The cover features a background image of a cityscape with a prominent Wells Fargo building. Overlaid on this is a large, stylized graphic of a blue arrow pointing upwards and to the right, composed of several nested, semi-transparent shapes. The title text is positioned at the top center.

YELLOWSTONE COUNTY
ECONOMIC **RESPONSE & RECOVERY**

An Action Plan for
Economic Recovery
and Beyond

October 2020

A pessimist sees difficulty in every opportunity; an optimist sees opportunity in every difficulty.

– Winston Churchill

Yellowstone County Residents,

On March 16th of this year the COVID-19 related closures in our community began. This was unlike anything we have experienced before. Day by day we watched what we thought would remain just a challenge abroad, arrive on our doorstep. Our strong economy changed overnight as non-essential businesses were required to close, and essential business were forced to operate in new ways. Workers were made remote overnight and the home suddenly took on the role of office and school. Amidst the chaos created by sudden change, the Yellowstone County Unified Health Command rallied to ensure the proper response to the pandemic. It quickly became clear that supporting the economy was going to be an undertaking that needed a seat at the table. Thus, the Yellowstone County Economic Response and Recovery Team was formed.

This team comprised of over 40 public, private, and non-profit leaders came together to be the conduit between health and business – providing much needed information about health, safety, and how to reopen businesses. From this team effort, this Recover Plan was authored.

This will be a living document that will change with time and circumstance as we collectively navigate the pandemic, the economic challenges, and the systems that have been forever changed by this health crisis.

The team asks that you join us in doing the work to execute this plan with a vision toward not what was on March 16th when this began, but one that is stronger, more resilient, and better positioned to attract economic activity, investment, and talent that will propel Yellowstone County into the next decade.

Sincerely,



Steve Arveschoug

Yellowstone County Economic Response & Recovery Team Lead

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Background

Yellowstone County has encountered and overcome many economic challenges in its history, but the scale, scope, and speed of the economic stress imposed by the current COVID-19 pandemic is unprecedented. Under the duress of this global crisis, the region's solid, growing economy transformed within weeks into a recession of evolving proportions. Civic, business, and community leaders responded immediately, forming the Yellowstone County Economic Response and Recovery Team to react to the immediate needs of businesses; to support, guide, and provide advocacy for their recovery; and to develop a plan that will enable the community to thrive in a post-COVID-19 future.

Optimists proclaim that bigger challenges hold greater opportunities, and that will be the case with this challenge. Realizing these opportunities will take a concerted effort by all sectors – businesses, healthcare, local government, education, arts and cultural organizations, nonprofits, and individual citizens– to restore the economy and rebuild the community. These efforts need the support, assistance, and cooperation of all levels of the public and private sectors. It is essential that the people and organizations of Yellowstone County proactively address, plan, and provide the vision for what the county will become when successfully recovered.

On March 28, Governor Steve Bullock, acting on the advice of public health officials, issued a stay-at-home order. This directive shut down large portions of the state's economy to contain the spread of COVID-19. As a public health measure, this effort was a success – COVID-19 peaked early at a relatively low number, hospitals were not overburdened, and the state's death toll from this pandemic has been among the lowest in the nation.

These steps to protect public health have taken a drastic toll on the economy. The inability to gather, shop, and travel during the stay-at-home order caused a severe direct financial hit to many businesses, with ripple effects throughout the economy. Economic output dropped sharply. Unemployment claims soared to record levels, reaching a peak of 11,903 in mid-April. In a survey conducted in late April, 92% of businesses reported somewhat or extremely negative impacts to their business from COVID-19. Programs instituted under the Federal CARES Act – the Paycheck Protection Program, the Economic Injury Disaster Loans, and the various grants and loans offered through Montana's Coronavirus Relief Funds – have helped many businesses retain their workers and alleviate some of their financial stress.

A phased reopening of the state's economy began on April 26, allowing many businesses affected by the stay-at-home order to resume operations with new protocols and reduced capacity. On June 1, Montana entered Phase 2 of reopening, allowing larger group sizes, increasing capacity limits, and removing a 14-day travel quarantine. Phase 2 brought additional economic activity, but much uncertainty remains. Businesses are searching for better solutions and models to help them survive as they adapt to new precautions, limitations, and unexpected expenses.

Yellowstone County Economic Response and Recovery Team (ERRT)

Yellowstone County's Economic Response and Recovery Team was formed at the beginning of this crisis with a mission ***to coordinate responses to the immediate needs of the business community, identify and fill gaps in services and resources, guide the development of the community's near-term economic recovery plan, and help define objectives for a comprehensive economic development strategy designed to build the foundation for the future community and economic development growth.*** This team consists of business owners, County and City elected leadership, health care experts, and community and economic developers.

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 Health*

Tom Schlotterback, *(Healthcare) St. John's United*

Taylor Brown, *(Ag) Northern Ag Network*

Courtney Kibblewhite, *(Ag) Northern Ag Network*

Don Jones, *(County leadership/small business owner) County Commissioner*

Shaun Brown, *Billings City Council*

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 Mambo, 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*

Eric Basye, *(Nonprofits) – Community Leadership & Development, Inc.*

The team is supported by a Technical Support Group in the following disciplines:

Economic Impact Analysis

Allison Corbyn – *Big Sky Economic Development*

Andy Zoeller – *City of Billings*

Planning

Wyeth Friday – *City of Billings*

Nick Altonaga – *City of Laurel*

Legislative Liaison

Daniel Brooks – *Billings Chamber*

Communications

Melanie Schwarz – *Big Sky Economic Development*

Kelly McCandless – *Billings Chamber*

Legal

Jeanna Lervick – *Yellowstone County Attorney's Office*

Project Management

Thom MacLean – *Big Sky Economic Development*

The Economic Response and Recovery Team has four project workgroups tasked with executing the unique aspects of its mission.

Response Coordination and Communication

- » Coordinates efforts to support the needs of the business community
- » Identifies and responds to gaps in needed services and support
- » Informs businesses and the community about available resources and information through communication channels, including the website: yceconomicrecovery.org

Economic Impact Assessment

- » Assesses and documents the economic consequences of COVID-19 to the community, especially the hardest hit sectors
- » Provides analysis and data to support funding requests and inform the economic recovery planning process

Strategic Restart Partnership

- » Works with the Public Health Officer to develop guidelines and provide information and training to help businesses safely reopen and adapt to new procedures and protocols

Recovery Planning

- » Guides the development and implementation of a plan that identifies and prioritizes projects and initiatives that will best support the economic recovery of the community in the near term and over the next three years

Yellowstone County - Montana's Economic Hub

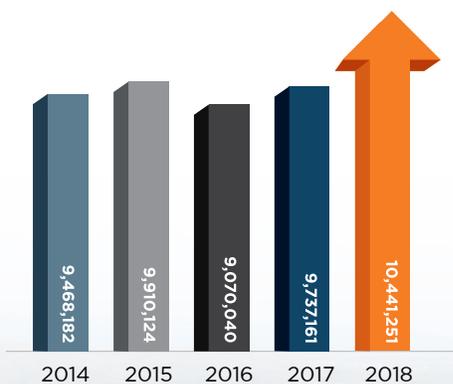
Yellowstone County is home to 15 percent of Montana's population. Its economy is also the state's largest, accounting for 19 percent of Montana's GDP (2018) and 18 percent of all income tax paid in the state (2018). The Billings MSA had a 2018 GDP of 10,441,251 with the Bozeman µSA being the second largest with a GDP of 5,822,537. As the largest community in a 500-mile region, Yellowstone County is the regional business and healthcare hub.

Prior to the COVID-19 disruption, Yellowstone County had a relatively strong economy, the GDP had just surpassed 2015 levels, there was consistent total personal income growth and a well-diversified economy. However, Yellowstone County was lagging regional peers in average annual wages, and in population growth. Even more critical, 22% of our current workforce is 65+ and in 10 years, 40% of our current workforce will reach retirement age.

The top industries in Billings based on a concentration that exceeds the United States average include: Wholesale Trade, Arts/Entertainment & Recreation, Construction, Retail Trade, Transportation and Warehousing, Health Care and Social Assistance, Accommodation and Food Services, Other Services (except public administrations) and Finance and Insurance.

The efforts of the Economic Response and Recovery Team are to respond to the immediate needs of the businesses and to forge a clear plan for the recovery of the economy and the community.

Billings GDP has finally exceeded 2015 numbers



40% of the Billings workforce will reach/exceed retirement age in the next 10 years

22% of our current workforce is 65+



Economic Impact Data

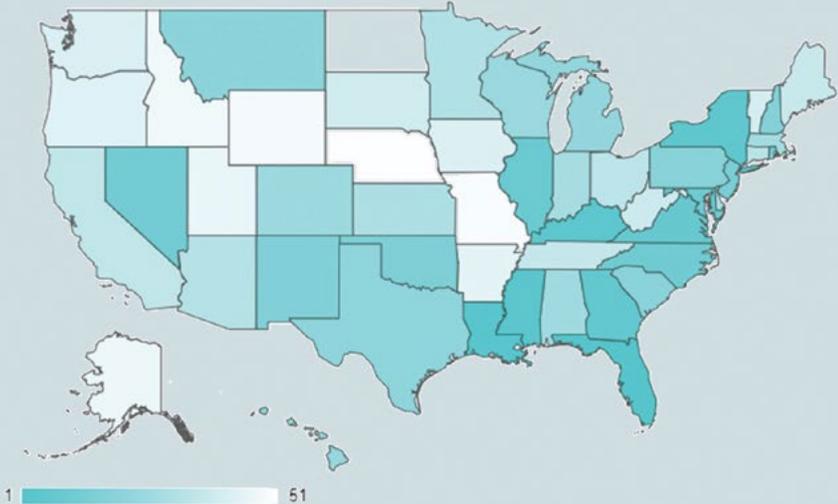
To understand the impact of the COVID-19 disruption in the economy, there are four main areas of consideration.

1. Economic Production/Business Activity – This is an overall look at economic performance and will be measured through GDP, business surveys, state and local relief dollars deployed in our community, economic vulnerability and total personal income. The data currently available only includes vulnerability indices, business data, and state and federal program use.

Montana ranks in the middle of the pack (20th) for state economic vulnerability, which is a reflection on the concentration of highly impacted industries as well as the support infrastructure for businesses to cope with the COVID-19 disruption. Contributing to this vulnerability is the fact that Montana has the highest share of employment from small businesses, and while we are in the top five for number of workers working from home, we are in the bottom five for work from home infrastructure.

State Economies Most Exposed to Coronavirus

Overall Rank	State	Total Score	'Highly Affected Industries & Workforce' Rank	'Resources for Businesses to Cope Better with the Crisis' Rank
1	Florida	61.16	1	29
2	Louisiana	54.86	5	4
3	Mississippi	52.04	25	1
4	Kentucky	51.86	20	2
5	New York	51.66	4	23
6	District of Columbia	51.34	2	37
7	Georgia	50.50	3	34
8	Virginia	49.85	6	25
9	Illinois	48.94	24	3
10	Maryland	48.52	10	21
11	North Carolina	48.30	13	20
12	Nevada	47.69	15	22
13	Rhode Island	47.42	19	18
14	New Jersey	46.89	28	8
15	Oklahoma	46.49	17	24
16	New Mexico	45.04	8	38
17	New Hampshire	45.01	7	40
18	Pennsylvania	44.75	30	17
19	South Carolina	44.25	35	12
20	Montana	44.15	18	30
21	Texas	44.07	22	27
22	Michigan	43.47	36	13



#1
MONTANA HAS THE HIGHEST SHARE OF EMPLOYMENT FROM SMALL BUSINESSES

- Highest Share of Workers Working from Home**
- 47. New Hampshire
 - 48. Montana
 - 49. Oregon
 - 50. Vermont
 - 51. Colorado



- Worst Work from Home Infrastructure**
- 1. Mississippi
 - 2. Arkansas
 - 3. West Virginia
 - 4. New Mexico
 - 5. Montana

<https://wallethub.com/edu/state-economies-most-exposed-to-coronavirus/72631/>

Yellowstone County's position as a regional hub makes it more susceptible to the detrimental consequences of the COVID-19 pandemic. Chmura Analytics rated Yellowstone County as the 322nd most vulnerable out of 3141 counties nationwide. Chmura's Vulnerability Index measures the negative impact that the coronavirus crisis can have on employment based on the area's mix of industries. Of the top 10 most vulnerable industries in Chmura's analysis, seven have a concentration in Yellowstone County that is higher than the national average, as highlighted below.

ECONOMIC VULNERABILITY - TOP 10 MOST VULNERABLE INDUSTRIES

IMPACT OF CORONAVIRUS - AVERAGE PROJECTED JOB LOSSES, UNITED STATES

- › Accommodation and Food Services
- › Arts, Entertainment and Recreation
- › Other Services (except Public Administration)
- › Transportation and Warehousing
- › Retail Trade
- › Wholesale Trade
- › Information
- › Manufacturing
- › Construction
- › Mining, Quarrying and Oil and Gas Extraction

<http://www.chmuraecon.com/interactive/covid-19-economic-vulnerability-index/>

ECONOMIC VULNERABILITY



YELLOWSTONE COUNTY IS IN THE

TOP 10%

OF MOST VULNERABLE COUNTIES IN THE NATION

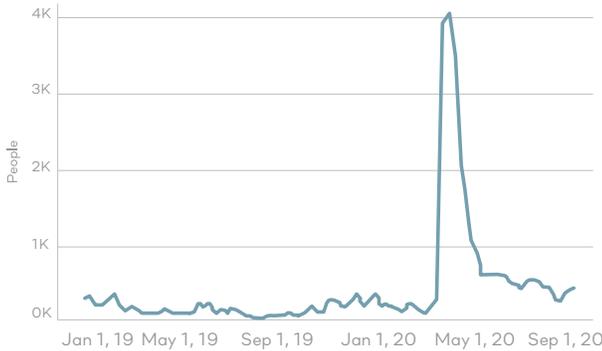
Community	Index	Rank
Boise	175.05	51
Rapid City	120.56	257
Bozeman	118.35	285
Billings	116.21	322
Missoula	110.29	450
Great Falls	110.01	460
Casper	105.93	626
Fort Collins	104.31	713
Bismarck	98.84	1059
Cheyenne	92.4	1544

<http://www.chmuraecon.com/interactive/covid-19-economic-vulnerability-index/>

2. Employment – This is a leading indicator with weekly data on the unemployment claims filed by industry along with unemployment rate, labor participation, real time job postings and year to date change comparisons.

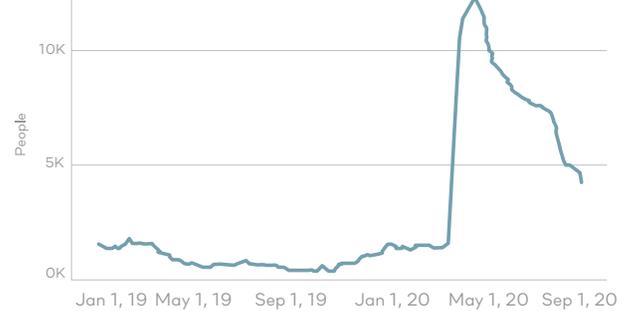
People Filing Initial Claims – a measure of all people who started a new unemployment insurance claim

Yellowstone County
Week Ending 8/29/20



People Filing UI Claims – a measure of all people who filed an unemployment insurance claim

Yellowstone County
Week Ending 8/29/20



Note 1: Previous versions of this chart published prior to May 21, 2020 illustrated claims, but this chart counts the number of people making a claim. Workers making claims, but who are ultimately not eligible, are included in the totals. Pandemic Unemployment Assistance claims are included, with the first week a person files a PUA claim included in the initial week total.

Note 2: Missing data in the line graph indicate nondisclosable data of less than three claims.

Source: JobsEQ® Data reflect online job postings, active ads only as of 8/13/2020. Note: data are subject to revision. Time series data can be volatile with trends unrelated to actual changes in demand; use with caution.

There has been a relatively consistent downward trend for unemployment insurance claim filings, which is an encouraging indicator, suggesting that folks are getting back to work. Additionally, as of September 21st, there were 5,329 active job postings in Yellowstone County.

People filing UI claims **peaked the week ending April 18** at 13.7% of the Yellowstone County labor force

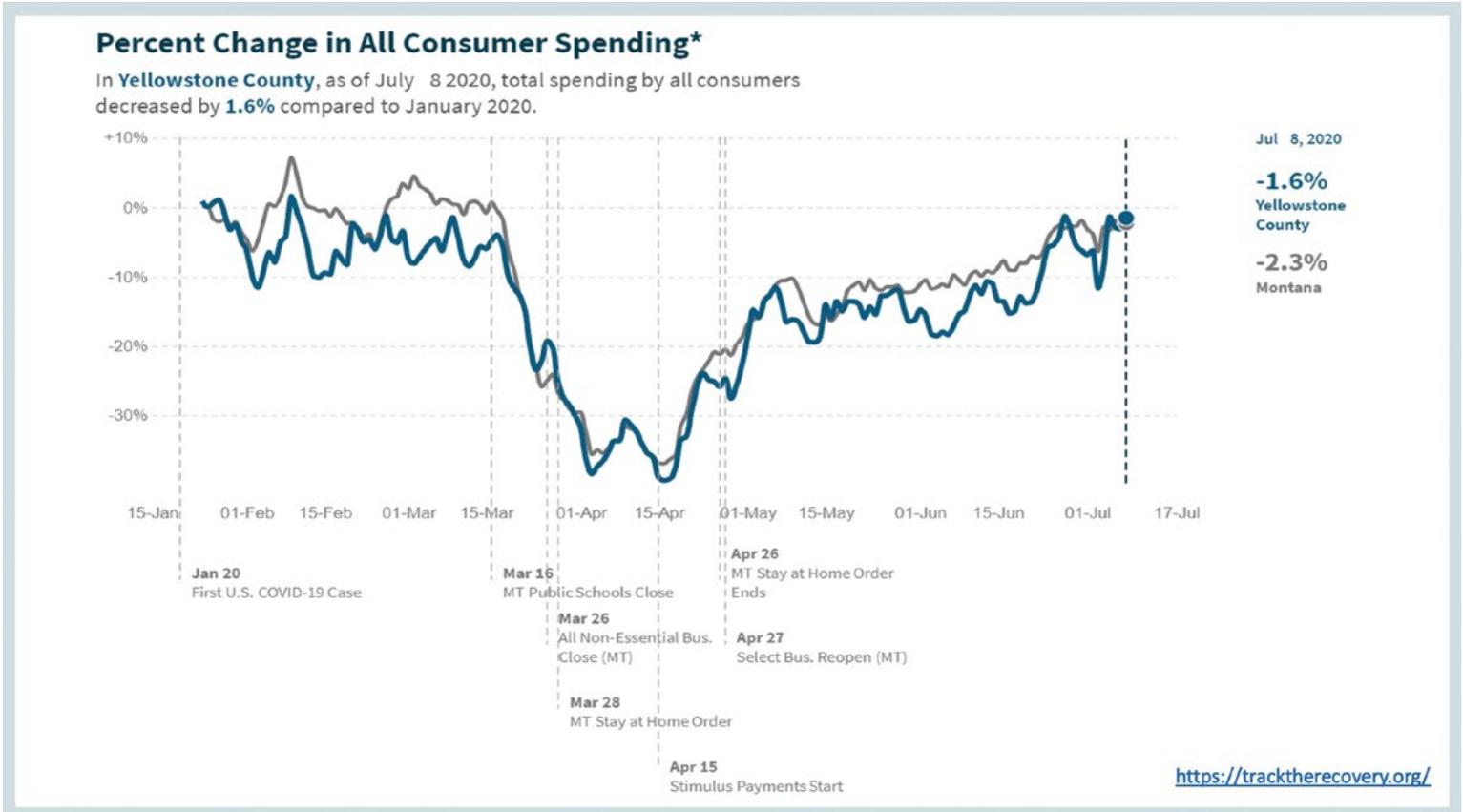
Currently, just over **4% of the labor force** is filing UI Claims
As of week ending 9/5/20

OCCUPATIONS

	SOC	Occupation	Total Ads
5,329 Total			
444 Occupations	29-1141.00	Registered Nurses	371
254 Locations	41-2031.00	Retail Salespersons	297
1.7k Employers	41-1011.00	First-Line Supervisors of Retail Sales Workers	173
167 Certifications	53-7065.00	Stockers and Order Fillers	173
825 Hard Skills	41-3091.00	Sales Representative of Services, Except Advertising, Insurance, Financial Services and Travel	146
100 Soft Skills	43-4051.00	Customer Service Representatives	114
4k Job Titles	35-1012.00	First-Line Supervisors of Food Preparation and Serving Workers	107
5 Education Levels	11-9111.00	Medical and Health Services Managers	106
153 Programs	53-3032.00	Heavy and Tractor-Trailer Truck Drivers	106
7 Job Types	35-3023.00	Fast Food and Counter Workers	104

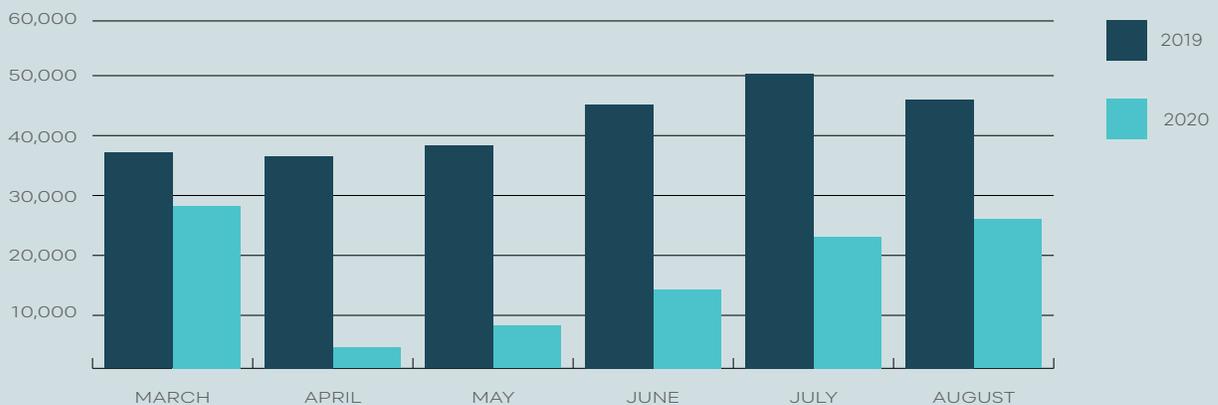
Source: JobsEQ® Data reflect online job postings, active ads only as of 9/20/2020. Note: Data are subject to revision. Time series data can be volatile with trends unrelated to actual changes in demand; use with caution.

3. Consumer Behavior – Understanding how consumers have been impacted by the stay-at-home order and how they now prefer to engage in the economy is a critical component to track. This is also a big unknown in the recipe of recovery. Consumer behavior seems to be very regionally driven – with a positive trend since the middle of April. However, small business revenue is still down 10.3% overall in Yellowstone County.



Montana did well this summer and is still doing well, we are the destination that people who are willing to risk flying are choosing. Kalispell is at 83% of last year's screening numbers for September, Bozeman is at 68%, Billings is at 58% and Missoula is at 55%. The national average is at 31%.

BILLINGS AIRPORT ENPLANEMENTS



4. Community Health – the interdependence of economic health and community health means that community health data, both COVID-19 cases and the burden on the healthcare system, will be a critical part of the economic picture. The Billings hospital referral region includes 650,000 people, so it is critical to keep up to date on the healthcare burden both in our county and those surrounding us. The Unified Health Command has developed a dashboard that benchmarks our community health response.

UNIFIED HEALTH COMMAND DASHBOARD SEPTEMBER 19, 2020		
STATUS KEY: GREEN Operating as expected/normal capacity YELLOW Needs beginning to outpace capacity RED Stressed operations/critical concerns		
CATEGORY	DESCRIPTION	STATUS
Health Department Capacity	Sufficient staff for COVID-19 monitoring & follow-up	
Case Investigation	Ability to manage investigations and contact testing for all COVID-19 positive results	
Testing Capacity	Staff & supplies to screen & test all individuals recommended for COVID-19 testing	
Healthcare System Capacity	Sufficient hospital staff, beds, and equipment to treat patients with COVID-19 & all other patients safely	
Disease Surveillance	Monitoring Emergency Department visits for respiratory symptoms	
Regional Impact	Active COVID-19 cases in our regional service area (surrounding counties, Wyoming, North and South Dakota)	
COVID-19 Daily Case Average	Daily new cases of COVID-19 per 10k people (7-day Average, each Sunday through Saturday)	 18/100k
Positive COVID-19 Test Rate	Percentage of positive COVID-19 tests (7-day Average, each Sunday through Saturday)	 6.3%

Yellowstone County Economic Response & Recovery Plan

This Yellowstone County Economic Response & Recovery Plan is a guiding document developed by the Economic Response and Recovery Team. Because the continuing public health crisis is fluid and evolving with many unknowns, this plan must remain flexible, ready to adapt to changing circumstances and timelines. The plan is developed in three parts, based on the primary purpose and the estimated time frame.

1» Stage One – Coordination and Response (0 – 9 months)

GOALS

- › Help businesses overcome immediate challenges
- › Focus on safely and effectively reopening the economy
- › Re-activate the workforce
- › Assist businesses as they learn and adapt
- › Restore consumer confidence and reengage customers

2» Stage Two – Business Recovery and Stabilization (6 – 18 months)

GOALS

- › Sustain response and stabilization momentum
- › Advocate for businesses and restore consumer confidence
- › Support businesses' needs to adapt, grow, and build resiliency

3» Stage Three – Building Economic & Community Resiliency (6 months – 3 years)

GOALS

- › Seek a common vision for our community
- › Cultivate our economic garden – sustain and grow our local businesses
- › Build for economic resiliency
- › Remain committed to workforce development
- › Commit to strategic community infrastructure/assets investment
- › Capture and enhance “small metro” advantages and opportunities
- › Cooperate for regional recovery
- › Recover together – address diversity and inclusion

1 » Stage One – Coordination and Response

The sharp and sudden economic disruption caused by COVID-19 related closures and restrictions that began on March 28 created a dramatic impact on businesses of all types. Many businesses and organizations were deemed “non-essential” and forced to close or operate under strict limitations. Their revenue plummeted, often to zero, while expenses continued. Their employees were laid off or furloughed. The impacts rippled throughout the community and economy. Local, state, and federal support programs were developed, trying to fill the gaps and save businesses from permanent closure. These programs have been a vital element of response.

“Closing our doors because of the Coronavirus was probably the hardest challenge that I have ever had as a business owner. Not knowing what was coming each and every day was overwhelming! We went from managing, running and growing our business to damage control. More than anything, it was suddenly having to learn to run a business that I didn’t create.”

*– Kris Carpenter, Owner,
Joy of Living & Sanctuary Spa*

Goals: Coordination and Response

- › Help businesses overcome immediate challenges
- › Focus on safely and effectively reopening the economy
- › Re-activate the workforce
- › Assist businesses as they learn and adapt
- › Restore consumer confidence and reengage customers

Time Frame: 0 – 9 months

Economic Response and Recovery Team Efforts to Date:

Collaborate to eliminate duplication of effort and provide easy access to solutions for businesses.

Efforts to date:

The development of the yceoeconomicrecovery.org website as a central source of vetted information and resources for businesses and communities.

Provide direct support services and act as a conduit for businesses to access needed resources to survive the impacts of COVID-19 and reopen.

Efforts to date:

- › Big Sky Economic Development – 11 stabilization loans totaling \$152,000
- › SBDC business consultations – 217 COVID-19 related consultations
- › Billings Chamber and John Felton – 36 industry-specific trainings and information sessions

Act on our Business/Public Health partnership to guide business reopening

Efforts to date:

Open & Safe Campaign

With guidance from the Yellowstone County Public Health Officer, the team developed this campaign to help area businesses safely reopen their doors to the community and reengage consumers. The Open & Safe emblem signifies the businesses' commitment to maintaining a safe and healthy space by adopting appropriate practices related to cleaning, masking, distancing, limiting occupancy and monitoring the health of their employees.

Masks Mean Business Campaign

As cases of COVID-19 increased over the summer, we implemented the Masks Mean Business campaign to advocate mask usage as a simple way to help slow the spread of the virus. We must continue to advocate that wearing masks when social distancing is not possible is an important way to avoid additional economic damage to businesses by protecting the health of the community.

Focus time and resources on the hardest hit industries

Efforts to date:

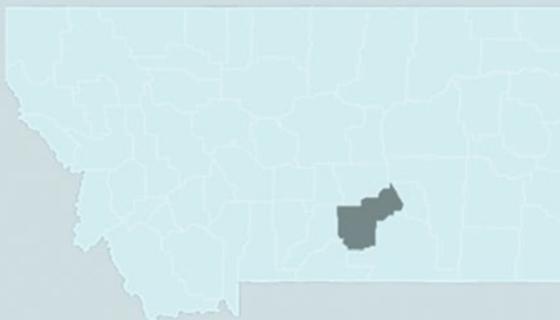
Communications with the Governor and Congressional Delegation

- › Recommendations for use of Coronavirus Relief Funds
- › Letters of Support
 - ›› St. John's United
 - ›› Event Venue Relief
 - ›› "Save Our Stages" Federal Legislation

Along with these efforts, the team continues to focus on providing the resources businesses and organizations need to navigate the changed environment. We will advocate for solutions that meet their needs and provide relief until they are able to return to more normal operations. Also, there will be continued assistance in the interpretation of and compliance with guidelines as the county moves through the various COVID-19 response phases – helping guide businesses as clearly and concisely as possible.

The PPP program saved our business and helped us recover our pre-COVID balance sheet

– Billings Restaurant Owner



\$51,499,238
Dollars to YC from the State
Coronavirus Relief Programs
13.4% of awarded funds statewide

\$525,767,100
9,422 Businesses in MT
Received EIDL
Through August 24

\$1,780,415,878
23,908 Businesses in MT Received PPP
Over 3,119 businesses in Yellowstone County have received PPP
through August 8

Measures of Success:

- › Track participation in learning sessions and information forums provided by the Billings Chamber, BSED, SBDC, SBA and other partners
- › Track website usage data – clicks, page views, downloads, etc. – to monitor business and community engagement
- › Gather regular feedback from a representative cohort of businesses, distinguished by phases, to determine status and any needs or gaps
- › Develop baseline data – including existing metrics (SBDC, PTAC, loan fundings, SBA, CRF money deployed in Yellowstone County) and periodic surveys – to evaluate progress
- › Partner with the Public Health Officer to monitor public health data and consider responses

Montana Coronavirus Relief Fund Programs

The State of Montana received \$1.25 billion from the CARES Act to help offset direct impacts and costs related to COVID-19. To date, the state has deployed over 18 programs offering grants, reimbursements or loan deferments.

- » Montana Adaptation Program
- » Montana Innovation Grant Program
- » Montana Meat Processing Infrastructure Grant
- » Montana Business Stabilization Program
- » Montana Food and Agriculture Adaptability Program
- » Public Health Grants
- » Stay Connected Grants for Seniors
- » Social Service Non-Profit Grants
- » Food Bank and Food Pantry Assistance
- » Telework Assistance Grants
- » Montana Loan Deferment Program
- » Emergency Housing Assistance Program
- » Local Government Reimbursement Program
- » Childcare Support Program
- » Live Entertainment Grant Program
- » East Glacier Park Tourism Grant Program
- » Big Sky Trust Fund Workforce Recovery Program
- » Montana Working Capital Program

As of September 25, over \$1.045 billion of the Coronavirus Relief Funds had been allocated. All funds must be spent by December 31, 2020.

2» Stage Two – Business Recovery and Stabilization

Transitioning from response to recovery, there remains much work to be done. There will be an ongoing need to communicate with and assist businesses– to identify new and evolving challenges; to provide resources to support growth, diversification, and resilience; to advocate for their needs; and to help them reengage their customers and regain their market. The recent uptick in COVID cases provides a reminder that vigilance and responsiveness will be required because the situation is ever-changing. **Public health and economic health are tightly intertwined.** We must monitor and protect both and continue to partner with local health professionals. We will monitor businesses and organizations in the most vulnerable sectors to inform decisions and actions while acknowledging that needs will vary by industry and sector.

Goals: Business Recovery and Stabilization

- › **Sustain coordination and response momentum**
- › **Advocate for businesses and restore consumer confidence**
- › **Support businesses’ needs to adapt, grow and build resiliency**

Time Frame: 6 – 18 months

- › **Sustain the Economic Response and Recovery Team structure.** Identify a smaller Steering Committee to monitor and report back to the overall team.
- › **Provide ongoing resources for businesses during the adaptation phase.** Local businesses will need continuing support and assistance as they progress toward recovery. Response and Recovery efforts will provide ongoing resources and guidance to businesses as they adapt and improve. We must continuously monitor changing needs and adjust our efforts appropriately.
- › **Facilitate “learning from each other” as we collectively adapt.** Given the new and evolving environment, businesses will need to adapt and learn new procedures/practices, and business models to survive and thrive. The Economic Response and Recovery Team, through partnerships, will facilitate a collective learning environment where businesses can teach each other new best practices learned through experience. We can also assist their efforts to incorporate and use new technology to better operate in these changed circumstances, including expanding their web presence and capability and exploring unique ways to deliver their products or services.

- › **Advocate for businesses by promoting “Buy Local/Click Local” campaigns.** The Economic Response and Recovery Team will also work with businesses to **promote Buy Local and Click Local campaigns.** One concerning aspect of the early stages of this pandemic is that it has driven many more people to large online retailers. We need to remind people of the importance of supporting local businesses and make it easier and more comfortable for consumers. This means helping businesses cost-effectively expand the ways that consumers can connect and shop with them. It also requires restoring consumers’ confidence and making them feel safe and comfortable in local businesses.
- › **Continue to build consumer confidence through the Open and Safe and Masks Mean Business campaigns.**
- › **Assist Cultural Institutions.** People do not live in a community for office towers and big box stores, but for the leisure and cultural amenities offered by arts and cultural institutions. These institutions are essential to the economic vitality of the region. Yellowstone County has numerous museums, theaters, galleries, music venues, and other cultural institutions and organizations that contribute to the vibrancy, life, and fun of the community. Without these assets to make this a great place to live, work, learn, play, and visit, the economy will suffer. These organizations have been hit hard by the effects of the pandemic. Understanding their unique needs will be critical.
- › **Assist Nonprofit Service Organizations.** Nonprofits in Yellowstone County provide many essential services, especially in uncertain and unstable economic times. It is important to assist these organizations’ recovery efforts so they can continue to serve their vital role in the community.
- › **Assess and Respond to Workforce Needs.** Work force needs have changed because of the COVID-19 disruption. Many lost jobs will not return. We must work with businesses to determine how employment will evolve, where new job growth may occur, and what education and skills will be needed by the future workforce. Then, educational providers can align training and education to meet current and future needs.

Throughout the recovery process, continued monitoring will take place to assess business and community needs through outreach and surveys to inform and improve these plans and actions. The Economic Response and Recovery Team will continue to educate the community of its important role and responsibility to follow and promote proper protocols to sustain a safe reopening and realize a quicker recovery.

Measures of Success:

- › Track the number of businesses engaged on an ongoing basis to facilitate collection of quantitative data
- › Develop benchmarks (e.g., # of businesses prior to COVID-19) to measure results (# of businesses retained, # of new businesses/business licenses)
- › Maintain a sample group of impacted businesses and monitor their progress (employment base, sales, supply chain challenges, etc.)
- › Evaluate the initial economic response and recovery plan/progress through communication and comparison with the peer communities.

3 » Stage Three – Build Economic & Community Resiliency

What We’ve Learned...

Economic recovery from the COVID-19 pandemic will be a unique challenge, but we must look beyond recovery and position the community and region for the future. Innovative methods and solutions will help build a robust and resilient economy and create a more attractive and vibrant community.

All crises create opportunity – chances to learn, grow and change for the better. Many of the opportunities emerging in Yellowstone County are related to its location, size and role as a regional hub for commerce, healthcare, and arts and culture. Yellowstone County has tremendous potential to capitalize on emerging opportunities initiated or accelerated by COVID-19.

Yellowstone County offers an outstanding quality of life – the urban amenities of Downtown Billings, the suburban comfort of the West End and the Heights, the small-town charm of Laurel and Lockwood, the country feel of the Yellowstone Valley, and the Trailhead to outdoor recreation and adventure. The trend of remote working has been enhanced and amplified by this pandemic. Many more workers will no longer be tethered to a specific location by their jobs or employers. **They will seek a better quality of life – a vibrant community that they can afford and that offers them opportunities.** With the right investments and effort, Yellowstone County can be that place.

MEDIAN HOUSE VALUE BY COMMUNITY

Community (by MSA/μSA)	Current Median House Value
Great Falls	\$171,700
Rapid City	\$180,027
Casper	\$202,600
Cheyenne	\$214,000
Boise	\$214,482
Billings	\$220,191
Bismarck	\$236,297
Missoula	\$271,400
Bozeman	\$330,400
Fort Collins	\$336,200

Source: JobsEQ® Median values for certain aggregate regions (such as MSAs) may be estimated as the weighted averages of the median values from the composing counties.

Data as of September 2020

Yellowstone County has long been the commercial center of Montana and the region by virtue of its strong and diverse economy; its talented, skilled, and determined workforce; and its strategic location midway between Minneapolis, Denver, Seattle and Calgary. Failures and vulnerabilities exposed by this global pandemic will lead many corporations to re-shore manufacturing and shorten supply lines. This will provide Yellowstone County the opportunity to expand its role as a center for distribution and manufacturing. As a prime crossroads with a strong commercial/industrial base and great access to road, rail and air

transportation networks, Yellowstone County is an excellent location for manufacturing facilities, processing facilities and distribution hubs.

To position Yellowstone County for the future, it is vital to understand the economic impacts and business trends that have affected the region and consider new opportunities and strategies to build a strong, resilient, and vibrant regional economy. In our research and our conversations with other communities and national economic development professionals, some common themes were developed based on the new knowledge we have gained. These themes have guided our efforts, and include:

- › Incentivize and support entrepreneurship
- › Employ new tactics and models to support small businesses
- › Invest in critical infrastructure, especially broadband
- › Develop quality of place and talent attraction initiatives
- › Support workforce re-skilling and re-employment efforts
- › Create manageable goals and embrace incrementalism
- › “Move to where the puck will be.” – Develop for what will be, not what was.

After thoughtful consideration of the various ways that the COVID-19 pandemic has altered and affected society – globally, nationally, regionally and locally – the Economic Response and Recovery Team, applying the lessons learned over the past six months, proposes the following goals to effectively rebuild and enhance the economy and community and create a strong foundation for a prosperous post-COVID-19 future.

Goals: Build Economic and Community Resiliency

- › **Seek a common vision for our community**
- › **Cultivate our economic garden – sustain and grow our local businesses**
- › **Build for economic resiliency**
- › **Remain committed to workforce development**
- › **Commit to strategic community infrastructure/assets investment**
- › **Capture and enhance “small metro” advantages and opportunities**
- › **Cooperate for regional recovery**
- › **Recover together – address diversity and inclusion**

Time Frame: 6 months – 3 years

Seek a Common Vision for Our Community

We all share a boat that we call our community. And we all have an oar. Where we take this vessel, and how swiftly, will be determined by how well we agree on objectives and work collectively to achieve them. If we all row together in a common direction, we can produce amazing results. **The first step toward a better future is the development of a common vision for the community.** We must create a shared set of goals and strategies for investing in and building our economy and community.

Cultivate Our Economic Garden

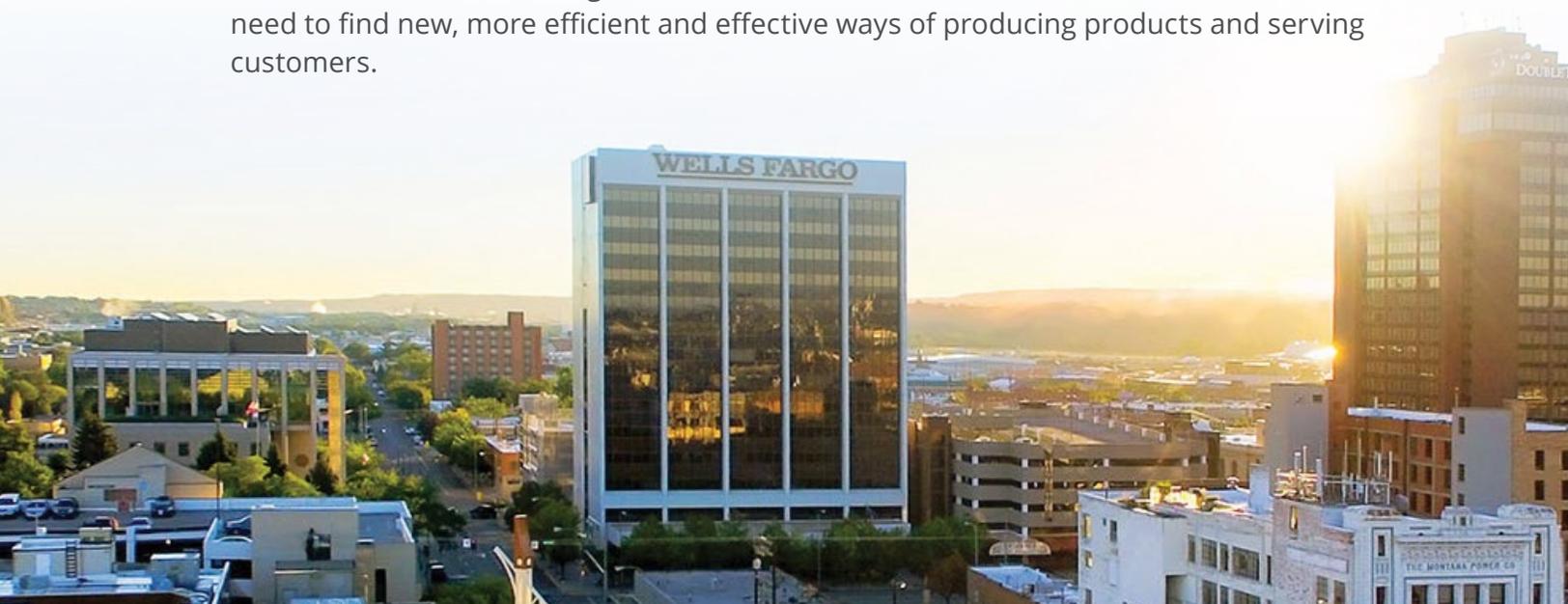
Economic gardening is the concept of growing the local economy from within, helping local entrepreneurs launch and build new companies and supporting existing small businesses as they grow. Local businesses are the lifeblood of a community – especially in Montana, which has the highest share of employment from small businesses of any state in the nation. These businesses have an organic connection to the community that cannot be duplicated by big box national chains, and they provide the distinctive local flavor that makes each community unique. These businesses bring new jobs, wealth and revenue to Yellowstone County and create a vigorous, resilient economy. Cultivating them involves:

Incentivize and Support Entrepreneurship.

Entrepreneurs solve problems, and this pandemic has caused many. These problems present opportunities for innovation for new and existing local businesses. If we provide the proper incentives to catalyze their efforts and the necessary support to guide and facilitate their journey, we can enhance their reach and success.

Develop New Tactics and Models to Support Small Businesses.

Small businesses are crucial to a local economy. They are currently facing a formidable challenge. Some will not survive. Those that do will need to change and adapt to new realities. In this still-evolving environment, businesses and those that serve them will need to find new, more efficient and effective ways of producing products and serving customers.



Build for Economic Resiliency

Great stress exposes the cracks. It shows where weaknesses exist. COVID-19 has highlighted many regional weaknesses. Deficiencies must now be addressed. As we mend the cracks and help restore the economy, adaptability and resilience must be at the core of the strategy.

Enhance Broadband Service.

The need for fast, reliable broadband internet has been highlighted and magnified by this pandemic. Stay-at-home orders forced many to work from home, greatly accelerating a trend that will likely continue. Transactions and meetings have been transformed into virtual interactions, encouraging the adoption of verbs like “venmo,” “zoom” and “skype” into the vernacular. Most have adjusted to the protocols of these new mediums, but it is frustrating, inconvenient and unproductive when a Zoom meeting freezes because kids are watching Netflix in the next room. Developing better broadband to serve the needs of businesses is essential to thrive in a globally connected economy. The role of e-commerce has been amplified by COVID-19. Businesses must have the network capacity to compete. Superior broadband service is also needed to benefit from expanding telehealth and distance learning opportunities. Furthermore, the opportunity to attract remote workers to Yellowstone County as well as our residents’ ability to work remotely for distant companies cannot be fully realized without an effective broadband network. We must work with broadband providers and with local and statewide partners to plan and implement an effective and affordable network that can facilitate economic growth.

Sustain Air Transportation.

Airline transportation is one of the industries hardest hit by COVID-19. People are too concerned about virus transmission to fly. Business and recreational travel has been drastically curtailed. Flights have been cut. Planes have been parked. Recovery of the airlines will be slow and will require federal assistance. Yellowstone County has made tremendous progress in the past few years working with air carriers to expand service to the airport. Eventually, air service will again be essential in a globally connected economy. We believe air service is essential infrastructure and will focus on supporting the recovery of the industry.

Pay Attention to Local and State Government Finances.

Local and state governments are expected to face fiscal stress and uncertainty for the next few years. Possible loss of revenue due to the economic consequences of the pandemic combined with increased expenses related to the response to its health and social effects will squeeze already tight budgets. It will be important to work with local leaders and area legislators to explore new methods of funding and new models for providing services in an efficient and effective manner.

Sustain and Enhance Our Position as a Regional Healthcare Hub.

The COVID-19 disruptions to the healthcare industry nationally have contributed greatly to economic loss in that sector. In April alone, 1.4 million healthcare workers lost their jobs nation-wide. During a pandemic, most would assume that healthcare would be spared from losses, but non-essential procedures were canceled, and people remained at home. Many others were too scared of COVID exposure to seek help for health issues. Many highly qualified individuals, who just a month before were in one of the most sought-after professions, found themselves with reduced hours or reduced pay or both. Some even lost their jobs. This trend played out in places like Kalispell, Montana, where 600 healthcare staff lost their jobs. In Billings, the largest employers, Billings Clinic and SCL Health, prioritized keeping staff engaged on other projects to maintain their workforce. However, a combination of increased costs and decreased revenues has stretched capacity thin. Yellowstone County must support the innovation of the regional healthcare delivery system as we seek business growth and educational partnership opportunities in this sector.

Support Public Safety Efforts.

The safety and security of people and businesses are vital to the survival and prosperity of any community. Current needs include adequate police protection for the City of Billings, improved fire service coverage for the Heights and the West End, and better EMS service in Laurel and rural communities. Yellowstone County municipalities must find ways to adequately fund and explore new methods to efficiently provide the public safety services needed to secure, maintain and enhance this area's quality of life.

Advocate for New Economic Development Tools.

Montana's economic development toolbox has not been updated in 20 years. Especially in difficult times, it is vital to have effective methods to help leverage economic tools to attract private investment. States throughout the West have developed new methods and mechanisms for economic development that put Montana communities at a distinct disadvantage in the competition for businesses and talent. It is vital to work with area legislators and local leadership to develop new tools to resolve this disparity.

Remain Committed to Workforce Development

This pandemic caused an unprecedented spike in unemployment with claims in late-March and April far eclipsing any previous economic event. Those statistics have recovered some, in part due to federal programs like the Paycheck Protection Program. The immediate goal has been to get as many workers as possible back on the job through an effective restart. However, the future remains uncertain, especially in hard hit industries like travel and tourism, hospitality and entertainment. Many pre-COVID jobs will not return as businesses in all industries adjust to new circumstances. Just as businesses need support to adapt to economic changes, the workforce will need training for new positions in the emerging economy.

Identify New and Emerging Workforce Needs.

We need to anticipate and respond to the changes in employment trends. What jobs may disappear? What new jobs will emerge and what knowledge and skills will be needed to excel at them? How can we help the workforce transition to meet these changing circumstances? These are some of the unknowns in the recovery.

Retrain and Re-educate the Future Workforce.

It will be important to continue collaborations with high schools, adult education programs, colleges and trade schools to develop and retrain workers for the jobs of the future. Apprenticeship programs must expand to assist the transition of displaced workers into new and growing fields. Times are changing and the workforce must respond and adapt.

Support the Adaptation of Post-Secondary Educational Institutions.

City College, Montana State University Billings, and Rocky Mountain College face major operational changes as a result of this pandemic. They will need to adapt to new learning environments and business needs. Smaller class sizes to accommodate physical distancing requirements and more remote learning are just two of many new procedures and protocols they must incorporate.

Address Childcare.

Childcare issues were a major concern prior to the pandemic. COVID-19 has exacerbated this problem, causing additional challenges for working families. The shortage that existed in Montana has gotten worse, and the gap in care for school age kids is wider and of greater impact than ever before.

In June 2020, the U.S. Chamber Foundation surveyed working parents to understand the impact that childcare has on their ability to return to work. Seventy-five percent of working parents have children staying at home with them during work hours. A majority report flexible schedules and the ability to work remotely as the most important employer-provided benefits. As parents decide how to educate their children this school year, employers must determine how they're going to accommodate their workforce.

The majority of childcare in this country is provided by small businesses. Nearly 700,000 childcare businesses across the country are experiencing significant financial stress as a result of COVID-19 and are at risk of closing permanently. Yellowstone County is at risk of losing critical childcare capacity at a time when demand is higher than ever.

Successful recovery must include childcare as part of the equation. Childcare businesses need support to keep their doors open, and employers need guidance on how to accommodate new unavoidable demands from their workforce. The recently announced Childcare Support Grants offered by the state with the Coronavirus Relief Funds can be an important first step to solving this issue.

Commit to Strategic Community Infrastructure/Assets Investment

Yellowstone County has a long list of exciting and important projects at various stages of planning, development, or implementation. These projects range from enhancing the transportation network to fortifying the municipal infrastructure to improving the area's quality of life. If past economic crises suggest a pattern, it is that federal funds may be made available for infrastructure projects to help stimulate economic recovery. It is important to be prepared if this pattern continues.

Investment in infrastructure and community assets augments a solid foundation upon which we can build a stronger economy and a vibrant community.

Develop and Prioritize a List of Strategic “Shovel-Ready” Projects.

If federal stimulus funds are made available, it will be important to be ready to act quickly and decisively on the projects most important and most beneficial to the community. Some projects to consider include the Inner Belt Loop, the Westend reservoir and park project, the Lockwood TEDD industrial area, Coulson Park, and the Marathon Loop/Skyline Trail/Stagecoach Trail project.

Consider Downtown and Community Redevelopment Projects Consistent with Existing Concepts and Plans.

Utilize existing plans, including master plans already developed for many of the Tax Increment Finance districts, transportation corridors, parks and trails to build creative public private, partnerships that can deliver needed development. Some of the plans already in place include Coulson Park, the Expo Gateway and the Expo and 1st Avenue North project, MetraPark master plan, Castlerock Park, One Big Sky District (Catalyst Projects), DBA Strategic Plan, and the Billings Bypass.

Develop Incrementally.

Like physical health, civic and economic health will not happen overnight. Local communities should approach development as a series of small steps to be undertaken in a fiscally responsible manner. Grand master plans should be implemented one piece at a time. This process is more adaptable, more responsible and more resilient.

Capture “Small Metro” Advantages/Opportunities

Yellowstone County is an outstanding place. Citizens choose to live here for the variety of opportunities and amenities it offers – good jobs in a stable economy, urban attractions, arts and culture, access to education, parks and trails and other outdoor recreation. It affords a host of “small metro” advantages that many more are starting to recognize and covet. Highlighting and enhancing these assets will help the economy expand and grow by making Yellowstone County even more attractive as many people and businesses seek to relocate for a better quality of life in the aftermath of the COVID-19 pandemic.

Develop for Enhanced Quality of Place.

The importance of assets that provide an outstanding quality of life for residents has been emphasized by this pandemic. People flocked to parks, trails, open spaces and outdoor recreational opportunities as other fitness and entertainment options became unavailable or limited. Neighborhood streets and sidewalks were flooded with new pedestrians, accentuating the importance of walkable neighborhoods. Pet, especially dog, ownership has soared during the past few months, indicating that these new lifestyle trends will have staying power. We must champion and facilitate investments and actions that will sustain and augment the livability of Yellowstone County.

Restore, Revitalize, and Expand the Arts, Culture, and Entertainment Assets.

Art, music, theater, history, culture – these form the foundation of civilization. They inject life and spirit into communities and make cities important, special and unique. They have a huge economic impact through the workers they employ, the revenue they generate and the people they draw into the community. Without these organizations and venues, restaurants, hotels, taverns and shops will suffer and close.

Focus on Talent Attraction.

Even before the onset of COVID-19, Yellowstone County faced an uphill struggle to fill jobs created by an expanding economy and vacated by an aging workforce. The estimated shortfall was around 50,000 over the next decade. Those numbers may have shifted due to current circumstances, but what hasn't changed is that 22 percent of the county's current workforce is 65 or older, and 40 percent will reach or exceed retirement age in the next 10 years. We need to attract knowledgeable and skilled workers to allow businesses to grow their operations. Talented workers can often choose to live anywhere. In addition to investments to enhance quality of place, we must expand efforts to recruit these workers. We must sustain and amplify the Better Off in Billings talent attraction initiative to promote Yellowstone County as a vibrant, affordable urban opportunity in beautiful Big Sky Country.

Encourage Business Attraction and Expansion Efforts.

Update the target-industry analysis to determine the industries that fit best in the regional economy. This will help focus the efforts to attract and support new businesses.

Advocate and Facilitate Additional Workforce Housing.

The efforts to retain and attract the workforce we need to allow businesses to grow and prosper will be hindered if Yellowstone County lacks adequate workforce housing.

Cooperate for Regional Recovery

Yellowstone County must embrace its responsibility as a regional hub and support the economic recovery of communities throughout the trade area. We must build upon relationships with the Crow and Northern Cheyenne Reservations and with the many communities throughout eastern Montana and northern Wyoming. Strengthening communications and economic ties can foster greater connections between civic and business leaders in the regional partner communities. Some partnerships that may exist for economic recovery and growth throughout the trade area include:

- › Cultivate value-added agricultural opportunities
- › Support efforts to sustain critical access hospitals and medical services in the rural communities
- › Support the regional energy industry as it addresses new and continuing challenges
- › Establish a regional workforce development strategy to retain and reengage workers and enhance employee versatility.

Recover Together

A comprehensive plan for recovery must address diversity and inclusion. Studies show that recovery from the last major economic shock, the Great Recession of 2008-2009, applied only to those with a college education. Our goal is to create the opportunity for economic prosperity for all and to build a stronger foundation that will support a more resilient economy into the future. To attain this goal, we need to incorporate the ideas of fairness, diversity and inclusion into every aspect of our effort. We must account for and address the additional challenges faced by disadvantaged groups and ensure they have access to the resources and assistance needed to overcome them.

Implementation

Since March, the Yellowstone County Economic Response and Recovery Team (ERRT) has responded to the needs of our businesses and community by providing resources, guidance and assistance through the COVID-19 economic disruption. This critical work will continue. Economic conditions are still in flux and the duration of the impacts are unknown. As such, our team must continue to monitor and meet the needs of our businesses and community.

As we move forward, the structure of our effort will change. A steering committee will be formed, composed of those organizations already devoted to economic development – Big Sky Economic Development, the Billings Chamber, the Downtown Billings Alliance, Beartooth RC&D, etc., along with private-sector leaders and community service organizations.

The steering committee will work to execute and implement the various aspects of this recovery plan. The steering committee will continue to partner with ERRT members, other businesses, city and county government, and other organizations– especially when specific expertise and experience are needed. The steering committee will report to the Economic Response and Recovery Team regularly.

This plan was developed by our community, for our community. It is a list of the actions and issues that the leaders, businesses, organizations, and citizens of Yellowstone County need to heed , consider, and implement as we strive to fully recover from this pandemic and prepare for a better future. Many of the items on this list are not new to our community, but our new situation demands more urgency, more resolve and more cooperation.

Conclusion

“Move to where
the puck will be.”

– Wayne Gretzky

Wayne Gretzky is considered the greatest hockey player ever. A lot of his success can be attributed to years of practice and competition to hone his skills. But some must be ascribed to his attitude, his mindset. Gretzky did not dwell on the past or react to the present. He anticipated the future. He moved to where the puck would be. We must do the same.

Crises are potent reminders that the future is always uncertain. We must have the courage to set bold goals, even if we're initially unsure of how to achieve them. Though our ultimate goals may be hidden beyond the horizon, we will be able to see and take each next step. And we must have faith that we will succeed, one step at a time.



The background of the page is a dark blue aerial photograph of a city, likely Yellowstone County, Montana. The image is overlaid with a semi-transparent blue filter and a complex pattern of white and light blue geometric shapes, including squares, rectangles, and lines, creating a modern, architectural aesthetic. The text is centered in the middle of the image.

YELLOWSTONE COUNTY
ECONOMIC **RESPONSE & RECOVERY**