49	■
Pretty Eagle Catholic School	20-49	■
St. Charles Mission School	20-49	■
Sunlight Ranch	50-99	■
TeePee Service Inc.	10-19	■

Total Population = 6,929
Population by Age



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https://qwiexplorer.ces.census.gov/static/explore.html#x=0&g=0

https://onthemap.ces.census.gov/

Side by Side Comparison

	Big Horn County, MT	Carbon County, MT	Stillwater County, MT	Sweet Grass County, MT	Yellowstone County, MT
Overview					
Total Population 2017	13,360	10,696	9,419	3,691	158,980
Population Growth 2010 to 2017	3.8 %	6.1 %	3.3 %	1.1 %	7.4 %
Households 2016	3,602	4,385	3,784	1,447	62,459
Labor Force (persons) 2017	5,534	5,411	4,839	1,788	81,485
Unemployment Rate 2017	13.4	3.7	3.9	3.1	3.5
Per Capita Personal Income 2016	$29,532	$42,153	$44,314	$44,264	$47,467
Median Household Income 2016	$39,445	$53,794	$59,905	$49,666	$57,351
Poverty Rate 2016	25.5	10.3	8.4	9.8	8.8
High School Diploma or More - Pct. of Adults 25+ 2016	86.3 %	93.9 %	95.0 %	94.0 %	93.1 %
Bachelor's Degree or More - Pct. of Adults 25+ 2016	15.7 %	29.2 %	25.4 %	24.7 %	29.2 %
Covered Employment 2017	4,275	2,745	3,094	1,499	81,258
Avg Wage per Job 2017	$41,239	$34,105	$60,470	$49,576	$46,292
Manufacturing - Pct. All Jobs in County 2017	0.0 %	2.4 %	7.7 %	4.9 %	4.6 %
Manufacturing - Avg Wage per Job 2017	$0	$32,359	$39,537	$36,738	$68,164
Transportation and Warehousing - Pct. All Jobs in County 2017	2.6 %	2.4 %	1.1 %	0.5 %	4.5 %
Transportation and Warehousing - Avg Wage per Job 2017	$35,909	$61,453	$40,289	$33,362	$47,713

Health Care, Social Assist. - Pct. All Jobs in County 2017	0.0 %	11.1 %	8.5 %	7.9 %	17.1 %
Health Care, Social Assist. - Avg Wage per Job 2017	N/A	$35,864	$31,714	$27,253	$57,108
Finance and Insurance - Pct. All Jobs in County 2017	1.5 %	2.4 %	0.9 %	2.5 %	3.6 %
Finance and Insurance - Avg Wage per Job 2017	$40,485	$57,995	$41,735	$39,072	$73,758
Population Over Time					
Population in 2017	13,360	10,696	9,419	3,691	158,980
Population in 2010	12,865	10,078	9,117	3,651	147,972
Population in 2000	12,663	9,530	8,242	3,627	129,544
Population in 1990	11,311	8,078	6,578	3,149	113,514
Population in 1980	11,096	8,099	5,598	3,216	108,035
Population change 2000 to 2010	1.6 %	5.8 %	10.6 %	0.7 %	14.2 %
Population change 1990 to 2010	13.7 %	24.8 %	38.6 %	15.9 %	30.4 %
Population change 1980 to 2010	15.9 %	24.4 %	62.9 %	13.5 %	37.0 %
Net Domestic Migration	-129	213	50	60	815
Net International Migration	5	2	9	3	3
Natural Increase (births minus deaths)	112	-14	-8	0	520
Births	274	70	76	33	2,004
Deaths	162	84	84	33	1,484
Population Estimates by Age in 2017					
Preschool (0 to 4)	1,217	413	416	193	10,114
School Age (5 to 17)	3,216	1,505	1,574	655	26,442
College Age (18 to 24)	1,244	559	608	179	13,107
Young Adult (25 to 44)	2,994	2,091	1,858	690	40,367
Older Adult (45 to 64)	3,085	3,420	3,037	1,053	41,368
Older (65 plus)	1,458	2,352	1,849	864	23,946
Median Age	30.0	49.6	46.6	48.1	38.2
Population Estimates by Race and Hispanic Origin in 2017					

American Ind. or Alaskan Native Alone	8,594	133	35	0	6,946
Asian Alone	12	24	42	30	1,060
Black Alone	13	1	33	7	1,009
Native Hawaiian and Other Pac. Isl. Alone	4	0	0	0	61
White Alone	4,188	10,038	8,930	3,464	140,985
Two or More Race Groups	389	144	204	133	3,897
Non-Hispanic or Latino	12,523	10,094	9,031	3,568	147,173
Hispanic or Latino	691	246	311	66	8,171
Hispanic or Latino Population in 2017					
Puerto Rican	43	11	0	2	656
Other	0	33	121	2	1,268
White, Not Hispanic (reporting white alone)	3,706	9,801	8,747	3,402	135,565
Hispanic	691	246	311	66	8,171
Mexican	648	202	176	62	6,096
Cuban	0	0	14	0	151
Households in 2016					
Total Households	3,602	4,385	3,784	1,447	62,459
Family Households	2,891	2,737	2,634	1,018	39,235
Married with Children	794	601	754	328	11,830
Married without Children	1,016	1,670	1,637	592	18,557
Single Parents	480	273	141	71	5,259
Other	601	193	102	27	3,589
Non-Family Households	711	1,648	1,150	429	23,224
Living Alone	630	1,470	1,048	418	18,548
Average Household Size	3.60	2.30	2.40	2.40	2.40
Housing Units in 2016					
Total Housing Units (ACS estimate)	4,668	6,459	4,811	2,016	66,708
Occupied	3,602	4,385	3,784	1,447	62,459
Owner Occupied	2,197	3,419	2,992	1,063	42,365
Renter Occupied	1,405	966	792	384	20,094
Vacant	1,066	2,074	1,027	569	4,249

For Seasonal or Recreational Use	400	1,402	542	370	863
Residential Building Permits in 2017					
Total Permits Filed	1	7	0	2	1,218
Single Family	1	7	0	2	985
Two Family	0	0	0	0	28
Three and Four Family	0	0	0	0	36
Five Families and More	0	0	0	0	169
Median Income					
Median Household Income 2016	$39,445	$53,794	$59,905	$49,666	$57,351
Median Household Income 2000	$27,502	$33,556	$42,082	$34,190	$38,308
Percent Change 2000 to 2016	43.4 %	60.3 %	42.4 %	45.3 %	49.7 %
Per Capita Personal Income (PCPI)					
2016	$29,532	$42,153	$44,314	$44,264	$47,467
2006	$21,232	$33,021	$29,560	$30,732	$34,746
1996	$13,035	$19,549	$18,949	$17,123	$21,975
1986	$9,541	$11,071	$12,203	$11,565	$13,949
10-Year pct. Change	39.1 %	27.7 %	49.9 %	44.0 %	36.6 %
20-Year pct. Change	126.6 %	115.6 %	133.9 %	158.5 %	116.0 %
30-Year pct. Change	209.5 %	280.8 %	263.1 %	282.7 %	240.3 %
Personal Income in 2016 ($000)					
Total Earnings by Place of Work	$260,935	$145,010	$253,230	$103,275	$5,759,925
Minus: Contributions for Government Social Insurance	$32,689	$20,320	$31,376	$13,411	$719,027
Personal Contributions for Government Social Insurance	$16,614	$12,074	$17,493	$7,434	$375,755
Employer Contributions for Government Social Insurance	$16,075	$8,246	$13,883	$5,977	$343,272
Plus: Adjustment for Residence	($29,129)	$105,611	$19,862	($12,520)	($124,760)
Net Earnings by Place of Residence	$199,117	$230,301	$241,716	$77,344	$4,916,138

Plus: Dividends, Rent, Interest	$69,319	$120,667	$97,320	$53,003	$1,368,023
Plus: Transfer Payments	$125,615	$89,951	$77,781	$30,020	$1,236,447
Equals: Personal Income by Place of Residence	$394,051	$440,919	$416,817	$160,367	$7,520,608
Poverty Estimates					
Poverty Rate in 2016	25.5	10.3	8.4	9.8	8.8
Poverty Rate for Children under 18 in 2016	31.2	13.5	9.1	11.4	10.6
Labor Force Annual Averages in 2017					
Total Labor Force	5,534	5,411	4,839	1,788	81,485
Labor Force 5-Year Pct. Chg	0.1 %	1.5 %	-2.3 %	2.3 %	3.6 %
Labor Force 10-Year Pct. Chg	9.0 %	1.1 %	7.3 %	-38.8 %	0.0 %
Employed	4,791	5,212	4,652	1,732	78,627
Employed 5-Year Pct. Chg	-1.5 %	2.6 %	-1.7 %	3.2 %	4.7 %
Employed 10-Year Pct. Chg	1.1 %	0.3 %	6.6 %	-39.6 %	-0.8 %
Unemployed	743	199	187	56	2,858
Unemployed 5-Year Pct. Chg	11.1 %	-20.4 %	-15.8 %	-17.6 %	-20.9 %
Unemployed 10-Year Pct. Chg	119.8 %	30.1 %	31.7 %	3.7 %	29.7 %
Unemployment Rate	13.4	3.7	3.9	3.1	3.5
Unemployment 5-Year Pct. Chg	10.7 %	-21.3 %	-13.3 %	-20.5 %	-23.9 %
Unemployment Rate 10-Year Pct. Chg	100.0 %	27.6 %	25.8 %	72.2 %	29.6 %
Educational Attainment in 2016					
Total Population 25 and Older	7,537	7,863	6,744	2,607	105,681
Less than 9th Grade	284	164	82	26	1,981
9th to 12th, No Diploma	749	319	253	130	5,355
High School Graduate (includes equiv.)	2,560	2,329	2,414	960	32,885

Some College, No Degree	1,829	2,141	1,719	539	26,241
Associate Degree	929	617	560	308	8,329
Bachelor's Degree	763	1,539	1,133	502	21,546
Graduate, Professional or Doctorate Degree	423	754	583	142	9,344

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View Occupation and Industry Clusters Next to Each Other				
Geography Name	**Year**	**Description**	**QCEW Estab**	**Estab LQ**
Custom Region	2012	**Primary Metal Mfg**	2	0.96
Custom Region	2012	**Forest & Wood Products**	55	1.16
Custom Region	2012	**Mining**	20	2.12
Custom Region	2012	**Energy (Fossil & Renewable)**	498	1.55
Custom Region	2012	**Electrical Equipment, Appliance & Component Mfg**	2	0.4
Custom Region	2012	**Business & Financial Services**	1,129	0.97
Custom Region	2012	**Machinery Mfg**	8	0.6
Custom Region	2012	**Printing & Publishing**	110	0.72
Custom Region	2012	**Fabricated Metal Product Mfg**	44	1.06
Custom Region	2012	Total All Industries	7,279	1
Custom Region	2012	**Apparel & Textiles**	40	0.82
Custom Region	2012	**Transportation Equipment Mfg**	4	0.56
Custom Region	2012	**Computer & Electronic Product Mfg**	3	0.25
Custom Region	2012	**Arts, Entertainment, Recreation & Vistor Industries**	361	1.7
Custom Region	2012	**Education & Knowledge Creation**	81	0.78
Custom Region	2012	**Glass & Ceramics**	6	1.02
Custom Region	2012	**Advanced Materials**	67	0.65
Custom Region	2012	**Transportation & Logistics**	284	1.61
Custom Region	2012	**Agribusiness, Food Processing & Technology**	176	1.6
Custom Region	2012	**Chemicals & Chemical Based Products**	59	1.16
Custom Region	2012	**Information Technology & Telecommunications**	172	0.6
Custom Region	2012	**Biomedical/Biotechnical (Life Sciences)**	197	0.73
Custom Region	2012	**Defense & Security**	204	0.73
Custom Region	2012	**Manufacturing Supercluster**	63	0.73
Geography Name	**Year**	**Description**	**QCEW Estab**	**Estab LQ**
Big Horn County, MT	2012	Total All Industries	287	1
Big Horn County, MT	2012	**Advanced Materials**	1	0.25
Big Horn County, MT	2012	**Agribusiness, Food Processing & Technology**	17	3.91
Big Horn County, MT	2012	**Apparel & Textiles**	1	0.51
Big Horn County, MT	2012	**Arts, Entertainment, Recreation & Vistor Industries**	30	3.59
Big Horn County, MT	2012	**Biomedical/Biotechnical (Life Sciences)**	5	0.47
Big Horn County, MT	2012	**Business & Financial Services**	36	0.78
Big Horn County, MT	2012	**Chemicals & Chemical Based Products**	5	2.49
Big Horn County, MT	2012	**Defense & Security**	5	0.45

Big Horn County, MT	2012	**Education & Knowledge Creation**	2	0.49
Big Horn County, MT	2012	**Energy (Fossil & Renewable)**	35	2.76
Big Horn County, MT	2012	**Information Technology & Telecommunications**	6	0.53
Big Horn County, MT	2012	**Transportation & Logistics**	15	2.16
Big Horn County, MT	2012	**Printing & Publishing**	3	0.5
Carbon County, MT	2012	Total All Industries	447	1
Carbon County, MT	2012	**Advanced Materials**	3	0.47
Carbon County, MT	2012	**Agribusiness, Food Processing & Technology**	20	2.96
Carbon County, MT	2012	**Apparel & Textiles**	1	0.33
Carbon County, MT	2012	**Arts, Entertainment, Recreation & Vistor Industries**	31	2.38
Carbon County, MT	2012	**Biomedical/Biotechnical (Life Sciences)**	8	0.49
Carbon County, MT	2012	**Business & Financial Services**	49	0.69
Carbon County, MT	2012	**Chemicals & Chemical Based Products**	2	0.64
Carbon County, MT	2012	**Defense & Security**	4	0.23
Carbon County, MT	2012	**Education & Knowledge Creation**	6	0.94
Carbon County, MT	2012	**Energy (Fossil & Renewable)**	29	1.47
Carbon County, MT	2012	**Forest & Wood Products**	3	0.99
Carbon County, MT	2012	**Information Technology & Telecommunications**	8	0.45
Carbon County, MT	2012	**Transportation & Logistics**	15	1.39
Carbon County, MT	2012	**Manufacturing Supercluster**	3	0.54
Carbon County, MT	2012	**Fabricated Metal Product Mfg**	1	0.38
Carbon County, MT	2012	**Computer & Electronic Product Mfg**	1	1.18
Carbon County, MT	2012	**Electrical Equipment, Appliance & Component Mfg**	1	2.87
Carbon County, MT	2012	**Mining**	2	3.31
Carbon County, MT	2012	**Printing & Publishing**	7	0.75
Stillwater County, MT	2012	Total All Industries	326	1
Stillwater County, MT	2012	**Advanced Materials**	2	0.43
Stillwater County, MT	2012	**Agribusiness, Food Processing & Technology**	15	3.04
Stillwater County, MT	2012	**Apparel & Textiles**	3	1.34
Stillwater County, MT	2012	**Arts, Entertainment, Recreation & Vistor Industries**	17	1.79
Stillwater County, MT	2012	**Biomedical/Biotechnical (Life Sciences)**	6	0.5
Stillwater County, MT	2012	**Business & Financial Services**	32	0.61
Stillwater County, MT	2012	**Chemicals & Chemical Based Products**	4	1.75
Stillwater County, MT	2012	**Defense & Security**	5	0.4
Stillwater County, MT	2012	**Education & Knowledge Creation**	4	0.86

Stillwater County, MT	2012	**Energy (Fossil & Renewable)**	28	1.94
Stillwater County, MT	2012	**Forest & Wood Products**	5	2.25
Stillwater County, MT	2012	**Information Technology & Telecommunications**	8	0.62
Stillwater County, MT	2012	**Transportation & Logistics**	9	1.14
Stillwater County, MT	2012	**Manufacturing Supercluster**	1	0.25
Stillwater County, MT	2012	**Fabricated Metal Product Mfg**	1	0.52
Stillwater County, MT	2012	**Mining**	7	15.88
Stillwater County, MT	2012	**Printing & Publishing**	3	0.44
Sweet Grass County, MT	2012	Total All Industries	195	1
Sweet Grass County, MT	2012	**Advanced Materials**	3	1.08
Sweet Grass County, MT	2012	**Agribusiness, Food Processing & Technology**	19	6.44
Sweet Grass County, MT	2012	**Arts, Entertainment, Recreation & Vistor Industries**	18	3.17
Sweet Grass County, MT	2012	**Biomedical/Biotechnical (Life Sciences)**	2	0.28
Sweet Grass County, MT	2012	**Business & Financial Services**	16	0.51
Sweet Grass County, MT	2012	**Chemicals & Chemical Based Products**	3	2.2
Sweet Grass County, MT	2012	**Defense & Security**	1	0.13
Sweet Grass County, MT	2012	**Education & Knowledge Creation**	2	0.72
Sweet Grass County, MT	2012	**Energy (Fossil & Renewable)**	11	1.27
Sweet Grass County, MT	2012	**Forest & Wood Products**	1	0.75
Sweet Grass County, MT	2012	**Glass & Ceramics**	1	5.42
Sweet Grass County, MT	2012	**Information Technology & Telecommunications**	1	0.13
Sweet Grass County, MT	2012	**Transportation & Logistics**	3	0.64
Sweet Grass County, MT	2012	**Manufacturing Supercluster**	4	1.66
Sweet Grass County, MT	2012	**Fabricated Metal Product Mfg**	4	3.46
Sweet Grass County, MT	2012	**Mining**	1	3.79
Sweet Grass County, MT	2012	**Printing & Publishing**	2	0.49
Yellowstone County, MT	2012	Total All Industries	6,024	1
Yellowstone County, MT	2012	**Advanced Materials**	58	0.68
Yellowstone County, MT	2012	**Agribusiness, Food Processing & Technology**	105	1.15
Yellowstone County, MT	2012	**Apparel & Textiles**	35	0.85
Yellowstone County, MT	2012	**Arts, Entertainment, Recreation & Vistor Industries**	265	1.51
Yellowstone County, MT	2012	**Biomedical/Biotechnical (Life Sciences)**	176	0.79
Yellowstone County, MT	2012	**Business & Financial Services**	996	1.03
Yellowstone County, MT	2012	**Chemicals & Chemical Based Products**	45	1.07
Yellowstone County, MT	2012	**Defense & Security**	189	0.81

Yellowstone County, MT	2012	**Education & Knowledge Creation**	67	0.78
Yellowstone County, MT	2012	**Energy (Fossil & Renewable)**	395	1.48
Yellowstone County, MT	2012	**Forest & Wood Products**	46	1.12
Yellowstone County, MT	2012	**Glass & Ceramics**	5	0.88
Yellowstone County, MT	2012	**Information Technology & Telecommunications**	149	0.63
Yellowstone County, MT	2012	**Transportation & Logistics**	242	1.66
Yellowstone County, MT	2012	**Manufacturing Supercluster**	55	0.74
Yellowstone County, MT	2012	**Primary Metal Mfg**	2	0.96
Yellowstone County, MT	2012	**Fabricated Metal Product Mfg**	38	1.06
Yellowstone County, MT	2012	**Machinery Mfg**	8	0.6
Yellowstone County, MT	2012	**Computer & Electronic Product Mfg**	2	0.18
Yellowstone County, MT	2012	**Electrical Equipment, Appliance & Component Mfg**	1	0.21
Yellowstone County, MT	2012	**Transportation Equipment Mfg**	4	0.56
Yellowstone County, MT	2012	**Mining**	10	1.23
Yellowstone County, MT	2012	**Printing & Publishing**	95	0.75
Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment & Wages (QCEW) and Purdue Center for Regional Development (cluster definitions).				

To: Susan Taylor, Beartooth RC&D
From: Will Selph
RE: Things That Matter Travel Observations
CC: Christi Jacobsen
Date: 29 October 2018

Purpose:

We noticed that SOS Stapleton was in Hardin at the end of September as part of the tour, gathering information about the business climate in the area.
Could we request a summary of the session? And of the other stops he has made in Carbon, Big Horn, Stillwater, Sweet Grass or Yellowstone counties?
We would like to be able to include the information in our CEDS, especially as it would pertain to our action and implementation plan.

Thank you,
Sue Taylor, Economic Development Director
Beartooth RC&D
406-962-3914

Area 1: Yellowstone County

In February of 2018, Montana Secretary of State Corey Stapleton led members of his staff on a two-day tour of Yellowstone County with stops in Billings, Laurel and Lockwood. These stops focused on energy, transportation, manufacturing, agriculture and general business in the area. Primary visits were to Montana Rail Link, BNSF, Peterbilt, and Exxon.

One of the primary drivers for any market in Montana is the ability to access affordable and reliable transportation to move local goods and commodities to markets across the United States and the world. Montana has a significant interest in both the trucking and rail industries. Secretary Stapleton witnessed firsthand a leading indicator of the improving Montana economy at Peterbilt, where he learned that current truck orders are nearly a year from delivery. Similarly, the rail industry is looking forward to major infrastructure investments. These two industries, which employ large numbers of residents in Yellowstone County and throughout the state, show a great deal of optimism.

At the Business Roundtable in Billings, a regular feature at most stops on the Things That Matter Tour, the Secretary listened to the increasing concern of several individuals about internet competition and the negative impact it is having on local retailers, evidenced by the increasing vacancies at Rim Rock Mall in Billings. A representative from the Billings Chamber of Commerce spoke of the need to attract brands that would be a regional draw. A representative from the mall noted the recent successful recruitment of H & M as an example of their efforts to counter the impact from internet competition.

Tourism continues to be a fundamental driver for the economy of the area. The on-going success of Metra Park attracting shows and events that draw large audiences fuels the hospitality sector, as well as restaurants, local attractions, and many other businesses in the county. Mayor Bill Cole shared his thoughts about the overall dynamics that continue to keep the Magic City thriving.

Area 2: Big Horn County

Continuing his Things That Matter Tour this September, Secretary Stapleton and members of his staff traveled to Big Horn County where they stopped in Hardin, Crow Agency and in rural Big Horn County. These visits concentrated on energy, tourism, and the general business climate of the area. Stops were made at Hardin High School, the Battle of the Little Big Horn, Lumberzacs, and Westmoreland Coal.

The Business Roundtable in Hardin, was hosted at Three Brothers, a locally owned and operated restaurant. The discussion was animated about the need for the community to "Think Local, Buy Local, and Stay Local." Many of Hardin's residents make the 45-minute drive to Billings because there is an impression that it is easier, more convenient, and less expensive than doing business with local suppliers. Several of the businessmen at the meeting expressed frustration with the situation. The importance of supporting local businesses was underscored when the group toured Lumberzacs, which was recently purchased by a young man who had worked there for years. He and his wife are the poster family for a young couple taking a risk. They are fully committed to Hardin and Big Horn County because their future depends on the community's success.

The local Chamber director shared that they have been working on a study to determine how to jump start the economy. One suggestion is for a convention center that would accommodate additional tourism centered around the Battle of the Little Big Horn.

At the Battle site, the group learned that the Little Big Horn is the most studied battle of the American – Indian Wars and is second only to Gettysburg in terms of battles on American soil. This further highlighted the idea of developing the tourist attraction and increasing available services as discussed at the Round Table lunch.

At Hardin High School, students talked about the need for additional lands to be owned by the Tribe as a means of increasing and improving the economic future of the Tribe.

The impact of tribal lands was a much-discussed topic at Westmoreland Energy. On the tour of the large coal operation, the Secretary and his staff learned how this business has provided significant dollars to the Crow Tribe, Big Horn County and the state of Montana. Secretary Stapleton noted how impressive the reclamation work is, much to the appreciation of the Westmoreland team. Given its importance to the area and its people, Secretary Stapleton offered to support Westmoreland in any way he can to secure the future of the operation.

Summary: A Tale of Two Counties and Two Cites

These two trips – the first to Montana's largest community and economy, followed by a visit to the 13th largest county – highlighted a common concern: The impact online shopping is having on Montana's small businesses. Secretary Stapleton noted that when people lose the sense of community and turn to the internet, we lose a piece of ourselves and our future. We see empty retail spaces because a 'url' is a shorter trip. Yet some of our primary industries - energy, transportation, manufacturing, agricultural, and tourism continue to be bright spots in the local and state economies."

Authors Note: As of October 30, 2018, we have not traveled to the other counties you requested information on. They're included in Secretary Stapleton's Things That Matter Tour at a future date.