BIG SKY ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

EDA/EDC – Joint Board Meeting and Budget Hearing
July 9, 2020
7:30 A.M. to 9:15 A.M.
Join in person at Northern Hotel Ballroom

BIG SKY ED Mission Statement*: - Focused on sustaining and growing our region's vibrant economy and outstanding quality of life,* ***Big Sky Economic Development*** *provides leadership and resources for business creation, expansion, retention, new business recruitment and community development.*

Agenda items may be rearranged unless an item is listed as having a "time certain". Action may be taken on any item listed on the Board Agenda.

7:30 A.M. Call to Order/Pledge of Allegiance/Roll Call: Mike Seppala, EDC Chair

7:32 A.M. Public Comment/Recognitions/Special Announcements and Introductions:

- Meeting Protocols—Austin/Becky
- Census 2020 Update--Austin

7:38 A.M. Changes to Today's Agenda

7:40 A.M. Consent Agenda **(EDA/EDC Action)**

- June 11, 2020 Board Meeting Minutes (Attachment A)
- Electronic Meeting Minutes June 5th
- Electronic Meeting Minutes June 17th
- May 2020 EDA and EDC Financials (Attachment B)

7:45 A.M. Program-Level Action Items

- BSED Covid-19 Response for Local Businesses
  - Stabilization Loan Program/EDA RLF Grant Update—Brandon (Info)
  - BSED Phase II Operations Update—Becky (Info)
  - SBDC Covid-Impacted Businesses Advisor Hiring Process—Dena/Becky (Info)
  - CRF Innovation Grant Application (confirmation)—Shanna (Attachment C) (EDA/EDC Action)
- Big Sky to Sky Point Project (Future Facilities) Update –Becky (Info)
- Draft Yellowstone County Recovery Plan Presentation (Attachment D) (Info)
  - Economic Impact—Allison
  - Response to Date and Sections One and Two Review—Thom
  - Section Three "Seizing Opportunities" --Steve
- Member Investor Program Update—Melanie (Handout) (Info)
- BSED FY 2021 Marketing Plan—Marcell (Attachment E) (Info)

8:50 A.M. Executive Directors' Report (Attachment F)

- MEDA Next Generation of Community and ED Tools Update (Presentation) (Info)
- Executive Director Areas of Focus for FY 2021 (Final Draft) (Attachment G) (EDA/EDC Action)
- FYI—No August Board Meeting (EX, Comm will have Breakfast with ED)

9:15 A.M. Adjourn

Next EDA/EDC Board Meeting September 10, 2020 (No August Board Meeting). *Big Sky Economic Development Board of Directors will make reasonable accommodations for known disabilities that may interfere with an individual's ability to participate. Persons requiring such accommodations should make their requests to Big Sky Economic Development as soon as possible before the meeting day. Please call Big Sky ED at 256-6871.*

BIG SKY
ECONOMIC DEVELOPMENT

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ATTACHMENT A

BIG SKY ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

EDA/EDC Joint Board Minutes
Thursday, June 11th, 2020 – 7:15 A.M. – 9:15 A.M.
The Northern Hotel and Zoom Teleconference

***BIG SKY ED Mission Statement**: - Focused on sustaining and growing our region's vibrant economy and outstanding quality of life, **Big Sky Economic Development** provides leadership and resources for business creation, expansion, retention, new business recruitment and community development.*

EDA Board Members Present: Bryce Terpstra, Dana Pulis, Greg McDonald, Jennifer Smith, Jennifer Owen, Ken Lutton, Paul Neutgens, Riley Bennett, Robin Rude, George Warmer, Shaun Brown (Ex-Officio), John Brewer (Ex-Officio), Greg Upham (Ex-Officio)

EDA Board Members Absent: Judi Powers, Don Jones (Ex-Officio), Nick Altonaga (Ex-Officio), Katy Easton (Ex-Officio),

EDC Board Members Present: Aaron Ramage, Andy Gott, Ann Kosempa, Bob Wilmouth, Craig Bartholomew, Dan Edelman, Dave Ballard, David Ellis, Denis Pitman, Eric Simonsen, Jon Stepanek, Kim Jakub, Mac Fogelsong, Mike Nelson, Mike Phillips, Mike Seppala, Nicole Benge, Scott Chesarek, Steve Loveless

EDC Board Members Absent: Doug Hansen, Mitch Goplen, Spencer Frederick

Staff and Guests: Steve Arveschoug, Brandon Berger, Shanna Zier, Dustin Frost, Becky Rogers, Austin Trunkle, Dena Johnson, Lorene Hintz, Marcell Bruski, Patrick Klugman, Jo Ann Jones, Thom MacLean, Melanie Schwarz, Sherry O'Donnell

Call to Order:

Robin Rude, EDA Chair, called the meeting to order at 7:15 A.M. with the pledge of allegiance.

Public Comment/Recognitions/Special Announcements and Introductions:

Public Comment

Jeff Kanning and Russ Fagg presented about the Founder's District TIF District. Jeff and Russ will be bringing this proposal to the City Council and are asking for the support of the BSED Board.

Steve's guidance would be for the Board to review the Blight Study and other information from Russ and Jeff.

Greg Upham gave a SD2 update. The plan to return to school on August 24th remains in place. SD2 is asking for a $1.6 Million Elementary School Levy. Greg emphasized that the nature of education is changing. Students who are struggling need additional help from instructors dedicated to their success and the budget cuts threaten that help.

Marcell then presented about the Summer 2020 Intern Leadership Program.

Agenda Changes:

1. Program Level Action Items: Melanie will be deferred until next month as will the Economic Impact Update.
2. Big Sky to Sky Point will be an Action Item.
3. Executive Director's Report: add Board Committees Update

Consent Agenda

Approval of May Board Meeting Minutes

Motion: Eric Simonsen to approve the May Board Meeting Minutes, as presented to the Board.
Second: Ken Lutton
Discussion: None
Motion carried

Approval of the April EDA/EDC Financials

Motion: Mike Nelson to approve the April 2020 Financials, as presented to the Board.
Second: Jennifer Smith
Discussion: None
Motion carried

FY 2021 Budget Hearing

Presentation of Strategic Priorities and Work Plans and Goals - Steve
Steve presented the Strategic Priorities and Work Plans and Goals document. Steve began with the Strategic Priorities and noted that this year, we will hold our priorities for one year, rather than two. Top priorities are implementation of the Economic Recovery Plan, Sustaining Recovery, and Building a Shared Community Vision. Steve went on to explain the rest of the on-going strategic priorities and our own organizational opportunities.

Jack Nickels asked about what work we are doing on downtown housing.

Craig B asked if there is a dashboard or other medium they can utilize to check in on program goals and achievements.

Jennifer Owen asked about our efforts to promote diversity within our Board and our work. Steve gave several examples but said that work continues.

Presentation of EDA/EDC Proposed Preliminary Budgets – Shanna
Next, Shanna reviewed the proposed EDA and EDC Preliminary Budgets. Pies charts showing our Revenue and Expense Budgets were shared and explained. Shanna then reviewed the revenue and expense assumptions for the EDA Budget.

A question was asked about why salary adjustments were not made this year. Steve went through the pieces of our budget that informed his decision to hold off on salary adjustments because of the uncertainty that lies ahead.

Shanna continued with the EDC assumptions of revenue and expense and the revenue and expense comparisons for both the EDA and EDC for FY20 and FY21. She then reviewed the challenges and opportunities for FY21.

Finally, Shanna broke out the Reinvestment of the SBA 504 Net Income for economic development, as required by the SBA.

Motion: Mike Seppala to approve the Strategic Priorities and Work Plans as well as the Preliminary EDA and EDC Budgets, as presented to the Board.
Second: Mike Nelson
Discussion: Above
Motion carried

Program Level Reports and Action Items

Stabilization Loan Program Update and Revision – Brandon

Brandon was next with a request for an amendment to the Stabilization Loan Program. Brandon is proposing that we amend the notes to a 3-year amortized note, if the borrow chooses. Secondly, he is asking that we expand the eligibility requirements for applicants.

> Motion: Ken Lutton to approve the revisions to the Stabilization Loan Fund, as presented to the Board.
> Second: Mike Nelson
> Discussion: None
> Motion carried

EDA RLF Grant – Brandon

Next Brandon is asking the Board's permission to ask the Federal EDA for $2,000,000 to establish another revolving loan fund. We would match 10% of that by using $200,000 from the State Small Business Credit Initiative funds. Should we be asked to post 20% match, we would reduce our loan request to $1,000,000. Brandon went on to explain how the funds can be used. Brandon explained the underwriting requirements and fielded additional questions about how the funds can be used and what will happen to the match dollars. There were also questions about which RLF will be prioritized, who assumes the risk, and who would borrow.

> Motion: Mike Phillips to approve the Federal EDA Revolving Loan Fund Application, as presented to the Board.
> Second: Mike Seppala
> Discussion: Above
> Motion carried

The other request Brandon had was to transfer SSBCI dollars ($250,000) to our Revolving Loan Fund to meet the demand from borrowers.

> Motion: Ken Lutton to approve the transfer of SSBCI dollars to our Revolving Loan Fund, as presented to the Board.
> Second: Mike Seppala
> Abstentions; None
> Discussion: None
> Motion carried

Operations Phase II Update – Becky

Becky thanked Mike for the letting us utilize the Northern's Ballroom. Becky mentioned we received $10,000 from the State's Social Services Non-Profit Grant application. That money was deposited in the EDC funds earlier this week.

Becky noted that the team will be doing staggered schedules for the month of July with our staff fully back in August. We will also be working to hold our Board and Executive Committee meetings in person going forward.

Big Sky to Skypoint – Becky

Becky updated the Board about the RFQ for Architectural Services. Five firms submitted and were scored.

Becky reviewed the scoring criteria and shared the outcomes of the scores.

A&E Design unexpectedly withdrew from consideration due to stalled projects coming back online.

Each of the remaining four firms were interviewed and scored. Becky again broke out the scoring criteria.

Becky showed the outcomes of the RFQ and Interview scoring. Based on those scores, it is the recommendation of the Selection Committee is to extend the preliminary award to Cushing Terrell. If approved, contract negotiations

will begin immediately, and once the contract is drafted, the EDA will review it to give their concurrence. Upon concurrence with the EDA, the BSED Board will vote to approve the final contract.

Discussion went on about how the design and build process will be conducted and how a contractor will be selected.

> Motion: Bryce Terpstra to extend the preliminary award of architectural services to Cushing Terrell.
> Second: Aaron Ramage
> Discussion: Above
> Motion carried

Special note: The Big Sky to Sky Point action item was re-voted in order to record proper abstentions. Please see the Electronic Meeting notes from June 17, 2020.

Business Healthcare Summit Recap and Next Steps – Melanie
Melanie spoke about the Center for Translational Medicine and that work coming as a result of the Business Healthcare Summit.

Executive Directors' Report – Steve
Economic Response/Recovery Team Update
Steve rounded the meeting out by highlighting our work on our new building Downtown.

Steve will send the Board out the Economic Response and Recovery Plan next month as that work continues to take shape.

MEDA Next Generation Project Update
The MEDA Next Generation of Economic Development Tools Project will be coming to a close soon with a final document in June and an implementation workshop next month. The plan and subsequent recommendations will act as something of a platform to educate our legislators on the state of our economic development tools.

Executive Director Focus for FY 2021
Finally, Steve reviewed his Executive Director's Focus with the Board. This is the first draft and he would like the Board's feedback for a final document in July.

Summary of Executive Director's Performance Review – Robin
Robin presented some of the topics from Steve's performance review and commended his work with this organization.

Public Comment
None

Adjourn
Robin adjourned the meeting at 9:32 A.M.

Next Meeting – July 9th, 2020

Respectfully submitted,

_____ _____

Ken Lutton, EDA Secretary/Treasurer Ann Kosempa, EDC Secretary/Treasurer

When approved, minutes and meeting materials will be filed electronically in the Big Sky EDA office.
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ECONOMIC DEVELOPMENT

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EDA/EDC Board – Electronic Meeting Results
Friday, June 5, 2020

Request:
With the electronic vote held on June 5th, the Board approved the Revolving Loan Fund request for $100,000 for the purchase of the Sam & Louie's franchise restaurant located in Billings. The Big Sky EDC Loan Committee has reviewed the request and recommends approval to the full EDC Board. The request meets all the underwriting and eligibility requirements of the EDC.

Big Sky Finance Loan Committee has unanimously approved the request for presentation to the full Board. Recommended terms: 5-year term / 5-year amortization, 6.0% interest. Big Sky EDC will be in a 1st lien position on all business assets including the beer & wine license. Personal guarantee of Owen Yurko and 2nd on personal residence.

Electronic Vote Results:

EDA Votes in Favor	EDA Votes Against	EDC Votes in Favor	EDC Votes Against
Bryce Terpstra Dana Pulis George Warmer Greg McDonald Jennifer Smith Ken Lutton Paul Neutgens Riley Bennett Robin Rude	None	Andy Gott Ann Kosempa Craig Bartholomew Dave Ballard David Ellis Eric Simonsen Jon Stepanek Mac Fogelsong Mike Nelson Mike Phillips Nicole Benge Scott Chesarek Spencer Frederick	None

Abstentions: None

Please see the attached Request as reference:

Big Sky EDC Revolving Loan Fund Request

Big Sky EDC Finance Department is requesting approval for the following Revolving Loan Fund request. The Big Sky EDC Loan Committee has reviewed the request and recommends approval to the full EDC Board. The request meets all the underwriting and eligibility requirements of the EDC.

1. **Latitude Hospitalities LLC (Sam & Louie's)** – Request is for $100,000 for the purchase of the Sam & Louie's franchise restaurant located in Billings. The financing is for the business purchase which includes the equipment, working capital and beer & wine license. Owen Yurko will be 100% owner of this entity and will oversee all aspects of the restaurant. Sam & Louie's has been operating from their current location in West Park Promenade for the past 10 years. The previous owners had made the decision to close the doors and sell the business earlier in the year (not as a result of COVID-19). This will be the first restaurant owned by Owen. However, he has over 16 years of experience in the food and beverage industry, primarily working for Montana Rib & Chop and Rio Sabinos (management positions).

Sam & Louie's is a franchise restaurant operation. The transfer of the franchise has been approved. The restaurant will remain in the same location as it has been, and the menu will be similar.

Big Sky Finance Loan Committee has unanimously approved the request for presentation to the full Board. Recommended terms: 5-year term / 5-year amortization, 6.0% interest. Big Sky EDC will be in a 1st lien position on all business assets including the beer & wine license. Personal guarantee of Owen Yurko and 2nd on personal residence. No other financing utilized for this transaction.

Loan Closing Structure:
We have worked closely with a committee member knowledgeable in financing of liquor licenses regarding the structure of this loan pertaining to the financing of the restaurant beer and wine license. Upon Board approval, we will close the loan as follows.

Our recommendation is once Temporary Operating Authority is granted, Big Sky will close on the purchase of the business assets ($45k), franchise transfer fee ($5k) and working capital ($20k) and fund these amounts upon approval of Temporary Operating Authority approval from the MT Dept. of Revenue. Upon final approval from the MT Dept. of Revenue of the transfer of the restaurant beer and wine license to the buyer, the final $30k will be advanced. Should the applicant not receive final approval, we will not advance the $30k and will have only the loan for $70k.
Request of the Board is the approval based on recommendation from the Loan Committee of $100,000.00 from the Revolving Loan Fund for the above purpose.

BIG SKY
ECONOMIC DEVELOPMENT

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EDA/EDC Board – Electronic Meeting Results
Wednesday, June 17th, 2020

Request:
Based on the rankings of the RFQ submissions and interviews, the recommendation of the Selection Committee is to extend the preliminary award for architectural and engineering services to Cushing Terrell. If approved, contract negotiations will begin immediately and upon completion will be submitted to the U.S. EDA for concurrence.

The request is for the EDA/EDC Board or Directors to consider extending the preliminary award to Cushing Terrell.

Electronic Vote Results:

EDA Votes in Favor	EDA Votes Against	EDC Votes in Favor	EDC Votes Against
Dana Pulis George Warmer Greg McDonald Jennifer Owen Jennifer Smith Judi Powers Ken Lutton Paul Neutgens Robin Rude	None	Andy Gott Ann Kosempa Craig Bartholomew Dan Edelman David Ellis Doug Hansen Eric Simonsen Jon Stepanek Mike Phillips Nicole Benge Scott Chesarek Spencer Frederick	None

Abstentions: Mac Fogelsong, Riley Bennett

Please see the attached Request as reference:

To: The EDA and EDC Board of Directors
From: The RFQ Selection Committee
Date: June 11, 2020
Re: Recommendation for RFQ Preliminary Award and Next Steps

The RFQ Selection Committee, comprised of Eric Simonsen, Mitch Goplin, Shanna Zier, and Steve Arveschoug, has thoroughly evaluated the proposals received in response to the Request for Architectural and Engineering services released on May 1, 2020.

After careful consideration, the Selection Committee is recommending the Board of Directors close the RFQ and authorize staff to extend the preliminary award to Cushing Terrell.

This preliminary award allows staff to immediately begin contract negotiations with Cushing Terrell and the U.S. EDA to begin their review of the architecture firm and eventually provide concurrence on contract conditions. After BSED receives concurrence from the U.S. EDA, the Board of Directors will be presented with the final draft of the contract for consideration.

BIG SKY
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ATTACHMENT B

Big Sky Economic Development Authority
Financial Report for the Executive Committee and Board of Directors
June 24, 2020

Included with this report are balance sheets reflecting the assets, liabilities and net assets of Big Sky EDA as of May 31, 2020. Also included is the statement of revenue and expenses through eleven months of FY20 as compared to budget.

Balance Sheet
Current assets increased $446,000 and totaled approximately $2,002,000 at the end of May. The fluctuation in current assets is attributed to an increase in Yellowstone County Funds from the collection of May property taxes. Accounts receivable increased from $270,000 to $400,000. This increase is attributed to the final grant draw ($218,734) from MSUB for the Coal Board grant, which increased both accounts receivable and payable. These funds were collected, and a corresponding payment was made to MSUB in June. The remainder of the receivable consists largely of PTAC ($90,000), VBOC ($21,000), and SBDC ($34,500). As of June 2020, these receivables have decreased to about $112,000.

The tax levy receivable balance continues to decrease with the collection of May property taxes. The tax levy receivable totaled approximately $57,000, a decrease from $496,000 in April. Protested tax receivable totaled an additional $21,000. An allowance totaling approximately $21,000, or 100% of protested tax levy receivable is reflected to allow for potentially uncollectible protested tax levy.

Due To/Due From EDC totaled approximately $97,000 at the end of May and consists of the May amount due from EDC and a reconciliation of the cost of health insurance that had not previously been included in the monthly Due To/Due From reconciliation entry. This amount was reconciled for the July 2019 through April 2020, and an entry was made increasing Due To/Due From EDC and EDC Reimbursement Revenue ($49,755).

Total fixed Assets increased in March due to the transfer of the bank building from EDC to EDA. As discussed previously, the breakdown of the building and land values was not presented in the appraisal Following the direction of Anderson Zurmuehlen, the book value of the building and land was divided based on the values from the Yellowstone County Property Tax information. Corresponding depreciation was also booked to begin depreciating the value of the building over 39 years.

Accounts payable have increased from $37,000 at April 2020 to approximately $265,000. This increase is largely attributed to the Coal Board grant. Accrued expenses total approximately $84,000 and consist of salary/benefits accruals.

Statement of Revenue and Expenses
County tax (mill levy revenue) totaled $1,409,000 through May 2020. EDC Reimbursement is more in line with budget with the reconciliation of the health insurance expense that was completed last month. Department of Defense (PTAC) and VBOC reimbursements remain below budget. Opportunity fund investment revenue is also below budget and will remain below budget through the end of the fiscal year.

Salary/wage expense totaled $1,532,000 through May. This amount is slightly over-budget due to the payout of vacation and sick leave to employees no longer with the organization, combined with the PTAC service arrangement for Bozeman. This higher salary expense is off set by a few items including the contributions from the City of Bozeman ($5,000) and Gallatin County ($21,000). The PTAC Subcenter expense is about $91,000 below budget. This expense line item will remain below budget through the remainder of the fiscal year due in part to the Bozeman PTAC arrangement. Professional fees are high and totaled approximately $97,000 through May 2020. Travel/training expense is below budget and totaled $87,000 through May. This line item will remain below budget through the end of the fiscal year.

With the transfer of the bank building from EDC to EDA, there was in-kind revenue of $600,0000 booked. This is due to the building/land amount being valued over purchase price. The $600,000 is a contribution expense on the EDC books and in-kind revenue on the EDA books. This will be eliminated as an intercompany transaction when the year-end financials are pulled together. The $500,000 EDC contribution for the project was also completed in March. These amounts are reflected under the Non-operating Income/Expense section.

Through eleven months of FY20 Big Sky EDA recognized revenue in excess of expenses totaling about $1,316,000, which was approximately $1,072,000 more than the budgeted amount. When excluding the non-operating income/expenses (contribution revenue, in-kind revenue, interest income, and depreciation expense), Big Sky EDA recognized revenue in excess of expenses of about $165,000, which is about $12,000 more than budgeted.

Big Sky EDA
Comparative Balance Sheet
As of May 31, 2020 and 2019

	5/31/2020	5/31/2019	+/-	6/30/2019	+/-
Assets					
First Interstate Bank	$146,348	$46,167	$100,182	$23,571	$122,777
FIB-Recovered Property Taxes	148,202	147,854	348	97,854	50,348
Opportunity Fund-FIB	16,226	13,264	2,963	13,265	2,961
Opportunity Fund-Stockman	3,619	3,595	23	3,612	7
Opportunity Fund-Opportunity Bank	620,930	-	620,930	613,163	7,768
Stockman GE Maintenance	15,128	23,479	(8,351)	23,479	(8,351)
Rocky Mountain Bank Money Market	492,803	-	492,803	-	492,803
Yellowstone County Funds	558,251	532,364	25,887	519,877	38,374
Total Current Assets	**2,001,507**	**766,723**	**1,234,784**	**1,294,821**	**706,686**
Other Assets					
Accounts Receivable	400,185	274,206	125,979	283,781	116,403
American Revenue Guarantee	6,887	6,887	-	6,887	-
Due To/Due From EDC	97,121	86,639	10,482	163,958	(66,837)
Tax Levy Receivable	57,343	59,272	(1,929)	18,231	39,112
Tax Levy Receivable - Protested	21,479	11,250	10,230	9,211	12,268
Allowance for Doubtful Accounts	(21,479)	(11,250)	(10,230)	(9,211)	(12,268)
Prepaid Expenses	11,284	323	10,961	39	11,245
Deposit	1,390	-	1,390	-	1,390
Undeposited Funds	-	-	-	-	-
Interest Receivable	2,421	-	2,421	2,421	-
Miscellaneous Receivable	-	148	(148)	218	(218)
Total Other Assets	576,630	427,475	149,155	475,535	101,095
Non-Current Assets					
Opportunity Fund - CDs	3,640,889	5,119,531	(1,478,642)	4,590,718	(949,829)
Loans Receivable	400,000	388,531	11,469	400,000	-
TEDD Receivable	34,100	64,775	(30,675)	64,775	(30,675)
Cabela's Conduit	318	4,982	(4,664)	4,982	(4,664)
Deferred Outflow of Resources	247,689	365,827	(118,138)	247,689	-
Total Non-Current Assets	4,322,997	5,943,646	(1,620,649)	5,308,164	(985,168)
Fixed Assets					
Bank Building - Land	272,000	-	-	-	-
Bank Building - Building	1,328,000	-	-	-	-
Accumulated Depreciation	(8,513)	-	-	-	-
Total Fixed Assets	1,591,487	-	-	-	-
Total Assets	**8,492,621**	**7,137,844**	**1,354,777**	**7,078,520**	**1,414,101**
Liabilities & Equity					
Current Liabilities					
Accounts Payable	264,998	85,258	179,741	119,524	145,475
Accrued Expenses	83,841	91,067	(7,226)	118,144	(34,303)
Deferred Revenue	7,915	-	14,000	-	-
Payroll Liabilities	783	747	36	4,979	(4,196)
Compensated Absences	147,540	138,444	9,096	164,177	(16,638)
Total Current Liabilities	**505,078**	**315,515**	**189,563**	**406,824**	**98,254**
Long Term Liabilities					
Deferred inflow or Resources	13,741	7,419	6,322	13,741	-
Pension Liability	884,804	908,811	(24,007)	884,804	-
Total Long Term Liabilities	898,545	916,230	(17,685)	898,545	-
Current Year Excess of Expenses over Revenue	1,315,847	59,216	1,256,631	(73,732)	1,389,579
Balance at Beginning of Year	5,773,151	5,846,883	(73,732)	5,846,883	(73,732)
Net Assets	7,088,998	5,906,099	1,182,899	5,773,151	1,315,847
Total Liabilities & Equity	**8,492,621**	**7,137,844**	**1,354,778**	**7,078,520**	**1,414,101**

Big Sky EDA
Statements of Operations
For the Periods Ending May 31, 2020

	Month			YTD			Fiscal Year
	Actual	**Budget**	**Variance**	**Actual**	**Budget**	**Variance**	**Budget**
Operating Revenue							
County Taxes (Mill Levy Revenue)	$18,750	$18,000	$750	$1,408,594	$1,404,000	$4,594	$1,461,225
Health Insurance Mill Levy	9,010	8,530	480	95,906	93,830	2,076	102,360
Recovery of Protested Taxes	-	-	-	-	-	-	-
Department of Defense	45,000	52,819	(7,819)	544,280	581,009	(36,729)	633,828
US EDA Reimbursement	-	-	-	7,910	-	7,910	-
EDC Reimbursement	47,255	48,729	(1,474)	523,855	536,019	(12,164)	584,748
EPA-Brownfields	365	-	365	34,213	-	34,213	-
SBA/MT Dept of Commerce	19,750	13,708	6,042	162,702	150,792	11,911	164,500
SBDC Program Income	-	-	-	2,585	-	2,585	-
VBOC	21,267	25,000	(3,733)	262,307	275,000	(12,693)	300,000
Opportunity Fund Investment	-	2,083	(2,083)	-	22,917	(22,917)	25,000
Rents/Leases	956	-	956	4,308	-	4,308	-
Grant Administration	-	742	(742)	10,924	8,667	2,257	8,900
Miscellaneous Revenue	2,500	-	2,500	23,034	-	23,034	-
Total Revenue	164,853	169,611	(4,758)	3,080,617	3,072,233	8,384	3,280,561
Operating Expenses							
Salaries/Wages	140,354	134,398	5,957	1,532,038	1,478,374	53,665	1,612,771
Employer Contributions	46,080	44,200	1,880	487,644	486,197	1,447	530,396
Contingency	-	-	-	-	-	-	30,000
Contract Support	-	-	-	-	333	(333)	1,000
Community Development Projects	5,000	5,000	-	6,600	11,200	(4,600)	50,000
Dues and Subscriptions	3,596	569	3,027	62,585	52,775	9,810	52,775
Event Expense				2,604	-	2,604	-
Insurance	-	-	-	23,127	14,266	8,861	14,766
Marketing - Departmental	994	1,388	(394)	12,951	15,265	(2,314)	16,652
Marketing - Organizational	8,569	5,146	3,423	58,220	56,604	1,616	61,750
Office Equipment	67	792	(725)	3,800	7,458	(3,658)	9,500
Office Expense	1,370	1,667	(297)	16,149	18,333	(2,184)	20,000
Professional Fees	1,885	-	1,885	96,518	35,126	61,392	35,126
Property Tax Protests		-	-	20,706	21,000	(294)	49,190
PTAC Satellite	8,456	11,710	(3,254)	114,106	128,810	(14,704)	140,520
PTAC Subcenter	16,539	23,190	(6,651)	163,714	255,091	(91,377)	278,282
Rent	11,284	10,530	754	124,941	105,303	19,637	126,364
Repairs		-	-	612	-	612	-
Sponsorships	-	-	-	20,630	15,917	4,713	15,917
TEDD	72	500	(428)	1,522	4,403	(2,882)	5,000
Telecommunications	5,473	5,500	(27)	53,427	52,660	767	54,240
Travel/Training	39	12,044	(12,005)	86,995	122,789	(35,794)	144,533
Utilities	923	-	2,509	3,780	-	3,780	-
Miscellaneous	402	3,377	(2,975)	22,714	37,148	(14,435)	40,525
Total Operating Expenses	251,102	260,010	(8,909)	2,915,384	2,919,053	(3,669)	3,289,307
Net Operating Revenue	(86,248)	(90,399)	4,151	165,233	153,180	12,053	(8,747)
Non-Operating Income/Expense							
Contribution Revenue	-	-	500,000	500,000	-	500,000	-
In-Kind Revenue	-	-	600,000	600,000	-	600,000	-
Interest Income	658	7,528	(6,870)	59,127	90,278	(31,151)	90,334
Depreciation Expense	2,838	-	2,838	8,513	-	8,513	-
Net Revenue Over (Under) Expense	(88,428)	(82,871)	1,094,443	1,315,847	243,458	1,072,389	81,588

Big Sky Economic Development Corporation
Financial Report for the Executive Committee and Board of Directors
June 24, 2020

Included with this report are balance sheets reflecting the assets, liabilities and net assets of Big Sky EDC as of May 31, 2020. Also included is the statement of revenue and expenses through eleven months of FY20 as compared to budget.

Balance Sheet
Current assets totaled approximately $2,040,000 at the end of May, a slight decrease from $2,056,000 at the end of April. Accounts receivable total $121,000 and consist largely of Member Investor pledges for FY20 ($100,000), Member Investor pledges for FY19 ($3,500), CTE receivable ($2,500), Business Healthcare Sponsorship receivable ($15,000). Accounts receivable have decreased to $89,000 in June.

There was one additional Stabilization Loan funded in May. The Stabilization Loan portfolio totaled $137,000 at the end of May and consisted of ten loans.

Accounts payable are low and totaled about $9,000 at the end of May. This is a decrease from $26,000 at the end of April. This decrease is partially attributed to the payment of a larger invoice received for the State of the Workforce Report. Deferred 504 revenue totaled $61,000. These amounts will be recognized as loans fund. Deferred revenue decreased to approximately $36,000 with the funding of three loans in June. Due To/Due From EDA totaled approximately $97,000 and represents the amount owed to EDA from EDC for May reimbursement, as well as the reconciled amount for health insurance that was not previously included in the monthly Due To/Due From transactions ($49,755). This amount was paid in the beginning of June.

Statement of Revenue and Expenses
The 504 loan origination revenue totaled $118,000 through May. This is approximately $6,000 under budget. There were three additional loans that funded in June, which equated to approximately $84,000 in additional 504 loan origination revenue. This will bring 504 loan origination revenue to $202,000 for the year, which is $67,000 more than budgeted. The 504 loan servicing revenue remains slightly over budget and totaled $487,000 through May 2020. Member investor revenue totaled approximately $289,000 and is about $81,000 below budget through May 2020. We will reconcile the member investor receivable accounts as we complete the fiscal year to determine if any outstanding invoices need to be written-off, with a corresponding decrease to member investment revenue and the receivable account.

There was a slight increase in miscellaneous revenue and miscellaneous expense during May as I worked to reconcile 504 loan origination legal fees. With the exception of event expense and marketing, all other expenses remain close or in line with budget amounts through May.

Through eleven months of FY20 Big Sky EDC recognized expenses in excess of revenue totaling about $490,000, which was approximately $530,000 more than the budgeted amount. When excluding the non-operating, in-kind income and contribution expense, Big Sky EDC recognized revenue in excess of expenses of about $10,000, which is about $70,000 less than budgeted.

Big Sky EDC
Comparative Balance Sheet
As of May 31, 2020 and 2019

	5/31/2020	5/30/2019	+/-	6/30/2019	+/-
Assets					
First Interstate Bank	$240,841	$288,529	($47,688)	$409,998	-$169,157
FIB SSBCI Principal	1,000,612	1,321,719	(321,108)	1,335,009	(334,397)
FIB-Long Term Reserve	250,000	250,000	-	250,000	-
FIB-Opportunity Fund	22,200	22,200	-	22,200	-
FIB-RLF	150,846	265,266	(114,420)	268,288	(117,442)
FIB-OBSD Restricted	-	-	-	-	-
Accounts Receivable	118,541	1,000	117,541	34,158	84,383
Contributions Receivable	2,500	46,000	(43,500)	44,500	(42,000)
Prepaid Expenses	5,776	(27)	5,803	4,867	909
Undeposited Funds	-	-	-	-	-
Stabilization Portfolio - Current	137,000				
RLF Portfolio-Current	107,044	72,463	34,582	46,653	60,391
SSBCI Portfolio-Current	4,930	123,590	(118,661)	126,448	(121,518)
Total Current Assets	**2,040,290**	**2,390,740**	**(350,450)**	**2,542,120**	**(501,831)**
Other Assets					
RLF Portfolio-Non Current	231,049	222,232	8,817	127,979	103,070
SSCBI Portfolio-Non Current	647,513	814,058	(166,545)	800,791	(153,278)
Total Other Assets	878,562	1,036,290	(157,728)	928,770	(50,208)
Fixed Assets					
Bank Building - Building	-	-	-	-	-
Bank Building - Land	-	-	-	-	-
Total Fixed Assets	-	-	-	-	-
Total Assets	**2,918,852**	**3,427,030**	**(508,179)**	**3,470,890**	**(552,039)**
Liabilities & Equity					
Current Liabilities					
Accounts Payable	8,844	15,318	(6,474)	62,640	(53,797)
Property Tax Payable	-	-	-	-	-
Accrued Expenses	22,500	13,500	9,000	20,473	2,027
Deferred 504 Revenue	60,650	10,116	50,535	3,936	56,714
Due to/Due from EDA	97,121	92,349	4,772	163,958	(66,837)
Total Liabilities	**189,115**	**131,282**	**57,833**	**251,007**	**(61,892)**
Current Year Excess of Expenses over Revenue	(490,146)	(165,065)	(325,082)	(240,929)	(249,217)
Balance at Beginning of Year	3,219,883	3,460,813	(240,929)	3,460,813	(240,929)
Net Assets	2,729,737	3,295,748	(566,011)	3,219,883	(490,146)
Total Liabilities & Equity	**2,918,852**	**3,427,030**	**(508,179)**	**3,470,890**	**(552,039)**

Big Sky EDC
Statements of Operations
For the Periods Ending May 31, 2020

	Month			YTD			Fiscal Year
	Actual	**Budget**	**Variance**	**Actual**	**Budget**	**Variance**	**Budget**
Operating Revenue							
504 Loan Origination	$0	$11,250	($11,250)	$117,774	$123,750	($5,976)	$135,000
504 Loan Servicing	42,190	43,874	(1,684)	486,825	482,614	4,211	526,488
Float Income	20,729	-	20,729	20,729	-	20,729	-
CTE Director Donations (Restricted)	-	-	-	(2,000)	-	(2,000)	-
Member Investment	-	-	-	289,410	370,000	(80,590)	370,000
RLF Business Loan Interest	714	917	(203)	14,688	10,087	4,601	11,004
RLF Origination Fees	-	-	-	1,535	-	1,535	
SSBCI Revenue	867	2,005	(1,138)	20,363	22,059	(1,696)	24,064
Recovery of Bad Debt	-	300	(300)	9,067	3,300	5,767	3,600
Miscellaneous Revenue	27,303	1,083	26,219	26,993	11,917	15,076	13,000
Total Revenue	91,804	59,430	32,374	985,383	1,023,727	(38,344)	1,083,156
Operating Expenses							
BEAR Program	-	1,371	(1,371)	2,823	4,015	(1,192)	5,386
Business Incubation		-	-	2,519	3,000	(481)	3,000
Contingency	-	-	-	-	10,000	(10,000)	10,000
Dues and Subscriptions	1,034	1,577	(543)	19,508	17,975	1,534	18,927
EDA Reimbursement	47,255	48,729	(1,474)	523,855	536,019	(12,164)	584,748
Event Expense	-	-	-	95,039	52,500	42,539	52,500
Insurance	838	917	(79)	5,049	10,083	(5,034)	11,000
Marketing - Departmental	6,788	5,000	1,788	60,084	59,887	197	61,548
Marketing - Organizational	-	-	-	19,311	11,000	8,311	11,000
Membership Development	-	1,250	(1,250)	8,807	13,750	(4,943)	15,000
Office Equipment	-	-	-	-		-	-
Office Supplies	199	171	28	3,426	1,885	1,541	2,056
Opportunity Fund Contribution	-		-	-	-	-	40,000
Professional Fees	9,794	2,976	6,818	76,787	80,928	(4,141)	80,928
Postage and Printing	325	83	241	1,396	917	479	1,000
Rent	2,519	3,421	(902)	32,714	37,628	(4,914)	41,049
Repairs				1,085			
Sponsorships	-	717	(717)	3,244	7,886	(4,642)	8,603
Telecommunications	325	468	(144)	6,272	5,151	1,121	5,619
Travel/Training	167	1,500	(1,333)	47,366	51,360	(3,994)	53,345
Miscellaneous	33,253	3,499	29,754	66,246	38,493	27,753	41,992
Total Operating Expenses	102,497	71,680	30,817	975,530	942,476	31,968	1,047,703
Net Revenue Over (Under) Expense	(10,693)	(12,250)	1,557	9,854	81,251	(70,312)	35,454
Non-Operating Income/Expense							
In-Kind Income		-	-	600,000	-	600,000	-
Contribution Expense		-	-	1,100,000	-	1,100,000	
Net Revenue Over (Under) Expense	(10,692)	($12,250)	$1,557	(490,146)	81,251	$529,688	$35,454

BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT C

Title

Big Sky Economic Development Corporation

07/01/2020

id. 16812685

by **Shanna Zier** in **Business Innovation Grant**

shanna@bigskyeda.org

Original submission

07/01/2020

Cover Letter	n/a
File Upload	n/a

Legal Business Name	**Big Sky Economic Development Corporation**
Are the principal operations located in Montana?	**Yes**
Does your business have over 150 employees?	**No**
Is the business suspended or debarred from contracting with the Federal government or receiving Federal grants or loans?	**No**
Name of business owner, CEO, president or executive director	**Steve Arveschoug**
Title	**Executive Director**
Physical Address of Business (not a PO Box)	**222 N. 32nd Street, Suite 200 Billings, MT 59101**
Mailing Address of Business (only if different than above)	n/a

What County is your business located?	**Yellowstone**
City Where Business Operates	**Billings**
Zip or Postal Code of Operations	**59101**
Phone Number	**4062566871**
Email of Business or Owner	**stevea@bigskyeda.org**
Website (if you have one)	**bigskyeconomicdevelopment.org**
Facebook Page (if applicable)	**facebook.com/bigskyed**
Authorized alternate contact to receive information on this application	**Shanna Zier**
Alternate contact phone number	**4068698402**
Alternate contact email	**shanna@bigskyeda.org**
Business EIN or Sole Proprietor SSN (no dashes)	**223880639**
What type of business do you operate?	**Non-Profit**
What is the primary industry of the business?	**Other (Please specify)**

Upload proof of good standing with the Montana Secretary of State or Local Tribal Government

Big_Sky_EDC_Secretary_of_State_Good_Standing_Documentation.pdf

If your business does not need to be registered with the Montana Secretary of State - please explain:	n/a

Check if your business is Native American owned	**unchecked**
Check if your business is a Tribal Enterprise	**unchecked**
Check if your business is Woman owned	**unchecked**
Check if your business is Veteran owned	**unchecked**
Check if your business is an Other Disadvantaged Business Enterprise (DBE)	**unchecked**
Please describe your innovation:	**As part of the Yellowstone County Unified Incident Command, an Economic Response and Recovery Team was assembled to provide a business "restart" strategy for the community. The strategy includes coordinating responses to the immediate needs of our business community, identifying gas in services and resources, and guiding the development of the community's near-term economic recovery plan. Information such as community resources, financial assistance, and employment resources are housed on a new Economic Response/Recovery website (yceconomicrecovery.org). The information on the website is vetted and continuously updated. The goal of this website is provide a single site for business and community organizations to access COVID-19 related resources and communications.**
Is this innovation a start-up or existing company?	**Existing**
When did you create this innovation?	**4/13/2020**
Please describe the short and long-term impact of your innovation.	**The short-term impact is to provide a compilation of resources available to businesses and the community to manage and recover from the impacts of the COVID-19 pandemic. Long-term, we hope this website facilitates a quicker economic recovery by providing resources and information.**

How has this, or will this innovation help Montana respond to the COVID-19 emergency?	**This innovation is supporting local businesses during this time of significant economic distress by providing resources, training, and necessary information as they respond to the unique challenges presented by COVID-19. It will help prepare the community for economic recovery and future growth and development.**
Please describe the impact the innovation has had to your company.	**The website provides acts as a clearinghouse for Federal, State, and local resources and information available from various sources. It is a more efficient and effective way our organization to assist businesses, organizations, and individuals as they navigate the challenges presented by the pandemic.**
Who does this innovation help?	**The website is designed to help businesses and the community move toward economic recovery. The website is kept up-to-date with the most current city/state/regional/federal news and announcements. It is a one-stop shop where our community can access needed resources and information.**
When will this innovation be useful or helpful?	**This innovation was developed in early April to provide all of the features noted above. Since it was developed, it has been tweaked, updated, and revised to improve its ability to help our businesses and community. We will maintain this site throughout the duration of our recovery efforts-updating and revising as needed to maintain its usefulness.**
Does your innovation have or require any special permits, licenses, or certifications to be useful?	**No**
Do you intend to continue with this innovation after the COVID-19 emergency is over?	**Yes**
How much are you requesting as a grant from the State of Montana?	**8429.0**
Please describe the use of funds.	**The funds will be used to cover the cost of the yceconomicrecovery.org website and to design, market, and distribute the Yellowstone County Economic Response and Recovery Plan.**

Additional budget document upload

Yellowstone_Economic_Recovery_Website-Plan_Budget.docx

Copy of Identification Card (Driver's License, State or Tribal ID Card)

Arveschoug_DL_002.PNG

Copy of Most Recent Federal Tax Return and any amendments - or letter from CPA certifying business is solvent and in good financial health.

Big_Sky_Economic_Development_Corporation_2018_Public_Disclosure_Copy.pdf

Describe the documents uploaded (annual budget, project budget?)	**Document uploaded in the additional budget document section consists of the total project budget. This includes incurred costs ($5,929) and additional projected costs ($2,500) for a total budget of $8,429.**
By clicking on this checkbox, I agree to all the statements listed above in the "Certification Statement" section above	**checked**
If Other industry type was selected - please specify:	**Economic Development and commerce**

BIG SKY
ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT E

FY21 MARKETING PLAN

BUSINESS GROWTH SERVICES • COMMUNITY DEVELOPMENT • NEW BUSINESS RECRUITMENT

BIG SKY ECONOMIC DEVELOPMENT

ACCREDITED ECONOMIC DEVELOPMENT ORGANIZATION
International Economic Development Council

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BUSINESS GROWTH SERVICES • COMMUNITY DEVELOPMENT • NEW BUSINESS RECRUITMENT

2021

BIG SKY ECONOMIC DEVELOPMENT

BIG SKY ECONOMIC DEVELOPMENT

MISSION

Sustain and grow our region's vibrant economy and outstanding quality of life, by providing leadership and resources for business creation, expansion, retention, new business recruitment and community development.

VISION

Focused on growing our region's vibrant economy and outstanding quality of life through:

- **BUSINESS GROWTH SERVICES**
- **COMMUNITY DEVELOPMENT**
- **NEW BUSINESS RECRUITMENT**

TEAM

MARKETING & COMMUNICATION

Marcell Bruski
TITLE
marcell@bigskyeda.org

Melanie Schwarz
Director of Business Development
melanie@bigskyeda.org

ORGANIZATIONAL

OPPORTUNITIES

A. Build BSED Organizational and Program Awareness (team of SMEs, business growth tools)

B. Develop/Implement Org. Sustainability Plan— (revenue generation and expense priorities)

C. Deploy Business Retention and Expansion (BRE) Outreach Plan

D. Continued Commitment to Work, Thrive, Live – Normal 2.0

E. Execute on Big Sky Finance Marketing/Outreach Plan

BIG SKY FINANCE — FINANCING MONTANA BUSINESS | BillingsWorks Workforce Council | MONTANA PTAC — PROCUREMENT TECHNICAL ASSISTANCE CENTER | AMERICA'S SBDC — SMALL BUSINESS DEVELOPMENT CENTERS — MONTANA | U.S. SMALL BUSINESS ADMINISTRATION — VBOC — VETERANS BUSINESS OUTREACH CENTERS | ROCK31 — CONNECT BUILD GROW | Community Development SPACE TO PLACE | THINKBILLINGS MONTANA

POWERED BY BIG SKY ECONOMIC DEVELOPMENT

BIG SKY ECONOMIC DEVELOPMENT
ECONOMIC RECOVERY

TOP PRIORITIES FOR FY21

Implementation of Economic Recovery Plan
1. Response and Stabilization--meeting immediate needs
2. Sustain Business Recovery—sustaining economic recovery (supported by strong BRE outreach efforts)
3. Building Economic and Community Resiliency--positioning for future growth

Build a Shared Economic and Community Development Vision and Action Plan
1. Discover our Shared Values and Vision
2. Build Economic and Community Resiliency Action Plan (section 3 of Recovery Plan)

Maximize BSED Business Support Services to Support Business Recovery
1. Deploy Covid-19 Response and Recovery SBDC Senior Advisor via SBDC region
2. Implement Business Recovery/Adaptation Training Curriculum (on-line and in person)
3. Deploy Unique Set of Finance Tools for Small Business Recovery
4. Seek out grant opportunities that support business needs, meet community asset development goals, and build/sustain BSED capacity to serve

ON-GOING STRATEGIC PRIORITIES

Position the Community to Seize Opportunities for Growth
1. Ready-to-Go Industrial Space—TEDD

2. TransTech Phase II, Inner Belt Loop/Airport Cooridor, and other development opportunities

3. Strategic Placemaking Assets—Coulson Park/Corette Site, MetraPark Cooridor Redevelopment and Master Plan, Skyline Trail, and Space2Place 3.0 (other key projects include: completion of airport redevelopment)

4. Public Safety Investment

5. Incremental Downtown Redevelopment (housing, office/retail/amenities)

6. Workforce Development Reimagined

7. Healthcare Innovation Opportunities

8. Go to the next level with Entrepreneurship Support System w/ Rock31

9. Focus Business Expansion and Recruitment (Recovery Plan)

Partner Lead at the State-Level for Greater Economic Development Tools
1. Build Understanding Yellowstone County-Region's Contributions and Needs

2. Advocate for New Economic and Community Development Strategies and Tools

BRAND

COLLABORATE

IMPACT

LISTEN

SIMPLIFY

OUR FOCUS

BUSINESS GROWTH SERVICES • COMMUNITY DEVELOPMENT • NEW BUSINESS RECRUITMENT

BE THE BRAND

We are Big Sky Economic Development
Making connections
Building relationships

WE COLLABORATE

With our team members
With our community stakeholders
With our community partners

IMPACTFUL

With resources
For our clients
For the community
With our timeliness
When working with vendors

ALWAYS LISTEN

To each other
To the clients
To the community
To the stranger in the room

SIMPLIFY MESSAGE

Be consistent
Share client success stories
Lead with the services BSED offers
Know audience

OUR FOCUS

BUSINESS GROWTH SERVICES • COMMUNITY DEVELOPMENT • NEW BUSINESS RECRUITMEN

BSED PILLARS OF SERVICE

BUSINESS GROWTH SERVICES

- Contracting your business goods/services with the government
- Entrepreneurial and small business development services
- Long-term financing tools for major fixed assets
- Workforce development & talent attraction/retention

COMMUNITY DEVELOPMENT

- Community projects resource
- Project management for key community initiatives
- Facilitate grant projects & training

NEW BUSINESS RECRUITMENT

- Retention & expansion of business into Yellowstone County
- Economic Data Resource
- Locate your business here

FY21

MARKETING STRATEGY

BUSINESS GROWTH SERVICES • COMMUNITY DEVELOPMENT • NEW BUSINESS RECRUITMENT

BUSINESS GROWTH SERVICES

BIG SKY FINANCE

1. Continue to enhance our working relationships with commercial lenders across the state.
2. Increase education and outreach to resource partners and professional groups (CPA's, Commercial Realtors, etc.).
3. Update and expand our website, print material and virtual marketing tools (social media, etc.).
4. Increase overall awareness of SBA 504 loan program and Big Sky Finance across the state of MT!

BILLINGSWORKS

1. Provide resources and information to businesses about workforce trends and opportunities
2. Promote talent attraction through Better Off in Billings with emphasis on businesses using the Recruiter Tool-Kit
3. Highlight and continue to promote our BillingsWorks partners who are finding new and innovative way to meet workforce challenges
4. Champion our education partners efforts in connecting needed curriculum to workforce opportunities in our community
5. Offer events and trainings that bring people together in the support of workforce development
6. Lead the economic recovery effort in the category of workforce development through innovative ideas in re-training that help people get back to work in our community

PTAC

1. Continue to build awareness of program by direct outreach to business community & resource partners with consisten, specific & on point messaging disbursed in various forms
2. Promotion of PTAC services to increase awareness & engagement (anywhere businesses are at)
3. Promote/education of PTAC services to increase awareness & referral relationships
4. Development of collateral material
5. General marketing support statewide

SBDC/ROCK31

1. Partner with local small business owners to facilitate trainings to tap into their marketing audience.
2. Provide consistent small business content on social media
3. Outreach to engage with, support, and learn needs of business community
4. Rock31 event planning & marketing
5. Share and promote client success stories
6. Continue to build strong relationships with partners & stakeholders
7. Deliver services to outlying counties
8. Market all training available including the Entrepreneurial Academy & Pre-Biz
9. Share Small Business Toolkit

VBOC

1. TRANSITION Boots to Business training for transitioning service members at the 3 Air Force Bases in Region
2. EDUCATE/INSPIRE Promote live & virtual training for veterans, spouses, & National Guard/Reserve component members off installation.
3. CONNECT Individualized consulting services to connect veterans & their spouses with the resources they need to be successful in their entrepreneurial journey.
4. OUTREACH Education, professional collaboration, network formation.

COMMUNITY DEVELOPMENT

COMMUNITY DEVELOPMENT

1. Promote, explain & underscore the connection between economic development, community development, & strategic community investments
2. Build understanding & awareness of what placemaking truly is
3. Simply website pages

NEW BUSINESS RECRUITMENT

THINK BILLINGS

1. Elevate Billings as Montana's City & the right choice for business relocation & expansion
2. Provide clear messaging around BSED services for outreach efforts
3. Disseminate critical economic data on a monthly basis under the "Economic Pulse" brand

MEDIA

Big Sky Economic Developments' 2020 Media Plan will focus on responsible marketing post COVID-19. BSED will be a resource in promoting relevant and responsible economic recovery information for Yellowstone County and the surrounding region.

BSED will continue to host (in person or online) educational webinars and training events highlighting the services we provide and our teams expertise.

Due to the current economic climate and organizational budget, the media plan must be highly flexible to ensure we are able to pivot as needed. A variety of conditions are to be considered that may impact which media platforms are to be used, if they are to be boosted, when they need to be engaged, and budget allocations for each platform. The goal is to be as fiscally responsible as possible to ensure the marketing budget is being used wisely and delivering the maximum result.

Social media, Facebook, Instagram, and LinkedIn will remain prominent. Creative materials will place emphasis on video placement through Instagram posts and stories, Facebook posts, and LinkedIn posts. Based on impressions and interactions all, content can be optimized to whichever platform is showing the best performance. Based on BSED's needs/desired outcomes of events/trainings/informative posts (virtually/in-person) paid media will be utilized in form of boosted videos/posts/events/trainings. Many of these will push traffic to the BSED and other departmental websites.

CONTENT STRATEGY

Big Sky Economic Developments' social media, website, and email channels act as trustworthy channels, delivering content that is as timely and relevant as it is practical and educational. It's important, especially during this time to provide tools and resources for the community to help guide it through economic recovery.

Social media plays a very important role in today's life, as an online web-based tool, it enables people to discover and learn new information, share ideas, interact with new people and organizations. As BSED manages 6 Facebook accounts, 2 Instagram accounts, and one LinkedIn, our follower base is broad.

BSED's social media strategy (for all platforms/pages) is focused on sharing content that is relevant, educational, and provides values to it's followers.

It is crucial that we are a trusted, reliable source to our audience, a place they can come and find accurate, relevant information.

ADVERTISING

Big Sky Economic Development will continue to optimize advertising avenues that best showcase service offerings of the organization while also partnering and supporting local organizations. Opportunities of engagement are provided through digital and print advertising.

FACEBOOK

Big Sky Economic Development is responsible for 6.5 Facebook accounts, all affiliated with different programs of Big Sky Economic Development. The pages are: Big Sky Economic Development, BillingsWorks, Better Off in Billings, Montana PTAC, Rock31, Space2Place, and the half – 1 Million Cups Billings, MT. Through creative posts and videos these pages will:

- Inform followers of trainings/events
- Educate followers on page related topics/information
- Share client & community success stories
- Engage & interact with followers

INSTAGRAM

Instagram is the inspiration channel for BSED. The two accounts are @betteroffinbillings and @lifeatbsed. Better Off in Billings, with 1,800 + followers engage local businesses and community members to share why they are #betteroffinbillings. BOIB features organic, real life imagery of Billings. This channel will:

- Post a photo daily highlighting something in Billings, from food to trails and everything in between
- Share photos to the BOIB story
- Engage with followers' posts, share their stories if BOIB is tagged, and repost photos
- Collaborate and tag fellow partners accounts
- Promote giveaways and special promotions
- Be leveraged as a talent attraction & retention tool (mentioned in the BOIB recruiter toolkit)
- posts are also shared to the Facebook page

The channel, @lifeatbsed & #lifeatbsed serves as:

- A tool for BSED talent attraction & retention
- An account that ALL staff has access to post
- Photos and videos of the staff, acting as a sneak peak into the culture of working at BSED

LINKEDIN

BSED has one live account on LinkedIn, the Big Sky Economic Development Account. This channel is designed to give BSED a forum to connect with individuals and other businesses. This channel will:

- Post professional training/event opportunities related to Economic Development
- Share job postings to the BSED team as needed
- Lead followers to the BSED website
- Interact with other individual accounts & business pages, respond to all messages/comments in a timely manner

EMAIL

Email serves as a valuable and cost-effective marketing channel to continue conversations with the community about upcoming events/trainings, feature community economic development news, and provides a consistent channel to connect with our
audience. In FY20, BSED switched their e-news system over to Constant Contact, in addition to creating new templates:

- BSED, new weekly and special news template
- PTAC Quarterly and Special notice templates
- Big Sky Finance monthly newsletter
- Better Off in Billings Ambassador template
- An editorial calendar assists in the scheduling of all newsletters going out.

WEBSITE

Big Sky Economic Development will continue to update and manage the Big Sky Economic Development, BillingsWorks, Rock31, PTAC, VBOC, and Think Billings websites. Updating pages, events, and news that is housed on each website.

EARNED MEDIA

POWERED BY BIG SKY ECONOMIC DEVELOPMENT

FY 2021 Communications Matrix

	Audiences												
Communications Channel	Board of Directors	Elected Officials (YC)	Member Investors	Program Clients	BRE Businesses	Training/Event Attendees	Program Advisory	Property Tax Payer	General Community	Partner Organizations	Community Organizations	Statewide Organizations	Federal Stakeholders
Social Media			X	X		X		X	X				
Website	X	X	X	X	X	X	X	X	X	X	X	X	X
Take 3	X		X							X			
News Story(pitched)					X			X	X				
Op Ed	X	X	X	X	X		X	X	X	X	X	X	X
Business Success Story (400 words)	X	X	X	X	X		X	X	X	X	X	X	X
Training			X	X	X	X							
Event	X	X	X	X	X	X	X	X	X	X	X	X	X
Public Meetings	X	X	X	X	X	X	X	X	X	X	X	X	X
Interview	X	X	X	X	X	X	X	X	X	X	X	X	X
Community Seven			X	X				X	X		X		
Organizational Presentations	X	X	X							X	X		
YCEconomicrecovery.org	X	X	X	X	X	X	X	X	X	X	X	X	X
Personal Emails	X	X	X	X	X	X	X			X		X	X

BIG SKY
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EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

ATTACHMENT F

BIG SKY ECONOMIC DEVELOPMENT

EDA · EDC CREATING MONTANA BUSINESS OPPORTUNITIES

July 2020
Executive Director's Report
to the Executive Committee & Board of Directors
(with Program-Level Highlights)

Covid-19 Response Plan

1. ***Internal Structure/Work Plan Changes*** – Becky will provide the Board an overview of our "Open, Safe, and Fully Engage plan for BSED Phase II operations. We have in place protocol for how we will interact in the office together and conduct meetings. We will share the protocol with you at the Board meeting.

2. ***Responding to Immediate Business Needs—***Attached for your reference is a June 24th letter from the Yellowstone County Economic Response/Recovery Team to the Governor's office. The letter offers recommendations regarding the deployment of the Coronavirus Relief Fund dollars. We are offering help with the timely deployment of those dollars and suggesting new programs to address the needs of hard-hit industries. As of this writing (July 1st) the State has awarded $52 million in grants, with Yellowstone County businesses and organizations receiving about $5.5 million.

3. ***Business Stabilization Loan Program—***Brandon will provide the Board a complete update on this lending program, which has now funded over $152,000 in new loans. Our grant application for the $2.0 million RLF loan program via the federal EDA should receive its first EDA review July 8 or 9th, with the final application being ready by mid-July. As a reminder this grant requires a match up to $200,000 in BSED funds, so per the Board's direction, we are using $200k of SSBCI dollars. We should be ready to deploy this new loan program later this summer.

4. ***Unified Command—Economic Response/Recovery—*** For your review (attached), is the draft Recovery Plan from the Economic Response/Recovery Team. We are in the process of sharing this draft plan with the public and other key stakeholders. We will review this plan with the Board at our July 9th meeting\'

Strategic Priorities

1. **Economic Diversity and Innovation—grow and diversify our economy through small business growth, entrepreneurship, fostering innovative business ideas, and maintaining a regional focus:**

   a. *ROCK31* – Connect Build Grow—See the SBDC/Rock 31 section of this report for more details. A Rock31 "leadership team" of entrepreneurs is being from to help guide the direction of this program. This team will also be involved in the design of the Rock31 components of our new facility. We have a Rock31 planning meeting set for July 7th to review a workplan and goals for this program.

We are waiting on a proposed contract from Cushing Terrell for review and submittal to the federal EDA. Once we receive their approval, we will bring this contact to the Board for final action. That will likely happen the later part of July and may require a special meeting of the Board—stay tuned.

b. Coal Country Coalition—no new info at this time.

2. Workforce Development and Talent Attraction—via the BillingsWorks Partnership—build and enhance our workforce development strategies/programs and further our talent attraction efforts to meet future workforce needs in support of our regional business community:

a. Advocacy for MSU Billings and RMC— No new info to report. Do mark your calendar for Sept. 15 and 16 for the MUS Board of Regents meetings which had been planned to be in Billings (or online).

b. Business Healthcare Summit—Work continues on plans related to a Billings site for the Center for Translational Medicine. This project came out of the Healthcare Summit in February and now includes the solicitation of a federal EDA grant to go to MSUB to establish lab space for this program. This would be an extension of the program at the University of Montana. The grant is targeted to go out by the end of July. Melanie and I will be meeting soon with the Healthcare Alliance (Riverstone, Billings Clinic, and St. Vincent) to secure their support for this project and the federal grant. More info to come on this project (Melanie is our project lead).

c. BillingsWorks/Talent Attraction and Career and Technical Education/Career Center—The search continues for a new director of Billings Works, so let us know if you know of a candidate that would fit this role and our team.

3. Strategic Placemaking--building-remarkable community investments to encourage and support the retention and attraction of workforce and new private investment:

a. Downtown Redevelopment-One Big Sky District and Other Project Areas— Nothing new to report at this time.

b. Coulson Park Redevelopment and Entryways Now—A fundraising plan is in the works to secure $250,000 matching funds to help kickoff the first phase of the Coulson Park redevelopment. We are hopeful to secure the matching funds by this fall. More details can be found in the Community Development section of this report.

c. EBURD Redevelopment and Other Urban Renewal Districts—Metra Park is wrapping up work on a development master plan for their campus. This effort has renewed interest in the development to the private lands on the west side of Expo Drive. We will be meeting with those landowners this month to learn more about their timeline for development and how we can best support that effort. Key to the development of these private lands with be access off Expo Drive, so coordination with MDT as they finalize plans for the development of HWY87 and Main Street is essential. More info to follow.

d. Trailhead Hospitality Vision Steering Committee— Sanderson Stewart has begun the planning/design work related to the proposed improvements of the Metra Park fence-line corridor. Additionally, there is now a City run master-plan-level study of the 5th Avenue corridor from downtown to Metra Park. Patrick is serving on the steering committee for this project. Stay tuned for more info on these community development projects. The next meeting of the Committee has been postponed till July (11:45 A.M. to 1:00 P.M. at the City/County Planning Office, First Floor Conference Room). Exact date to be determined.

e. Air Service—See Recruitment Section of this report for details.

f. Next Generation of Economic and Community Development Tools (MEDA and Montana Chamber Foundation) — The Analysis is complete, I will provide the Board an overview of the findings and recommendations at our July 9th meeting. Now the real work begins. I will hit the road with the State Chamber at the end of July and share the findings from this analysis as part of the Economic Update Series hosted by the Chamber and the Bureau of Business and Economic Research. We will cover 6 cities in three days, and I will use that opportunity to encourage new thinking about how Montana approaches community and economic development.

Program Updates

Community Development

COVID Disaster Response and Recovery:

- CD Team has received and referred multiple clients/business owners and nonprofits regarding EIDL, PPP and other assistance
- CD Team participated in multiple COVID Assistance Webinars
- Thom been working with Steve in his capacity as the economic lead for the Unified Incident Command. His role is to plan, foster, and lead the economic response to the COVID 19 pandemic and the planning needed for economic recovery. Thom has been helping him coordinate meetings of the Economic Response/Recovery Team as well as its subcommittees. We are developing an economic recovery plan for Yellowstone County. We will be hosting information sessions over the next four weeks to gather public input before finalizing the plan.
- Dianne continues to work with the Local Emergency Planning Committee on response funding

Tax Abatements:
The Community Development Team continues to answer any inquiries from businesses and residents regarding the program. Staff member Klugman discussed the program with two different potential projects, one in Yellowstone County and one in Billings.

Yellowstone Fuels Reduction Program:
We plan to initiate projects in the upcoming weeks with the consultant Advanced Arbor Care. Also, staff member Klugman discussed emergency routes and projects within the Emerald Hills subdivision with Yellowstone County Public Works Director Tim Miller.

Brownfields Program:
A Phase I was completed in the EBURD and the project has been approved to continue to investigate the property and take samplings and soil borings through the Phase II process. The Community Development Team also received an inquiry regarding an additional housing project and Brownfield work. We hope to have more information and a Phase I initiated next month.

Coulson Park:
We continue to work to match the $250,000 challenge grant. The Parks Foundation has included on their website a link for direct donations and contributions to Coulson Park which will go towards the challenge grant.

MSUB Science Building / Montana Coal Board:
CD Members Lehm and Klugman have completed the final draw request and BSED received the $220k+ check which was delivered to MSUB. $490,000 has been drawn and provided to MSUB for the Science Building. The final 5% ($10k) will be allocated after final construction which is scheduled for Fall 2021.

Yellowstone County Museum:

The CD Team completed and submitted all requirements for the MT Commerce grant for the Yellowstone County Museum. We now await grant review from the State and announcements of awards likely in the beginning of ’21.

Lockwood TEDD:
We continue to work with the City to find a solution to allow the extension of wastewater service into the TEDD study area without requiring Waivers of the Right to Protest Annexation from the property owners. The Lockwood TEDD Advisory Board considered the FY 2021 Annual Workplan at June’s meeting prior to taking it to the County Commissioners for approval.

MetraPark Beautification Project:
The Yellowstone County Board of County Commissioners selected Sanderson Stewart to complete the concept plan for the MetraPark border with US Highway 87. The contract with Sanderson Stewart has been approved and work will begin immediately. Sanderson Stewart has already held discussions with Charlie Smith, the consultant hired to complete the MetraPark Master.

Space2Place:
Eight projects will be completed by September 30. Pedal United Bike Park at the Blue Creek Access site is already underway. The Southside Taskforce has selected an artist for their mural at the 6th Street underpass. It was recently featured by a local news station. We have applied for an economic development award for this program through the IEDC.

AARP Grant Application:
We have applied to AARP for their Community Challenge grant. We’ve requested $15,000. If received, the funds will be used to create a pocket park featuring landscaping, benches, and sculptures at the corner of 3rd Ave N and N 27th St. Winner should be announced in mid-August.

Member Investor
We have reached out to all Member Investors since COVID19 started. Many are doing OK but we do have a significant number that are struggling and a handful that will not be able to meet their financial investment during this fiscal year. We are working with each of those one on one to find a solution to keep them as Member Investors.

One of the outcomes from the Business Healthcare Summit was assisting MSUB to be an affiliate site for the Center for Translational Medicine. We have had several meetings with our community healthcare partners, all of which are in support of the CTM. The next step is completing an EDA grant application for funding the project. That will be submitted by the end of July with an EDA review at the end of August. Through this process we have also identified a Montana based bio tech company that would consider a second location in Montana if the CTM opens at MSUB.

Marcell is completing and presenting our FY21 Marketing and Communications plan at the board meeting.

We continue to work to provide timely information about our program offerings as well as our organizational work including the projects from Economic Response and Recovery team. We are also working to get more information out about the states grants programs. Our social media and BSED website numbers are up significantly since COVID19 hit our community.

We are continuing to cover Billings Works as a team. We will be posting for that position in early July with hopes of a hire by September. If you know anyone who would be a good fit for that job, please share that with Becky if myself. We met with the CTE advisory committee this month to discuss the needs of SD2 Career and Technical Education and how our public/private partnership continues to support their

work of advancing career pathways. We celebrated with St Johns United as they received a $1 million dollar gift for a nursing apprenticeship program.

Big Sky Finance
June has been a busy and productive month for Big Sky Finance. We closed on four SBA 504 loans in one week! All four loans were in different communities; Sheridan WY, Billings, Missoula and Bozeman. Two of these loans Brandon closed in person and the other two Sherry was able to do remotely. The total amount of the SBA debentures for these loans will be just over $2MM and they are scheduled to fund in August. We also had three loans fund this month for a total of $5,270,000. Two of the projects were in Belgrade (same company utilized 504 for equipment and another 504 for new construction), and the other was in Missoula. It's a full team effort to get these loans funded, but a big shout out to Sherry for her work in bringing these all to finality!

A couple of significant items to point out with our current closings and funding's. Obviously, we are in very uncertain times, and because of that we have to make some changes to the process and what the borrower will receive when their loans fund. For the loans that are funding in June, these borrowers will receive six months of subsidy payments from the SBA. For those loans we just closed and will fund in August, the situation is a bit different. These borrowers will have their first 3 payments deferred, and then the following six payments will be made by SBA as part of their subsidy payments. Therefore, they will not have to make a payment on their newly funded loan for nine months! This is a tremendous benefit SBA is providing their borrowers! Unfortunately, this won't continue after September funding.

Other items to note:

- Board approval received to make application for $2MM Revolving Loan Fund through the US EDA.
- Increased Big Sky EDC RLF by additional $250k to assist additional small businesses in Yellowstone County.
- Modified BSED Stabilization Loan fund to allow for more borrowers and different repayment terms.
- Brandon attended the NADCO virtual Spring Summit – heard from SBA servicing center personnel and others from DC and within the SBA 504 industry. Discussed current situation and what might be coming in the future (rate wise future looks very good!).
- Jo Ann and Brandon working with a number of prospects and underwriting new deals.
- Received final Board approval on $100,000 Revolving Loan Fund request.

Interest rates continued their downward movement! SBA 504 effective rates for June dropped from the previous month. The 20-year effective rate for loans funded in June was 2.53%. The effective rate on the 25-year debenture for June was 2.60% and the effective rate for the 10-year debentures was 2.65%. The rates offered through the SBA 504 Loan program provide borrowers with a great, fixed rate financing option for the acquisition of real property and/or equipment. These rates are projected to stay down for some time. We can also refinance existing commercial real estate debt, and with rates this low it is a great time to consider the SBA 504 option!

VBOC
<u>Training: 56 attendees at 4 events</u>

- Boots to Business at Malmstrom AFB in Great Falls- this was our first live B2B class since pandemic closures –5 attendees. Delivered in partnership with Montana SBA and Great Falls SBDC.
- 2 trainings delivered in partnership with Billings SBDC
    - Virtual Pre-Business Development workshop- 3 attendees, including 1 veteran
    - Behavioral Economics of Buying and Selling Webinar – 13 attendees, including 3 veterans.

- MT Battlefields to Farmfields Webinar: 35 attendees. Brian Clemons delivered the B2B Module 8 training educating about resources available to veteran entrepreneurs in Montana during this training hosted by USDA Rural Development and the Farmer Veteran Coalition.

Outreach highlights: 4 events w/ 47 attendees**.** Highlights include the Billings Mayor's Challenge, Montana Joining Community Forces Statewide Leadership Meeting, Veterans Navigation Network and the FE Warren Transition Assistance program.

Counseling –57 counseling sessions with 24 individual veteran or military spouse clients so far in June as they pursue small business opportunities. These efforts resulted in 26 referrals to resource partners throughout our region. ***Reminder- with a monthly goal of 32 counseling sessions per month, you can see we are well above that mark!**

Recruitment

In recruitment, there have been a handful of new projects emerging which is encouraging sign. These are in the area of manufacturing, energy development, and transportation/logistics. Additionally, I have been working with businesses to see if they will participate in our recovery "deep dive" which is a group of around 33 businesses (ten per vulnerable industry) that we will follow through the next year to understand how they recover and what obstacles may need to be removed for them to succeed. I have also been focused on the Recovery Plan and presentation development and continue to update and refine the economic impact data that we are tracking as part of the Yellowstone County Recovery group.

SBDC | Rock31

Noteworthy:

- The SBDC/Rock31 team attended the virtual International Business Innovation Association Conference
- Assisted clients applying for MT Innovation, Stabilization, and Adaptability grants
- Continuing to work the Dawson Community College to bring a Code School to Billings
- We are partnering with MSU-Billings to integrate Rock31 into their business school
- A team member graduated from the Billings Leadership program

Team Activity:

- We continue to hold the virtual Pre-Biz workshop with attendance of 10-15 participants
- The team counseled over 120 business owners needing assistance related to COVID-19
- Hosted 4 - 1 Million Cups Sessions vis Zoom with average attendance of 25 people
- Transitioned 1 Million Cups to a new leadership team
- A team member is working with BPS Gifted and Talented program to develop a game design curriculum for elementary students
- The team provided 3 virtual trainings in the Entrepreneurial Academy series
    - How to Sell your Stuff – Kevin Scharfe
    - Human Resources – Associated Employers
    - Social Media Marketing – Salt + Sage Web Studio
- We are facilitating startup Founders Meetup every Friday
- The BSED internal "think tank" meets weekly to work together on serving our business community during this time to keep each other in the know on SBA products, offer counsel to businesses and serve business owners
- The SBDC advisor team think tank meets Wednesday to provide informal sharing meetups for network advisors
- Continue to work on the Yellowstone Economic Recovery & Response re-start team
- Continue individual coaching with entrepreneurs via zoom and phone calls in a range of industries

PTAC

Since August 1st, MT PTAC clients (all 7 locations statewide) have been successful in winning **$143.3 million** in federal, state, local and subcontract awards. Of that, clients served by the Billings location have been successful in winning government contracts/subcontracts valued at **$70.5 million**. PTAC conducted research for Meadow Lark Transport, Inc. regarding its eligibility for the Disadvantaged Business Enterprise (DBE) program through MT Department of Transportation. The company had been awarded an **$11 million dollar** contract from a PA based prime to provide transportation services on a New York/New Jersey Port Authority project.

Because federal highway dollars are involved, Meadow Lark needed to obtain DBE certification. By the time managers contacted PTAC, they had been told by numerous resource partners that the company was not eligible because of its receipts.

PTAC directed them to the language in the Code of Federal Regulations (CFR) that provides an exception to how receipts are calculated for a freight broker. As a result, Meadow Lark was approved as a DBE and is now in the process of applying for its Women Owned Business (WBE) certification through the Port Authority. DBE was required first in order to apply for WBE, which the company will also need for the project. WBE certification is aligned with DBE so the company shouldn't have any problem obtaining it.

If not for PTAC assistance, Meadow Lark would have lost this opportunity. The PA prime would have been forced to find another subcontractor that was DBE/WBE certified.

Organizational/Policy Matters

1. Big Sky to Sky Point Project – At the last Board Meeting, the Board approved moving forward with Cushing Terrell as the selected Architectural firm from the RFQ. We held a kick-off meeting with Cushing Terrell the following day and also did a building tour with their team. Mitch Goplin helped lead that conversation as we moved through the building and discussed the mechanical, electrical and structural components of the remodel. Cushing Terrell is working on their fee proposal and should have a draft to us soon. Once the fee proposal and contract is negotiated, we will submit materials to the U.S. EDA for concurrence. The final step will be to bring the contract to the Board for final approval. We will keep you updated on that timeline as it nears.

2. Phase 2 BSED Operations – We are actively implementing our "Open, Safe and Fully Engaged" Phase 2 plan. Our doors reopened to the public and we began holding in-person meetings as of June 1st. Our full staff will come back in staggered schedules starting in July, with the full team working in-house starting in August. We plan to host the Executive Committee and Board Meetings in-person moving forward. As always, we continue to stay close to the directives and guidance from local health authorities and will adjust our plans accordingly should any new information arise.

3. FY 2021 Strategic Priorities and Program Work Plans– Final version of our Strategic Priorities are attached for your reference. I will ask the team to consider developing a simple "dashboard" view of our monthly progress on these priorities and our program goals. Stay tuned for that tool.

4. Structural Evaluation Project Under Succession Plan—Given the current focus on response and recovery related to Covid-19 impacts, I will now consider structural changes to our team structure. I have initiated a handful of temporary changes (created the Incident Response Team -

IRT) with a focus on addressing the immediate and near-term needs of our community. (Board participants include: Dana Pulis, Paul Neutgens, Steve Loveless, and Ken Lutton).

5. WDO Assessment Team— This team will report back to the Executive Committee at our August meeting.

6. Executive Director's Focus for FY 2021—A revised final draft of the proposed FY 2021 Executive Director Focus is in your packet. I will ask the Board to consider taking action on this list at our July Board meeting.

Respectfully submitted,
July 9, 2020

Steve Arveschoug
Executive Director

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ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES

June 24, 2020

Governor Steve Bullock
Office of the Governor
PO Box 200801
Helena, MT 59620-0801

RE: Coronavirus Relief Fund Programs/Invitation to Meet with Yellowstone County Businesses

Dear Governor Bullock:

The Yellowstone County Economic Response and Recovery Team, representing the businesses of Billings and Yellowstone County, is concerned that the measures taken to date with the Coronavirus Relief Funds, while helpful, have not gone far enough to address current and near-term economic impacts from COVID-19.

On April 22, the Yellowstone County Economic Response and Recovery Team offered our recommendations to the Governor's Task Force for the use of the Coronavirus Relief Funds received by the state of Montana from the CARES Act. We are encouraged to see that many of your initial programs are consistent with our recommendations, e.g., the Business Stabilization Program and the Business Adaptation Program. We appreciate the efforts of your office to assist Montana businesses, non-profits, and communities through the thoughtful distribution of these funds.

Over the past two months, our team has continued to engage with our business community, offering assistance, support, and guidance as they navigate this unprecedented crisis. These businesses have shown remarkable innovation and resilience in their response to the challenges posed by this pandemic. The feedback we've received from businesses has identified needed changes to existing programs as well as some gaps that still need to be addressed. In the spirit of partnership, we respectfully propose the following recommendations for your consideration:

- Use local resources – EDAs, SBDCs, CRDCs – to communicate and facilitate Coronavirus Relief Fund programs, relieving pressure on State agencies, addressing application backlogs, and providing a local resource and liaison to support the business application process, including incomplete applications.
- Develop a comprehensive marketing piece for CRF programs to provide a consistent message to all Montana businesses, non-profits, and communities. That piece can be utilized and distributed by organizations across the state.

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- Give equal priority to businesses that have received Payment Protection Program or Economic Injury Disaster Loan funds. These federal funds will be exhausted soon, leaving these businesses fully responsible for payroll while only receiving a fraction of their normal revenue.
- Extend the Montana Loan Deferment Program to SBA 7A and 504 loans that are no longer eligible for federal deferral or subsidy payments after September 27th, 2020.
- Use Coronavirus Relief Funds to provide Reemployment Bonuses to encourage employees to reengage in the workforce by offsetting the CARES Act's additional unemployment insurance benefit. This could be targeted specifically to the hospitality industry, which has been especially affected by this measure.
- Business Stabilization Grant program for event venues and tourism-related facilities. Create a program like that developed for meat processors. Awards could be based on a percentage of annual sales up to a maximum of $500,000.
- Develop a longer-term relief program. Allocate some Coronavirus Relief Funds to a program or programs (example noted above) with a longer-term component. Many businesses in the tourism, hospitality, and entertainment industry expect significant financial consequences through 2021 and beyond.

We believe these measures will help alleviate some of the critical concerns Yellowstone County businesses have expressed and create some relief for industries especially hard-hit by this pandemic.

The Yellowstone County Economic Response and Recovery Team extends its invitation for you to come to Billings, meet with our team, and tour our businesses. We would be happy to coordinate and facilitate your visit. It would be an important opportunity for discovery, together.

Sincerely,

Steve Arveschoug, Team Lead
Yellowstone County Economic Response and Recovery Team

Team Members:

Steve Arveschoug, Big Sky Economic Development
John Brewer, Billings Chamber of Commerce
Katy Easton, Downtown Billings Partnership
Lilly Corning, (retail/commercial development) Corning Companies
Kris Carpenter (retail) Joy of Living/Sanctuary Spa and Salon
Mike Nelson (hospitality) Northern Hotel
Luke Kobold (healthcare) Billings Clinic
Ty Elkin (healthcare) St. Vincent Healthcare
Dr. David Graham (healthcare) St. Vincent Healthcare

John Felton (public health) Riverstone Clinic
Tom Schlotterback (healthcare) St Johns United
Taylor Brown (Ag) Northern Ag Network
Courtney Kibblewhite (Ag) Northern AG Network
Don Jones (County leadership/small business owner) County Commissioner
Shaun Brown (City leadership/ BSED Board) City Councilman
Mike Seppala (banking) Western Security Bank
Bill Coffee (banking) Stockman Bank
Brian Brown (banking) First Interstate Bank
Martin Dewitt – Small Business Administration
Steve Simonson (regional ED) Beartooth RC&D
Leonard Smith, Native American Development Corp.
Mary Walks Over Ice, Native American Development Corp.
Matt Robertson (commercial real estate) NAI Business Properties
Kim Jakub (natural resources) ExxonMobil
Bryan Wood (manufacturing) Wood's Powr-Grip
George Warmer (commercial real estate) Coldwell Banker Commercial
Brad Anderson (restaurants) Anderson Management Group
Matt Brosovich (restaurants and hospitality) Ciao Mumbo, Big Horn Resort
Alex Tyson (tourism) Visit Billings
Sean Lynch (event venues) Pub Station
Tim Goodridge (event venues) MetraPark
Shelli Mann (hospitality) Boothill Inn
Ken Lutton (IT) Technology by Design/Yellowstone Tech Sector Partnership
Cami Nelson, Laurel Chamber of Commerce
Eric Basye (Non-profits) – Community Leadership & Development, Inc.

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ATTACHMENT G

A. Implementation of Economic Response/Recovery Plan (Role: lead/support)

- Help to facilitate the development of a shared Economic and Community Development Vision and Action Plan (Recovery Plan Phase III) (Role: lead/support in partnership with business and civic leadership)

B. Maximize BSED's Business Support Services to Support Business Recovery (Role: support)

- Support Incident Response Team (IRT) w/ clarity of roles/responsibilities/authorities and clear goals (IRT to operate through the balance of 2020)

C. Strengthen Economic Development Tools and Strategies at the Regional and State Level (Role: lead and partner)

- Advocate for the execution of the MEDA Next Generation of Community and Economic Development Tools Recommendations (Role: partner and lead)
- Outreach and Preparation for the 2021 Legislative Session (406 Impact District or Local Option Tax for Economic Development, and preservation of TIF) (Role: partner with Dan Brooks, Billings Chamber and area legislators)

D. Organization Leadership/Duties (Role: Provide support or leadership as designated)

- Design and Implement ROCK31/Future Facility Project—vision to reality (Role: support Rock 31 leadership and facility decision making)
- Development of Sustainability Plan for the Org's Budget/Structure (Role: support Controller and program leadership)
- Support program level workplans, providing guidance/resources (as needed) (Role: support Direct Reports)
- Take Work, Thrive, Live to the next level (Role: lead and partner with WTL Committee) w/ focus on:
  - Leadership development
  - Open, Safe and Fully Engaged transition to Normal 2.0

E. Community/Partner Engagement (Role: lead/support/partner)

- Planned, consistent connection with the community (Role: partner w/ Melanie and partners)
- MI and BRE outreach (Role: support Allison and Melanie)
- Yellowstone County/City of Billings-build understanding and seek common vision (Role: lead/partner)
- Regular Board engagement (w/ focus on new Board members) (Role: lead w/ support from Board Executive Committee and Austin)
- Workforce Development/CTE partnerships—through BillingsWorks Steering Committee and routine connection with MSUB, RMC, SD2, private partners (Role: support/lead)
- Essential partnership building—Billings Chamber, Downtown Alliance, City, County, top employers (Role: partner)