

**EDA/EDC – Joint Board Meeting**

**Tuesday, November 9, 2021**

**7:00 A.M. to 9:00 A.M.**

**Billings Public Library—Community Room**

**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.

- 7:00 A.M. Call to Order/Pledge of Allegiance/Roll Call** – Paul Neutgens, EDA Chair
- 7:02 A.M. Public Comment/Recognitions/Special Announcements and Introductions**
- Public Comment
  - Let’s Rock Capital Campaign Update—Melanie/Patrick
  - Market Update: St. Johns United—David Trost and Karen Miller
- 7:35 A.M. Changes to Today’s Agenda**
- 7:37 A.M. Consent Agenda** **(EDA/EDC Action)**
- Minutes - Oct. 14, 2021 Regular Board Mtg. and Oct. 26, 2021 Electronic Mtg. (Attachment A)
  - Financials - September 2021 EDA and EDC (Attachment B)
- 7:55 AM Executive Director Report--Steve** (Attachment C)
- Nominating Committee Meetings- Nov 12 and 19 - EDA Board Positions and Officers (Info) (Info)
  - BSED Board Committee Selection Process (Handout)
  - MEDA Update (Ex Director and Dues Proposal) (Info)
  - Downtown Housing Working Group—Update (Attachment D)
  - City/County Regulation of Rec Marijuana-Allison
- 8:10 A.M. Program Action Items**
- Community Development—Dianne (Attachment E) (EDA Action)
  - Brownfields Grant Application
  - Operations—Becky (via Separate Email) (EDA/EDC Action)
  - RFP Furniture Package
- 8:25 A.M. Program Reports**
- Member Investor Program—Patrick (Info)
  - Recruitment/Community Development- Allison/Dianne (Info)
  - ARPA and BBB Grant Opportunities Updates (Info)
  - Operations—Becky (Info)
  - Rock31/BSED Building Project Update
- 8:55 A.M. Public Comment**
- 9:00 A.M. Adjourn**

**Next EDA/EDC Board Meeting December 9 at the Northern Hotel (7:00 A.M. to 9:00 A.M.).** *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

**EDA/EDC Joint Board Minutes**  
**Thursday, October 14<sup>th</sup>, 2021 – 7:00 A.M. – 9:00 A.M.**  
**Parsec Data Management**

***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, Debbie Desjarlais, George Warmer, Jennifer Smith, Paul Neutgens, Ken Lutton, Greg Upham (Ex-Officio), Shaun Brown (Ex-Officio)

**EDA Board Members Absent:** Dana Pulis, George Warmer, Jennifer Owen, Judi Powers, Riley Bennett, Don Jones (Ex-Officio), John Brewer (Ex-Officio), Nick Altonaga (Ex-Officio), Katy Easton (Ex-Officio)

**EDC Board Members Present:** Aaron Ramage, Andy Gott, Ann Kosempa, Bob Wilmouth, Craig Bartholomew, Eric Simonsen, Brad Hamilton, Kim Jakub, Michael Marsh, Mike Nelson, Mike Seppala, Nicole Bengé, Nick Pancheau,

**EDC Board Members Absent:** Dave Ballard, Denis Pitman, Jen Kobza, Mac Fogelsong, Mike Phillips, Mitch Goplen, Scott Chesarek, Spencer Frederick

**Staff and Guests:** Becky Rogers, Steve Arveschoug, Austin Trunkle, Patrick Klugman, Melanie Schwarz, Deanna Langman, Brandon Berger, Dianne Lehm, Shanna Zier, Marcell Bruski, Nina Philpott, Stefani Hicswa, John Ostlund

**Call to Order:**

Ann Kosempa, EDC Chair, called the meeting to order at 7:02 A.M. with the pledge of allegiance.

**Public Comment/Recognitions/Special Announcements and Introductions:**

**Public Comment**

Becky noted that the team gave Steve a tie for the annual meeting complete with everyone's initials.

**Let's Rock Capital Campaign – Patrick/Melanie**

Melanie asked Debbie Desjarlais and Andy Gott to help her announce that the Capital Campaign has raised an additional \$30,000 towards the Rock31 Project.

**State of Rocky Mountain College and MSU Billings – Dr. Hicswa and Dr. Wilmouth**

Dr. Bob Wilmouth, President of RMC gave a brief status update about Rocky. Dr. Wilmouth spoke about the COVID protocols on campus and the challenges that come with that. He also went on to speak about Black Tie, Blue Jeans, one of Rocky's primary fundraising events.

Dr. Hicswa was next with an update about Montana State University Billings. She first spoke about the excitement around the new science building. Dr. Hicswa spoke about the critical need for scholarships to get students enrolled and to keep them enrolled. Dr. Hicswa went on to explain the importance of trades programs and two-year degrees in our community.

**Agenda Changes:**

Austin will be handling the Recruitment Update for Allison.

## **Consent Agenda –**

### **Approval of September 9<sup>th</sup> Board Meeting Minutes**

Motion: Eric Simonsen to approve the September 9<sup>th</sup> Board Meeting Minutes, as presented to the Board.  
Second: Mike Seppala  
Discussion: None  
Motion Carried

### **EDA/EDC Financials – Shanna**

Motion: Craig Bartholomew to approve the August 2021 EDA/EDC Financials, as presented to Board.  
Second: Jennifer Smith  
Discussion: None  
Motion Carried

### **Executive Director Report – Steve Arveschoug**

#### **Executive Director’s Focus FY 2022**

Steve began by thanking Marcell, Allison, and the whole team for a successful Annual Meeting last week. Steve then turned it over to Marcell for a recap of the meeting as well as to field some feedback from the Board. The Board offered their accolades and very much appreciated the effort that went into the event. Ken noted that as a result of the good turnout, we could’ve used another food truck. George commended the structure of the agenda and the panel of legacy entrepreneurs that spoke at the meeting. Conversation continued about the highlights of the day.

Marcell went on to mention that the Edge of the Plains Documentary will be aired on KTVQ on Sunday the 24<sup>th</sup> before football kicks off later that morning. On November 1<sup>st</sup>, the documentary will be available for streaming on the Q2 app.

#### **Nominating Committee Next Steps – Steve/Becky**

Steve mentioned that the County put out a notice for the two vacancies that will be open on our EDA Board. The Nominating Committee will meet on November 12<sup>th</sup> to interview candidates for the position before they can be forwarded to and approved by the Board of County Commissioners.

#### **RVU Project and CAC Update**

RVU broke ground on the Montana College of Osteopathic Medicine. Steve is very excited for the partnerships that will continue to move this project forward. Melanie spoke more to the groundbreaking and the event that took place. Melanie commend the BSED for making this project a reality. The next steps include hiring staff which has already gotten underway.

#### **MEDA Update – Steve Arveschoug**

Steve spoke about the Montana Economic Developers Association which BSED has been a charter member of for the past 17 years. One of the items MEDA has been working toward is hiring an Executive Director for that organization. Steve is working with a team of MEDA Board Members to flesh out the scope and responsibilities of that position. Further, MEDA is changing their dues structure to be based on member organization size. Steve noted that this means BSED will likely contribute more to MEDA next year.

#### **November Board – Tuesday, November 9<sup>th</sup> at Billings Public Library**

Steve noted that our regularly scheduled Board Meeting will fall on Veterans Day, and as such, we will be moving the meeting to Tuesday, November 9<sup>th</sup> after polling our Board Members.

## **Program Reports and Action Items**

Big Sky Finance – 504 Loan Approvals – Brandon

Brandon introduced our newest team member, Nina Philpott, who will be a loan officer for the Big Sky Finance Program. With that hiring, we will need to appoint Nina as an assistant secretary and vice executive director for the purposes of executing loan documents in accordance with SBA standards.

Motion: Craig Bartholomew to approve the appointments for Nina, as presented to Board.

Second: Mike Seppala

Discussion: None

Motion Carried

**SBA 504 and RLF Loan Requests**

EDA RLF Loan Request - Stonetree LLC, (DBA Laurel Power Systems):

Request is for the purchase of a commercial real estate property for Stonetree LLC dba Laurel Power Systems. Loan had previously been approved by the Board for either SBA 504 financing or our internal RLF loan. This is an existing business located in Laurel, MT.

Laurel Power Systems is owned 100% by Jourdan Knudson, and Jourdan will hold title to the real property upon purchasing. The business is relocating from its current, leased space to this new building. They were unable to renew the lease and thus the reason for the relocation. Jourdan purchased Laurel Power Systems in July 2020. This has been a very successful small business operating out of Laurel for many years. They provide commercial electrical generator repair, service and sales. They work primarily with hospitals and retirement communities or assisted living facilities to provide temporary power in case of power interruption.

Request is for the use of the Big Sky EDA RLF funds for this project. Requested loan amount is up to \$105,000.00, or 35% of total project. Terms will be a 20-year note fixed at 3.25%. Big Sky EDC will be in a 2nd lien position behind Western Security Bank on the real property.

Motion: Craig Bartholomew to approve the Stonetree LLC, EDA RLF Loan Request, as presented to Board.

Second: Aaron Ramage

Discussion: None

Abstentions: Mike Seppala

Motion Carried

Big Sky EDC is requesting approval to submit to the US Small Business Administration the following SBA 504 loan requests. The Big Sky EDC Loan Committee has reviewed the requests and recommends approval to the full EDC Board for submission to the SBA for final approval. The requests meet all the underwriting and eligibility requirements of the EDC.

Timberview Properties LLC (Wrap Hive, LLC) – Request is for an update to the loan previously approved at the December 10, 2020, Board Meeting. Loan was initially approved for \$501,000. Amount to be increased to \$502,000. Reason for the increase is professional fees from lender were finalized after the loan submission to SBA. No other changes to the approval. Loan continues to meet all underwriting requirements.

Request is for the purchase of a commercial real estate property for the operations of Wrap Hive, LLC. Wrap Hive, LLC is an existing business located in Kalispell, MT and is relocating to a larger building as they continue to grow and expand. Wrap Hive was started in 2017 and is a one-stop shop specializing in vehicle wraps and other large format graphic needs. They provide services throughout Montana, Idaho and Washington.

The total SBA debenture will be \$502,000 on a 25-year note comprising 40% of the total project costs. Big Sky EDC and the SBA will be in a 2<sup>nd</sup> lien position on the real property behind Glacier Bank. There are projected to be four new jobs created because of this project. The project also meets a Public Policy goal for Rural Development.

Motion: Craig Bartholomew, to approve the Timberview Properties, LLC loan request, as presented to the Board.

Second: Aaron Ramage

Discussion: None

Abstentions:

*Final vote to be held electronically*

**ACPRE I, Inc. / MTI I, LLC (Auctus Capital Partners)** – Request is for the purchase of a commercial real estate property for Auctus Capital Partners (ACP). Auctus Capital Partners is an existing business located in Bozeman, MT. Chris Rosenstock founded ACP in 2014 and is 100% owner. ACP currently leases office space, and this purchase will allow them to expand their operations. ACP provides asset management services for properties acquired by Rosenstock as part of joint ventures. These properties are primarily apartment complexes and senior housing properties. SBA eligibility is met. The total SBA debenture is estimated to be \$1,071,000 on a 25-year note comprising 40% of the total project costs. Big Sky EDC and the SBA will be in a 2nd lien position on the real property behind First Security Bank – Division of Glacier Bank, Bozeman. There are projected to be 6 new jobs created and 6 jobs retained because of this project. The project meets Public Policy goals for Rural Development as well as being located in a HubZone.

Motion: Eric Simonsen, to approve the ACPRE I, Inc / MTI I, LLC loan request, as presented to the Board.

Second: Aaron Ramage

Discussion: None

Abstentions: Mike Seppala

*Final vote to be held electronically*

**Creative Beginnings Daycare LLC / Montana Caliber Property Management** – Purpose of the request is for the purchase of the commercial real estate property to house Creative Beginnings Daycare LLC. This is an existing daycare and preschool operation that will be expanding with the purchase of this daycare property that currently houses another daycare. The operations will be merged – purchase is only of the real estate, no business value. The daycare is in Helena, MT. Creative Beginnings Daycare LLC was started as an in-home daycare in 2015 in East Helena by Rachel Bray who is 100% owner of the daycare. Rachel's husband, Michael, is 100% of the real estate holding company and is a member of the MT National Guard. With this acquisition, the daycare will have a capacity of up to 100 children. The total SBA debenture is estimated to be \$626,000 on a 25-year note comprising 40% of the total project costs. Big Sky EDC and the SBA will be in a 2nd lien position on the real property behind Valley Bank of Helena. There are projected to be 14 jobs retained as a result of this project. The project meets Public Policy goals for being a Woman Owned business, Veteran Owned business and Rural Development.

Motion: Aaron Ramage, to approve the Creative Beginnings Daycare, LLC loan request, as presented to the Board.

Second: Craig Bartholomew

Discussion: None

Abstentions:

*Final vote to be held electronically*

#### Recruitment Update – Austin

Coke's development agreement and abatement passed City Council and the County Commissioners approved the abatement as well (at 50 %). The reimbursement agreement has not been completed because it will require final project costs and the infrastructure engineering is not complete (BSED still plans to be a party to this reimbursement agreement). They have selected a local Billings architecture & engineering firm and their general

contractor has a large branch in the Billings market, their kickoff meeting will be the 27<sup>th</sup> of this month. We will be supporting them through the Big Sky Trust Fund Grant processes and will continue to play a role in the relationship between Coke and the City of Billings.

#### Operations – Becky

##### Big Sky to Sky Point Update

Becky shared some photos of the progress being made on the building. Becky went on to note some of the change orders that have been approved and how that effects the overall budget. She then walked through the current budget with the Board. Becky continued by fielding questions from the Board and noted that she is encouraging each of our partners to contribute to the project in some way, at which point, we will put them on the donor wall.

##### Member Investor Program Update – Patrick

Patrick noted that his first month has flown by and that his work revolves around growing and sustaining our Member Investor Program as well as working on the Let's Rock Capital Campaign. Patrick spoke about some of the new Member Investors that have joined over the past month and the conversations he has had. Patrick went on to thank the team and the Board for their support and the credibility they bring to our mission. Patrick ended by laying out some of his next steps for the months to come.

Ann asked if Patrick has set weekly or monthly benchmarks. Patrick told the Board his goals for the program and that he will be working in partnership with Steve to continue honing their strategy. Steve added that we will learn over the coming months how we need to structure timelines and goals as we continue having conversations with businesses in our community.

#### **Public Comment**

Ann asked Marcell if there will be a screening of the Edge of the Plains documentary for the Board and BSED Staff. Marcell will connect with Kevin to set a plan for that.

#### **Adjourn**

With a motion from Jennifer Smith and a second from Mike Seppala, the motion passed, and Ann adjourned the meeting at 8:39 A.M.

Next Meeting – Tuesday, November 9<sup>th</sup>, 2021

Respectfully submitted,

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Judi Powers, EDA Secretary/Treasurer

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Mac Fogelson, EDC Secretary/Treasurer

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

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**EDC Board – Electronic Meeting  
EDC Action Items from the October 14<sup>th</sup> Board Meeting  
Tuesday, October 26, 2021**

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**Request:**

As noticed, this is the ballot for the EDC only action items held over from the October 14th Board Meeting agenda.

**Vote to approve the SBA 504 Loan Request for ACPRE I, INC / MTI, LLC in the amount of \$1,071,000.00:**

**Motioned by Craig Bartholomew  
Seconded by Aaron Ramage**

EDC Votes in Favor	EDC Votes Against
Mike Nelson Scott Chesarek Kim Jakub Aaron Ramage Dave Ballard Nick Pancheau Spencer Frederick Andrew Gott Bob Wilmouth Jennifer Kozba Craig Bartholomew	Michael Marsh

**Vote to approve the SBA 504 Loan Request for Creative Beginnings Daycare LLC / MCPM LLC in the amount of \$626,000.00:**

**Motioned by Eric Simonson  
Seconded by Aaron Ramage**

EDC Votes in Favor	EDC Votes Against
Mike Nelson Scott Chesarek Kim Jakub Aaron Ramage Dave Ballard Nick Pancheau Spencer Frederick Andrew Gott Bob Wilmouth Jennifer Kozba Craig Bartholomew Michael Marsh	

**Vote to approve the increased SBA 504 Loan Request for Timberview Properties LLC / Wrap Hive, LLC to the previously approved SBA 504 financing in the amount of \$502,000.00:**

**Motioned by Aaron Ramage  
Seconded by Craig Bartholomew**

EDC Votes in Favor	EDC Votes Against
Mike Nelson Scott Chesarek Aaron Ramage Kim Jakub Dave Ballard Nick Pancheau Spencer Frederick Andrew Gott Bob Wilmouth Jennifer Kozba Craig Bartholomew	Michael Marsh



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# ATTACHMENT B

**Big Sky Economic Development Authority**  
**Financial Report for Board of Directors**  
**October 28, 2021**

Included with this report is balance sheet reflecting the assets, liabilities, and net assets of Big Sky EDA as of September 30, 2021. Also included is the statement of revenue and expenses through the first three months of FY22 as compared to budget.

**Balance Sheet**

Current assets decreased to about \$5,955,000 at the end of September from \$6,509,000 at the end of August. This decrease is largely attributable to payments to TW Clark for construction costs (\$474,000). These payments also resulted in an increase to accounts receivable related to the U.S. EDA grant. Accounts receivable increased from \$167,000 in August to \$367,500. The receivable consists of U.S. EDA (\$170,000), VBOC (\$37,000), PTAC (\$145,000), and SBDC (\$15,500).

Due To/Due From EDC totaled approximately \$46,000 at the end of September and consists of the September amount due from EDC. The tax levy receivable decreased slightly to \$4,500 from \$5,500. Protested tax receivable totaled \$110. An allowance totaling \$110, or 100% of protested tax levy receivable is reflected to allow for potentially uncollectible protested tax levy. Total fixed assets totaled \$2,525,500 at the end of September.

Accounts payable totaled \$101,000 at the end of September. Accrued expenses total approximately \$97,000 and consist largely of salary/benefits accruals (\$77,000) and Space2Place Grant accruals (\$15,500). We paid out \$11,000 in Space2Place Grants in October, decreasing the Space2Place Grant accrual to \$4,500. Deferred revenue totals \$50,000 and consists of \$50,000 conditional grant award amount from Beartooth RC&D.

**Statement of Revenue and Expenses**

Revenue is about \$4,000 under budget through the first three months of the fiscal year. Most revenue amounts are consistent with budget with the exception of EPA-Brownfields and Department of Defense (PTAC). EPA-Brownfields revenue is over budget based on timing of expenses associated with this grant. PTAC revenue is below budget based on actual expenses incurred.

Most expenses remain under budget through September. Salaries/wages and employer contributions are under budget by about \$18,000 due to vacancy savings. Travel/training is under budget by about \$40,000 through September. Marketing expenses remain slightly over budget due to a larger invoice for the PTAC GovMatch event in July. Professional fees total \$119,000 and are over budget by about \$45,000 largely based on expenses related to Brownfields. Brownfields expenses totaled \$38,650 through September. These expenses are 100% reimbursable.

Through the first three months of FY22, Big Sky EDA recognized net operating revenue of (\$66,000) compared to budget of \$65,000. When excluding non-operating revenues/expenses (interest income, U.S. EDA reimbursement, professional fees related to the Big Sky to Sky Point project, and depreciation expense), Big Sky EDA recognized net operating revenues of (\$267,000) compared to budget of (\$355,000).

**Big Sky EDA**  
**Comparative Balance Sheet**  
**As of September 30, 2021 and 2020**

	9/30/2021	9/30/2020	+/-	6/30/2021	+/-
<b>Assets</b>					
First Interstate Bank	\$149,889	\$147,975	\$1,915	\$229,874	-\$79,985
FIB-Recovered Property Taxes	377,795	148,202	229,593	177,795	200,000
FIB-Operating Reserve	251,051	1,032	250,020	301,044	
Opportunity Fund-FIB	106,681	521,365	(414,684)	940,395	(833,714)
Opportunity Fund-Stockman	65,005	44,526	20,479	64,997	8
Opportunity Fund-Opportunity Bank	625,861	622,303	3,558	625,004	857
Stockman GE Maintenance	15,128	15,128	-	15,128	-
Rocky Mountain Bank Money Market	493,307	492,967	339	493,262	45
Valley Federal- Savings	25	-	25	-	25
Valley Federal- Money Market	300,207	-	300,207		300,207
Opportunity Fund - CDs (current)	3,310,280	2,404,278	906,003	3,309,497	783
Altana Savings	25	-	25	25	
Yellowstone County Funds	259,795	311,286	(51,491)	570,859	(311,064)
<b>Total Current Assets</b>	<b>5,955,048</b>	<b>4,709,060</b>	<b>1,245,988</b>	<b>6,727,879</b>	<b>(772,831)</b>
<b>Other Assets</b>					
Accounts Receivable	367,480	218,084	149,396	141,814	225,666
Grants Receivable	100,000	-	100,000	100,000	-
American Revenue Guarantee	6,887	6,887	-	6,887	-
Due To/Due From EDC	45,886	51,303	(5,417)	62,431	(16,545)
Tax Levy Receivable	4,515	3,324	1,191	17,649	(13,134)
Tax Levy Receivable - Protested	111	21,479	(21,368)	665	(554)
Allowance for Doubtful Accounts	(111)	(21,479)	21,368	(665)	554
Prepaid Expenses	24,865	16,528	8,337	30,393	(5,528)
Deposit	-	1,390	(1,390)	-	-
Undeposited Funds	-	-	-	-	-
Interest Receivable	-	8,509	(8,509)	-	-
Miscellaneous Receivable	-	-	-	-	-
<b>Total Other Assets</b>	<b>549,633</b>	<b>306,025</b>	<b>243,608</b>	<b>359,174</b>	<b>190,459</b>
<b>Non-Current Assets</b>					
Opportunity Fund - CDs (non-current)	150,577	1,251,137	(1,100,560)	150,388	189
Loans Receivable	-	400,000	(400,000)	-	-
TEDD Receivable	13,650	34,100	(20,450)	13,650	-
Cabela's Conduit	4,984	9,546	(4,562)	4,984	0
Deferred Outflow of Resources	249,285	146,350	102,935	249,285	-
<b>Total Non-Current Assets</b>	<b>418,496</b>	<b>1,841,133</b>	<b>(1,422,637)</b>	<b>418,307</b>	<b>189</b>
<b>Fixed Assets</b>					
Construction in Progress	797,754	-	797,754	275,627	
Bank Building - Land	301,750	301,750	-	301,750	-
Bank Building - Building	1,473,250	1,473,250	-	1,473,250	-
Accumulated Depreciation	(47,220)	(19,863)	(27,357)	(47,220)	-
<b>Total Fixed Assets</b>	<b>2,525,534</b>	<b>1,755,137</b>	<b>770,397</b>	<b>2,003,407</b>	<b>-</b>
<b>Total Assets</b>	<b>9,448,711</b>	<b>8,611,355</b>	<b>837,356</b>	<b>9,508,766</b>	<b>(60,055)</b>
<b>Liabilities &amp; Equity</b>					
<b>Current Liabilities</b>					
Accounts Payable	100,632	84,407	16,225	80,102	20,529
Accrued Expenses	97,249	98,600	(1,351)	99,860	(2,611)
Deferred Revenue	50,000	-	14,000	51,667	-
Payroll Liabilities	63	1,032	(969)	(590)	654
Compensated Absences	173,068	164,026	9,042	184,483	(11,415)
<b>Total Current Liabilities</b>	<b>421,012</b>	<b>348,065</b>	<b>72,948</b>	<b>415,522</b>	<b>5,491</b>
<b>Long Term Liabilities</b>					
Deferred inflow or Resources	32,238	68,045	(35,807)	32,238	-
Pension Liability	1,127,529	825,316	302,213	1,127,529	-
<b>Total Long Term Liabilities</b>	<b>1,159,767</b>	<b>893,361</b>	<b>266,406</b>	<b>1,159,767</b>	<b>-</b>
Current Year Excess of Revenue over Expenses	(65,735)	(250,630)	184,895	312,919	(378,654)
Balance at Beginning of Year	7,933,667	7,620,559	313,108	7,620,559	313,108
<b>Net Assets</b>	<b>7,867,932</b>	<b>7,369,929</b>	<b>498,003</b>	<b>7,933,478</b>	<b>(65,546)</b>
<b>Total Liabilities &amp; Equity</b>	<b>9,448,711</b>	<b>8,611,355</b>	<b>837,356</b>	<b>9,508,766</b>	<b>(60,055)</b>

**Big Sky EDA**  
**Statements of Operations**  
**For the Periods Ending September 30, 2021**

	Month			YTD			Fiscal Year Projection		
	Actual	Budget	Variance	Actual	Budget	Variance	Year-end Projection	Budget	Variance
<b>Operating Revenue</b>									
County Taxes (Mill Levy Revenue)	87	-	87	2,257	-	2,257	-	1,291,820	(1,291,820)
Entitlement	60,970	61,000	(30)	60,970	61,000	(30)	-	244,000	(244,000)
Health Insurance Mill Levy	8,480	9,010	(530)	24,910	25,970	(1,060)	-	107,060	(107,060)
Recovery of Protested Taxes	-	-	-	554	-	554	554	-	554
Department of Defense	40,000	63,373	(23,373)	145,174	190,118	(44,944)	-	760,473	(760,473)
EDC Reimbursement	45,606	53,022	(7,416)	143,056	148,644	(5,587)	-	694,595	(694,595)
EPA-Brownfields	38,650	6,786	31,864	78,232	20,357	57,875	-	47,500	(47,500)
SBA/MT Dept of Commerce	15,616	14,750	866	71,639	71,400	239	-	204,150	(204,150)
SBDC Program Income	-	-	-	-	-	-	-	-	-
VBOC	14,647	25,000	(10,353)	60,968	75,000	(14,032)	-	300,000	(300,000)
Rents/Leases	-	-	-	-	-	-	-	-	-
Grant Administration	-	-	-	6,345	-	6,345	6,345	-	6,345
Beartooth RC&D CARES Act	-	-	-	-	-	-	-	50,000	(50,000)
Other Intergovernmental Revenue	-	-	-	1,667	-	1,667	-	-	-
Contribution Revenue	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue	-	-	-	1,000	-	1,000	-	-	-
<b>Total Revenue</b>	<b>224,054</b>	<b>232,940</b>	<b>(8,886)</b>	<b>596,772</b>	<b>592,489</b>	<b>4,283</b>	<b>6,899</b>	<b>3,699,598</b>	<b>(3,692,699)</b>
<b>Operating Expenses</b>									
Salaries/Wages	127,981	141,753	(13,772)	397,484	410,260	(12,776)	-	1,737,800	(1,737,800)
Employer Contributions	41,080	45,150	(4,070)	125,736	131,086	(5,350)	-	554,949	(554,949)
BID Assessment	-	-	-	-	1,398	(1,398)	-	1,398	(1,398)
Contingency	-	3,087	(3,087)	-	9,260	(9,260)	-	36,969	(36,969)
Community Development Projects	-	-	-	-	-	-	-	45,000	(45,000)
Dues and Subscriptions	5,001	2,897	2,105	25,659	35,178	(9,518)	-	71,301	(71,301)
Event Expense	-	-	-	-	-	-	-	-	-
Insurance	2,509	2,006	502	10,174	8,619	1,555	-	26,676	(26,676)
Marketing - Departmental	2,277	2,227	50	12,352	6,680	5,672	-	26,720	(26,720)
Marketing - Organizational	5,698	3,789	1,909	11,897	11,368	529	-	48,211	(48,211)
Office Equipment	547	-	547	632	4,500	(3,868)	-	6,500	(6,500)
Office Expense	1,467	1,250	217	4,171	9,610	(5,439)	-	22,360	(22,360)
Professional Fees	41,330	7,907	33,423	119,163	74,071	45,093	-	131,748	(131,748)
Property Tax Protests	-	-	-	-	-	-	-	38,755	(38,755)
PTAC Subcenter	26,658	40,704	(14,046)	87,319	118,012	(30,694)	-	484,347	(484,347)
Rent	13,393	12,764	629	38,730	37,893	837	-	157,478	(157,478)
Repairs	-	-	-	-	-	-	-	-	-
Sponsorships	-	417	(417)	250	1,250	(1,000)	-	5,000	(5,000)
Strategic Priorities	-	2,500	(2,500)	841	7,500	(6,659)	-	30,000	(30,000)
TEDD	100	500	(400)	100	500	(400)	-	2,000	(2,000)
Telecommunications	3,364	4,948	(1,585)	11,183	14,845	(3,662)	-	59,715	(59,715)
Travel/Training	2,534	17,474	(14,940)	7,182	46,812	(39,630)	-	123,050	(123,050)
Utilities	416	3,057	(2,641)	2,555	9,471	(6,916)	-	40,489	(40,489)
Miscellaneous	569	3,134	(2,564)	7,844	9,549	(1,705)	-	43,964	(43,964)
<b>Total Operating Expenses</b>	<b>274,923</b>	<b>295,564</b>	<b>(20,641)</b>	<b>863,272</b>	<b>947,862</b>	<b>(84,590)</b>	<b>-</b>	<b>3,694,430</b>	<b>(3,694,430)</b>
<b>Net Operating Revenue</b>	<b>(50,869)</b>	<b>(62,624)</b>	<b>11,755</b>	<b>(266,501)</b>	<b>(355,373)</b>	<b>88,872</b>	<b>6,899</b>	<b>5,168</b>	<b>1,731</b>
<b>Non-Operating Income/Expense</b>									
Interest Income	1,358	1,349	9	2,081	4,048	(1,967)	-	16,193	(16,193)
US EDA Reimbursement	192,248	138,802	53,446	198,684	416,406	(217,722)	-	1,388,020	(1,388,020)
Grant Revenue (GASB 68)	-	-	-	-	-	-	-	-	-
Architectural/Professional Fees	-	-	-	-	-	-	-	-	-
Pension Expense	-	-	-	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-	-	-	-
Relocation	-	-	-	-	-	-	-	16,000	(16,000)
<b>Total Non-operating Income/Expense</b>	<b>193,606</b>	<b>140,151</b>	<b>53,455</b>	<b>200,765</b>	<b>420,454</b>	<b>(219,689)</b>	<b>-</b>	<b>1,388,213</b>	<b>(1,388,213)</b>
<b>Net Revenue Over (Under) Expense</b>	<b>142,737</b>	<b>77,527</b>	<b>65,210</b>	<b>(65,735)</b>	<b>65,081</b>	<b>(130,816)</b>	<b>6,899</b>	<b>1,393,381</b>	<b>(1,386,482)</b>

**Big Sky Economic Development Corporation**  
**Financial Report for the Board of Directors**  
**October 28, 2021**

Included with this report is the balance sheet reflecting the assets, liabilities, and net assets of Big Sky EDC as of September 30, 2021. Also included is the statement of revenue and expenses through the first three months of FY22 as compared to budget.

**Balance Sheet**

Current assets totaled approximately \$2,135,000 at the end of September, a slight increase from \$2,105,000 at the end of August. Accounts receivable increased to a total of \$113,000. Accounts receivable consist of Member Investor pledges for FY21 (\$71,000), and Pledges Receivable for the new building (\$42,000). There was one RLF loan (\$90,000) that paid off in August. The RLF portfolio totaled \$252,000, the SSBCI portfolio totaled \$614,000, and the Stabilization Loan portfolio totaled \$85,000 at the end of September.

Accounts payable totaled \$16,000 at the end of September. Deferred 504 revenue remained consistent at \$65,000. Deferred 504 revenue will be recognized as loans fund. Due to/Due from EDA totaled approximately \$46,000 and represents the amount owed to EDA from EDC for September reimbursement.

**Statement of Revenue and Expenses**

The 504 loan servicing revenue is close to budget and totaled \$105,500 through September. We received \$14,000 in 504 loan origination revenue in September with the funding of one loan. Loan origination revenue is about \$20,000 below budget through September. Member investor revenue increased with the first quarterly invoicing. Member investor revenue totaled \$51,000 through September. Revenue is below budget based on the timing of the second quarter invoices. Grant administration revenue is \$15,000 below budget. Grant administration revenue will be derived from the administration of the Federal EDA RLF grant. We will complete the first grant draw for RLF loan funds in November and will recognize grant administration revenue at this time.

We received three additional pledges for the Big Sky to Sky Point Project in September. These amounts are being tracked under the non-operating income/expense section of the income statement. Donation income/pledges for the Big Sky to Sky Point Project total \$19,150 through September.

Most expenses remain under budget. Professional fees are under budget by about \$19,000 due to the timing of budgeted expenses. Travel/training expense are under budget by about \$10,000. Sponsorship expense and event expense are slightly over budget based on timing of budgeted expenses. Sponsorship expense totaled \$6,500 through September and event expense totaled \$4,500.

Through the first three months of FY22, Big Sky EDC recognized net operating revenue of (\$19,000) compared to budget of (\$12,000). When excluding non-operating revenues/expenses (bad debt expense, Big Sky to Sky Point Pledges, and Coulson Park donations), Big Sky EDC recognized net operating revenues of (\$34,000) compared to budget of (\$12,000). This variance is largely attributed to the timing of budget revenue for loan origination revenue, member investor revenue, and grant administration revenue.

**Big Sky EDC**  
**Comparative Balance Sheet**  
**As of September 30, 2021 and 2020**

	9/30/2021	9/30/2020	+/-	6/30/2021	+/-
<b>Assets</b>					
First Interstate Bank	\$279,133	\$158,426	\$120,707	\$353,963	-\$74,830
FIB/Stockman SSBCI Principal	1,147,774	1,017,520	130,254	1,124,775	22,999
FIB-Long Term Reserve	250,000	250,000	-	250,000	-
FIB-Opportunity Fund	22,200	152,357	(130,157)	22,200	-
FIB-RLF	234,432	67,600	166,832	116,034	118,398
Accounts Receivable	113,092	21,500	91,592	66,092	47,000
Contributions Receivable	-	-	-	-	-
Miscellaneous Receivable	60	-	60	60	-
Prepaid Expenses	2,471	8,281	(5,810)	2,471	-
Undeposited Funds	-	-	-	-	-
Stabilization Portfolio - Current	32,805	46,849	(14,044)	43,631	(10,826)
RLF Portfolio-Current	27,644	44,854	(17,209)	58,761	(31,117)
SSBCI Portfolio-Current	25,557	42,386	(16,828)	31,058	(5,500)
<b>Total Current Assets</b>	<b>2,135,169</b>	<b>1,809,773</b>	<b>325,396</b>	<b>2,069,045</b>	<b>66,124</b>
<b>Other Assets</b>					
RLF Portfolio-Non Current	224,484	363,655	(139,171)	307,760	(83,276)
SSCBI Portfolio-Non Current	588,055	601,615	(13,560)	588,055	0
Stabilization Portfolio-Non Current	52,018	105,151	(53,133)	52,018	-
Allowance for Loan Losses	(21,626)	(21,934)	309	(21,626)	-
<b>Total Other Assets</b>	<b>842,931</b>	<b>1,048,486</b>	<b>(205,556)</b>	<b>926,207</b>	<b>(83,276)</b>
<b>Fixed Assets</b>					
Bank Building - Building	-	-	-	-	-
Bank Building - Land	-	-	-	-	-
<b>Total Fixed Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Assets</b>	<b>2,978,100</b>	<b>2,858,259</b>	<b>119,840</b>	<b>2,995,252</b>	<b>(17,152)</b>
<b>Liabilities &amp; Equity</b>					
<b>Current Liabilities</b>					
Accounts Payable	15,916	14,856	1,060	23,118	(7,201)
Property Tax Payable	-	-	-	-	-
Accrued Expenses	-	10,000	(10,000)	-	-
Deferred 504 Revenue	65,249	23,669	41,580	39,674	25,575
Deferred Revenue	-	-	-	-	-
Due to/Due from EDA	45,886	51,303	(5,417)	62,431	(16,545)
<b>Total Liabilities</b>	<b>127,051</b>	<b>99,828</b>	<b>27,223</b>	<b>125,222</b>	<b>1,829</b>
Current Year Excess of Revenue over Expenses	(18,981)	18,864	(37,845)	130,462	(149,443)
Balance at Beginning of Year	2,870,030	2,739,567	130,462	2,739,567	130,462
<b>Net Assets</b>	<b>2,851,049</b>	<b>2,758,432</b>	<b>92,617</b>	<b>2,870,030</b>	<b>(18,981)</b>
<b>Total Liabilities &amp; Equity</b>	<b>2,978,100</b>	<b>2,858,259</b>	<b>119,840</b>	<b>2,995,252</b>	<b>(17,152)</b>

**Big Sky EDC**  
**Statements of Operations**  
**For the Periods Ending September 30, 2021**

	Month			YTD			Fiscal Year Projection		
	Actual	Budget	Variance	Actual	Budget	Variance	Year-end Projection	Budget	Variance
<b>Operating Revenue</b>									
504 Loan Origination	13,703	11,250	2,453	13,703	33,750	(20,047)	-	135,000	(135,000)
504 Loan Servicing	34,533	36,000	(1,467)	105,478	108,000	(2,522)	-	432,000	(432,000)
Float Income	-	-	-	-	-	-	-	10,000	(10,000)
CTE Director Donations (Restricted)	-	-	-	-	-	-	-	-	-
Member Investment	46,000	-	46,000	50,509	70,000	(19,491)	-	285,000	(285,000)
RLF Business Loan Interest	1,430	1,750	(320)	5,141	5,250	(109)	-	21,000	(21,000)
RLF Origination Fees	-	-	-	-	-	-	-	-	-
Stabilization Loan Interest	147	74	73	460	242	219	-	634	(634)
SSBCI Revenue	1,854	1,500	354	5,102	4,500	602	-	18,000	(18,000)
Recovery of Bad Debt	-	-	-	-	-	-	-	-	-
Coronavirus Relief Funds	-	-	-	-	-	-	-	-	-
Healthcare Appreciation Income	-	-	-	-	-	-	-	-	-
Grant Administration	-	5,000	(5,000)	-	15,000	(15,000)	-	60,000	(60,000)
Interest Income	2	1,500	(1,498)	4	4,500	(4,496)	-	18,000	(18,000)
Donation Income	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue	132	2,843	(2,711)	132	8,528	(8,396)	-	34,112	(34,112)
In-Kind Donations	-	-	-	-	-	-	-	-	-
EDA In-Kind	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>97,801</b>	<b>59,917</b>	<b>37,884</b>	<b>180,530</b>	<b>249,770</b>	<b>(69,240)</b>	<b>-</b>	<b>1,013,746</b>	<b>(1,013,746)</b>
<b>Operating Expenses</b>									
Business Incubation	-	125	(125)	-	375	(375)	-	1,500	(1,500)
Business Recruitment	-	1,250	(1,250)	158	3,750	(3,592)	-	15,000	(15,000)
Contingency	-	833	(833)	-	2,500	(2,500)	-	10,000	(10,000)
Contract Support	4,000	4,000	-	12,000	12,000	-	-	12,000	(12,000)
Contribution Expense	-	-	-	-	-	-	-	-	-
Dues and Subscriptions	804	894	(90)	3,120	3,975	(856)	-	22,797	(22,797)
EDA Reimbursement	45,606	53,022	(7,416)	143,056	148,644	(5,587)	-	694,595	(694,595)
Event Expense	4,423	-	4,423	4,541	-	4,541	-	27,000	(27,000)
Insurance	881	881	-	2,643	4,083	(1,440)	-	12,250	(12,250)
Investment in Economic Activity	-	-	-	-	-	-	-	5,000	(5,000)
Marketing - Departmental	678	2,458	(1,781)	2,650	7,775	(5,125)	-	30,578	(30,578)
Marketing - Organizational	4,892	2,774	2,117	7,797	8,374	(577)	-	34,000	(34,000)
Membership Development	43	700	(657)	2,314	2,100	214	-	8,400	(8,400)
Office Supplies	113	3,200	(3,087)	214	3,600	(3,386)	-	7,850	(7,850)
Professional Fees	3,250	2,458	792	12,256	31,575	(19,319)	-	81,400	(81,400)
Postage and Printing	49	70	(21)	49	210	(161)	-	840	(840)
R31 Outreach	-	75	(75)	44	225	(181)	-	2,300	(2,300)
Rent	2,552	2,237	315	6,999	6,710	289	-	27,388	(27,388)
Sponsorships	2,000	-	2,000	6,420	-	6,420	-	7,000	(7,000)
Telecommunications	286	605	(318)	916	1,814	(898)	-	7,256	(7,256)
Travel/Training	1,067	1,650	(583)	3,979	13,830	(9,851)	-	42,296	(42,296)
Utilities	-	-	-	-	-	-	-	-	-
Miscellaneous	1,328	2,903	(1,575)	5,004	10,610	(5,606)	-	48,789	(48,789)
<b>Total Operating Expenses</b>	<b>71,971</b>	<b>80,136</b>	<b>(8,165)</b>	<b>214,160</b>	<b>262,150</b>	<b>(47,989)</b>	<b>-</b>	<b>1,098,239</b>	<b>(1,098,239)</b>
<b>Net Revenue Over (Under) Expense</b>	<b>25,831</b>	<b>(20,218)</b>	<b>46,049</b>	<b>(33,631)</b>	<b>(12,380)</b>	<b>(21,251)</b>	<b>-</b>	<b>(84,493)</b>	<b>84,493</b>
<b>Non-Operating Income/Expense</b>									
Non-Operating Income/Expense									
Coulson Park	-	-	-	-	-	-	-	-	-
BSTSP	6,500	-	6,500	19,150	-	19,150	-	-	-
Bad Debt Expense	4,500	-	4,500	4,500	-	4,500	-	12,500	(12,500)
<b>Total Non-operating Income/Expense</b>	<b>2,000</b>	<b>-</b>	<b>(4,500)</b>	<b>14,650</b>	<b>-</b>	<b>(4,500)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Revenue Over (Under) Expense</b>	<b>27,831</b>	<b>(20,218)</b>	<b>41,549</b>	<b>(18,981)</b>	<b>(12,380)</b>	<b>(6,601)</b>	<b>-</b>	<b>(84,493)</b>	<b>84,493</b>



BIG SKY  
ECONOMIC DEVELOPMENT

EDA • EDC    CREATING MONTANA BUSINESS OPPORTUNITIES

# ATTACHMENT C

**November 2021  
Executive Director’s Report  
to the Board of Directors  
(with Program-Level Highlights)**

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***Strategic Priorities Update (FY 2022)***

**1. Make Community Development Investments for a Measurable Impact to our Quality of Place**

**Objectives**

- a. **Advocate for a comprehensive approach/investment in Public Safety** (Board and ED) – *Board endorsed proposed public safety mill levy in July. We sent the attached Op-Ed to the Gazette. As of this date they did not publish the letter. We have shared this via social media.*
- b. **Incentivize downtown revitalization by identify and securing shovel-ready sites to spur new private investment** (ED, OF, DBP) *We have put together an informal working group to build up a collaborative effort. That group meets Friday, Oct 31, 2021. There are multiple conversations around the future of the Gazette site. We’ll discuss this site at that meeting. More details to follow.*
- c. **Support the redevelopment of MetraPark and associated private investment and entryway beautification** (CD and MetraPark) *-nothing new to report.*
- d. **Secure the \$250,000 match requirement for Phase I Coulson Park development, and advocate for a comprehensive approach to new parks and trails development** (CD and ED)- *Since my last report we did secure \$100,000 from Scheels toward the match requirement. That puts us at \$166,500 toward the \$250,000 match challenge. Other asks are outstanding.*
- e. **Support concept-development for a Native American cultural center** (DC)—*no work to report at this time. A fundraising event has been delayed due to Covid.*

**2. Invest in Essential Infrastructure That Directly Drives New Private Investment**

**Objectives**

- a. **Secure \$6.0 million to kickoff water and sewer infrastructure development in the TEDD (CD).** *The State did not approve the funding request that we made through the American Rescue Plan Act process. However, the TEDD has been included as part of a statewide application under the Build Back Better program through the federal EDA. The focus of this grant, submitted by the Montana Department of Commerce, is to focus resources in areas of the state impacted by coal market changes. This BBB grant is a phase one planning grant, to be followed by a large grant request to fund infrastructure projects. Stay tuned for more details as this grant moves through the federal process. More details on the TEDD can be found in the Program Reports section of this report.*

- b. **Support the development of three new business/industry parks:** *Nothing new to report in this area.*
- c. **Align our business recruitment efforts with these development and secure new private investment (RT)** *See Recruitment Section of this Report for an update. City Council did approve the tax abatement request for the Coca-Cola project. The final development agreement is in process. This is great progress. We really appreciate the City and the County's partnership on this project—it creates 50 good paying jobs and brings a \$40 million investment to our community.*

### 3. Build Upon our Leadership Status as a Regional Healthcare HUB

#### Objectives

- a. **Shepherd the development of the Montana College of Osteopathic Medicine from the permit process to opening (July 2023), propose and advocate clerkship and residency program development, and facilitate private sector partnership opportunities, including applied research and bioscience (ED and RT)** *The Montana College of Osteopathic Medicine project is underway, with the ceremonial groundbreaking being held October 4<sup>th</sup>, including very encouraging comments by Governor Gianforte. Next step for us is supporting road renaming and other development items related to City decision making. We had a great Community Advisory Council kick off meeting on September 13<sup>th</sup>. There are more than 25 key players from throughout Montana on the CAC. Our next meeting will be mid-January 2022. See attached CAC Newsletter.*
- b. **Incentivize downtown redevelopment that complements and connects the medical corridor to downtown (RT, ED, CD)** *A meeting is planned for Friday, October 29<sup>th</sup> to build consensus around housing development options near the medical corridor. Stay tuned for more details.*
- c. **Partner with the Bio Science Alliance initiative to secure research and lab space for the attraction of bioscience companies (RT, ED)** *A grant request is still active in the ARPA process in Helena that would see investment in lab space in Billings as a part of a statewide effort to build out infrastructure to support the bioscience industry. There is also a separate federal grant submitted that would see a partnership from Spokane to Billings—an I-90 partnership related to bio science development in our region. We'll stay supportive and active on these projects/grant requests.*

### 4. Grow and Attract Innovative Companies

#### Objectives

- a. **Complete the Rock31/BSED building to support a strong, growing entrepreneurship ecosystem and deliver BSED services (R31, DO, ED, Bd)** *See the Big Sky to Sky Point section of this report for details. Our Rock31 project team was on the Board last week visiting co-working/incubator spaces in Boise and SLC. We are using the information gained from this discovery work to finalize our business/operating plan for the Roc131 space. On the funding side, we are now over \$130,000 in secured dollars toward the development of this project. More meetings and tours are scheduled. Great work Melanie, Patrick and Becky.*
- b. **Foster the growth of a talent pool (through effective partnerships) that aligns with the needs of innovate companies (BW, R31)** *Billings Works is pulling together a team to consider a federal grant to support talent development in our market. This will be helpful but will likely focus on a broader set of workforce needs than the innovative/tech sector. This is under the feds Good Jobs Challenge.*

- c. **Deploy a targeted business expansion and recruitment strategy to realize measurable job growth and investment in this sector (RT)** *See Recruitment Section of this Report for details.*

**5. Develop, Retain and Attract the Next Generation of our Workforce**

**Objectives**

- a. **Facilitate business/education partnerships that serve to strengthen the alignment of workforce needs and workforce development efforts to meet current and future workforce needs (BW)** *See the Billings Works section of this Report for details in this area.*
- b. **Enhance our BOiB talent retention and attraction measures to support employers’ efforts to recruit workforce (BW, BOiB)** *We have hosted a series of Zoom meetings regarding a statewide talent attraction campaign, hoping the state would also help fund local talent attraction efforts through their ARPA dollars. We have follow-up meetings set with Commerce and the Department of Labor and Industry, as well as our Montana Economic Developers Association partners around the state.*
- c. **Advocate for the growth of key programs, enrollment, and capital investment at RMC and MSUB in partnership with college/university leadership/Board of regents/legislators (BW, ED)** *Nothing new to report in this area.*

***Board of Directors’ FY 2022 Projects***

**Status Report-**

- 1. **Raise \$275,000+ toward the funding of Rock31/BSED Downtown Center for Entrepreneurship.** *Dollars raised to date--\$130,000+*
- 2. **Sustain and grow the Member Investor Program to 160 members by June 2022—***Net membership to date 127, with American Steel, Billings Construction Supply, Jackson Group Peterbilt, Peterson Quality Office. I believe that is 6 new MI since Patrick came on board.*

***Program Updates***

**Community Development**

Project Funding Requests YTD	\$8,045,000
Project Funding Secured YTD	\$135,000
Coulson Park Funding Secured	\$166,500
Assisted on Funding Requests YTD	\$15,000
Brownfield Assessments YTD	1

**Tax Abatements:**

Coca Cola bottling was approved for a 50% tax abatement. Montana Sun hasn’t responded as to whether they prefer the 50% tax abatement or the property tax reclassification available to them.

**Yellowstone Fuels Reduction Program:**

BLM fuels reduction projects are back on as County fire restrictions <sup>in</sup> September. Two of the three assessments are moving forward with landowners in Emerald Hills subdivision near Lockwood. Hopefully the work will be completed this fall.

**Brownfields Program:**

EPA Brownfields grant is spent down allowing BSED to move forward with another grant application, due December 1, 2021. BOARD ACTION REQUIRED.

**Coulson Park:**

BSED Team has met with multiple stakeholders and community leaders regarding the challenge grant and continues to follow up on the requests.

**MSUB Science Building/Montana Coal Board:**

Dianne is reviewing the closeout documents of the \$500,000 BSED secured on behalf of the MSU-B Science Building. \$10,000 remains to be awarded to BSED for the MSU-B project.

**Housing:**

Community Development continues to support the Billings Realtors Association ongoing training program. The October training topics were on Community Land Trusts and Housing Cooperatives. We had over 60 people participate in the three-hour training session. This is part of our ongoing economic recovery efforts using EDA CARES ACT funding from Beartooth RC&D.

**Lockwood Targeted Economic Development District (TEDD):**

KLJ and Morrison Maierle are working on some requested edits to the Lockwood TEDD Preliminary Infrastructure Technical Memo outlining the basic structure of water and sewer infrastructure to serve the TEDD. That plan will provide additional needed information for continued planning for water and sewer in the TEDD area.

We are still waiting on a scope of work and bid estimate from KLJ/Morrison Maierle for preliminary design and engineering of the priority projects identified in 2019 – extension of water and sewer infrastructure under I-90 to the TEDD and extension of North Frontage Road along with water and sewer to the east side of the TEDD. That scope of work should be ready soon for presentation to Yellowstone County commissioners.

**MetraPark:**

We continue to attend MetraPark Board meetings, public meetings, and committee meeting to assist with the MetraPark Vision 2025 efforts.

**Space2Place:**

Five of the seven Space2Place projects were completed by the September 30 deadline:

- Skate Park Mural by Underground Culture Krew
- Seating/Cinema area in Hillner Park by Optimist Club of Lockwood
- Outdoor seating area at Broadview Community Center
- Mural at Yellowstone Valley Animal Shelter
- Underpass Murals at 6<sup>th</sup> Street and North 13<sup>th</sup> Street by South Side Task Force/Elyssa Leininger

One project, DBA's Light Bike Alley project, has been granted an extension due to difficulties associated with material and labor availability. The Billings Community Foundation did not meet the deadline for their project or provide an explanation.

**BRC&D Response and Recovery Funding:**

Our organization's work continues to include providing training, business services to impacted businesses, and industry research across the Beartooth RC&D region. We submitted the required quarterly report this month.

## **PTAC**

Since August 1<sup>st</sup>, MT companies that have been assisted by one of our five PTAC locations have secured **\$12,704,317** in federal, state and local contracts. Of that, contracts valued at **\$2,001,773** were awarded to PTAC clients/companies in our region. BCL Enterprises LLC in Hardin secured a **\$102,811 contract** with Indian Health Services for portable hand washing stations and toilets. Billings based Yellowstone Enterprises, LLC secured two **contracts with the VA for \$83,760** for headstones at the Houston National Cemetery. On November 18<sup>th</sup>, Billings PTAC will be holding a virtual workshop titled, "Waiting for the Phone to Ring? Next Steps for Registered Government Contractors." The premise of the training will be to illustrate proactive steps that companies can take to find and pursue government business opportunities after getting set up with registrations, etc. The event is free and interested companies can register at [www.montanaptac.org](http://www.montanaptac.org). As previously mentioned, the complexion of the statewide MT PTAC team has changed significantly in the last year. We have new advisors in Kalispell, Great Falls and Lewistown. Deanna and Roz are spending a lot of time with each of them via weekly virtual meetings to help them with client issues and understanding various government contracting subjects. Lynnette Hale is our newest MT PTAC advisor. She will be based at Headwaters RC&D in Butte and will cover the counties of Silver Bow, Jefferson, Gallatin, Lewis & Clark and Broadwater. During the last week of October, Lynnette was in Billings for training and orientation with Deanna and Roz. She is looking forward to getting up to speed and assisting companies in her area.

## **VBOC**

Important news: We have hired a new Training Manager/Business Advisor at the VBOC. Starting November 1<sup>st</sup>, please welcome [Kevin Beagle](#) to the team. Kevin is a retired Army Lt. Colonel with extensive business experience.

Note: National Veterans Small Business Week is Nov. 1 to 5. Check out our events to celebrate the week here and please join us for any of our virtual events at this link (be sure to register if you'd like to attend): <https://www.bigskyeconomicdevelopment.org/national-veterans-small-business-week-november-1-5-2021/>

### **Training: 26 attendees at 2 events in the month of October**

- In Person Boots to Business at Hill AFB, Utah- 20 attendees. Delivered in partnership with the Utah Veterans Business Resource Center.
- Montana Veterans Startup Roadmap –6 attendees, including 2 Montana veterans

Training goal 1 is 100% B2B coverage: **GOAL MET**

Goal 2 is 5 non B2B training events with >29 attendees per quarter. **Below goal.** Completed 4 trainings this quarter. 5<sup>th</sup> one would have been a startup roadmap class in September but we cancelled that due to Rock31 efforts to complete showing of the Edge of the Plains documentary. Training will increase once Kevin starts in the next quarter.

**Outreach highlights: 10 meetings with 62 attendees.** Our goal is 30 outreach meetings per quarter. **Below goal.** This will increase as Kevin gets into his new role.

**Counseling – 32 counseling sessions with 15 veteran or military spouse clients in the last month.** Goal is 41 sessions per month- **below goal.** Other counseling goals:

1. ≥150 referrals to local resource partners in the year: Currently at 47 referrals at the end of the 6<sup>th</sup> month in our program year. Below goal but this will be increasing after NVSBW and with Kevin coming on board.
2. 100% of new veteran e-center sign ups each month have at least 1 counseling session: Current rate is 90% as I wait for contact with 1 client in October. Rate for the year to date is 81% as we work to connect with clients.

**Member Investor Program**

Transition back to BSED has felt seamless and I feel fortunate to be a part of a great Team and partner with all Board Members. My goal was to hit the ground running, and while I believe I have done that, there is undoubtedly much work to be done. We have connected with over 20 different companies in the past 6-weeks, both prospective and current Member Investors. 6 new Member Investors have joined Big Sky Economic Development, with additional in the “queue”. I look forward to additional conversations with prospective and current Member Investors. Direct referrals from Board Members Scott Cheserak, Riley Bennet, and Paul Neutgens secured Member Investor commitments referenced above, thank you. Connect with me regarding new perspective Member Investor referrals or communications with current Member Investors at [patrick@bigskyeda.org](mailto:patrick@bigskyeda.org), 869-8419.

**Organizational Marketing/BillingsWorks**

Marketing:

The Marketing department, in collaboration with local vendors hosted a successful Annual Meeting and *Edge of the Plains* documentary street party and screening on October 7, 2021. They released the 2021 BSED Annual Report and Community Report (in the Billings Gazette on Sunday, October 10<sup>th</sup>). During that week they were featured on the Q2 morning show and Big J Show. They are planning marketing campaigns around Small Business Saturday, BillingsWorks toolkit, National Veterans Small Business Week, in addition to assisting all programs with their marketing needs. They released a statement to the Gazette on behalf of the board, an Op-ed supporting the Billings Public Safety Mill Levy. Marcell provided a “welcome to Billings” address at the Disaster Emergency Services Fall Conference in Billings.

BillingsWorks:

BillingsWorks had individual workforce/organization conversations this month with HRDC, United Way, First Interstate Bank, and NextGEN. Steve and Marcell gave a workforce presentation to St. John’s United Residents. BillingsWorks joined the MEDA Workforce group that meets monthly. BillingsWorks has been attending and hosting meetings for the Good Jobs Challenge. BillingsWorks attended the Montana Chamber Annual Meeting in Billings. They had great conversations with Exxon Mobil, NorthWestern Energy, Reach Higher Montana, and SD2.

**Rock31 | SBDC**

Noteworthy:

- The Rock31/SBDC Team traveled to Boise, ID and Salt Lake City, UT to tour co-working spaces to learn how spaces are operated and what is working well.
  - Boise, ID
    - Office Evolution

- Trailhead Co-Working Space
- Wheelhouse- 2<sup>nd</sup>
- SBDC Business Accelerator
- Salt Lake City, UT
  - WORK Hive
  - The Square with Industrious
  - WeWork
  - Church & State

Team Activity:

- The team held showings of the Edge of the plains in September/October
  - Harlowton – 93 attended, Harlow Theater Project, September 9
  - Big Timber – 95 attended, Sweetgrass Arts Theater, September 15
  - Hardin – 22 attended, Centre Cinema, September 23
  - Red Lodge - 155 attended, Roman Theater, September 30
  - Billings –310 attended, Babcock Theater, October 7

The local chambers of commerce helped to promote the Edge of the Plains documentary and market SBDC services. The entrepreneurs and the producers came to the showings for a Q&A session in their local towns. We were pleased with the numbers of attendance in each session. All of the businesses that were highlighted in the documentary came to the Gala event held in Billing before the showing for the Q&A.

- Team members met with the Lead Center Director and DOC Bureau Director to discuss the future promotion of Edge of the Plains October 7<sup>th</sup>.
- The Team helped and attended the BSED Annual meeting on October 7<sup>th</sup>.
- Team members met with the Big Sky Trust Fund monitoring team to tour and monitor two grant recipients in Billings October 12<sup>th</sup>.
  - Belle Chemical
  - Wyo Ben
- Team members attended Montana Dept of Commerce Manufacturing & Trade Day on October 25 & 26<sup>th</sup>.
- Team members meet with the Founder on Wed's in the Yellowstone Room.
- The monthly training courses in the Entrepreneurial Academy series:
  - Start-up Roadmap, monthly recurring training for all start-ups, Oct 21<sup>st</sup>.
  - Business Model Canvas workshop to help businesses identify their customers, relationships, value proposition, channels, key activities, key resources, key partners, cost structure and revenue streams, Oct 28<sup>th</sup>

**Recruitment/Outreach/Economic Development Policy**

Recruitment:

Coke has chosen Dick Anderson Construction and A&E Architects for their contractors and had their construction kick-off meeting on the 27<sup>th</sup>. RVU continues to be on schedule. We are meeting the CEO of lab company on Friday, have answered one applicable RFI for manufacturing space, and are in the process of responding to a lead that came from the State's Taiwan office.

Outreach:

All three of the Big Sky Trust Fund Planning grants from the last cycle were approved, two at a reduced amount because the fund was running low this quarter (it is funded off interest earning from the coal trust). Austin has been continuing to complete approximately 5 outreach calls a week, we plan to provide a summary of trends in December. Quarterly reports are due for BSTF Planning grants, we have 7 active planning grants.

Policy:

The past month, we have been working hard to meet with all area legislators and partner organizations to explore area in which we can collaborate in the upcoming session. We have an ad-hoc committee meeting coming up mid-November to explore next steps. We provided testimony at the ARPA committee regarding the additional state dollars to help Billings address public safety and provided public comment on the issue of recreational marijuana as it relates to economic development.

**Big Sky Finance**

Big Sky Finance – October 2021 update.

The following loan activity, all pertaining to the SBA 504 Loan program, has occurred in July and August:

SBA 504 Loan approvals:	1 loan for \$1,071,000 (Approved through SBA)
SBA 504 Loan funding:	1 loan for \$770,000
LC 504 loan presentations:	4 loans for \$2,069,000 (Presented to and approved by Loan Committee)

October brought again change to the Big Sky Finance team, yet in a very positive way. We are excited to introduce and welcome Nina Philpott to our team. Nina is a Loan Officer and will be primarily handling our SBA 504 loan closing activities. Nina comes to us from Western Security Bank where she was involved in their SBA processing. This experience and knowledge with the SBA and commercial lending operations has provided her the ability to hit the road running! She has already been working diligently on a number of 504 closings. Welcome Nina!

Nina and Jo Ann traveled to Kalispell to close on a loan for a small business, Wrap Hive, that had purchased a new building to expand their operations. The amount of the debenture will be \$501,000 and this loan will fund in December. Thank you to Jo Ann for the work on bringing this project in and assisting with its completion. While in the area they were able to meet with several lenders and check on other projects we have going in the Flathead Valley.

As noted above, we had several loans presented to Loan Committee and approved for SBA submission. We continue to work on getting these loans approved. We have also received new applications which are currently in the underwriting phase and other prospects we are working on to complete applications and bring in house.

Lastly, the fee waiver and other stimulus previously being offered by the SBA came to an end as of September 30<sup>th</sup>. The SBA and Federal government is open for business, but currently operating under a temporary continuing resolution. Currently there is no change in our processing of SBA 504 loans. This extension is set to expire on December 3, 2021.

Interest rates on SBA 504 loans continue to remain low and competitive, providing a great opportunity for long-term, fixed rate financing. We are in a new fiscal year beginning October 1, 2021. Each year the

SBA sets its fee structure. Pleased to announce that for those loans approved in this fiscal year will benefit from a reduced fee compared to the prior year! The effective rates for loans funded in October were:

- 25-year debenture = 3.16%.
- 20-year debenture = 2.02%
- 10-year debenture = 2.69%.

### ***Organizational/Policy Matters***

1. EDA Board Member Selection and Nominating Committee Recommendations -We have two openings for the EDA Board, and the application process is now open. Applications are due November 11, 2021. We will have two meetings of the Nominating Committee—November 12<sup>th</sup> and 19<sup>th</sup>—to consider and interview applicants. The Committee will also draft recommendations concerning the proposed EDA/EDC Board officers for 2022.
2. Annual Meeting – Last thing to say re our Annual Meeting—great job team.
3. Regulation of Recreational Marijuana – The City is considering how best to regulate the processing and dispensary of marijuana products within the city limits. That is a very big issue and it could have a cooling affect on other development opportunities, over and above the safety and public health concerns. Allison testified by BSED at the October 25<sup>th</sup> City Council meeting to express our list of concerns and questions around City regulations. See attached briefing paper on this topic. Allison and I will discuss it with the Board at our November meeting.
4. Leadership Team Model Development and Staffing Decisions – Nothing new to report.
5. Big Sky to Sky Point Project – Big Sky to Sky Point Project – We can see a light at the end of the tunnel! The abatement phase of the project will be wrapping up soon and we are eager to move forward. The space is beginning to take shape as framing has gone up in most of the building. It's fun to walk through each floor and imagine how it will look completed. Our main focus this month is on selecting companies to provide the security, access control, audio/visual, and tele/data packages. We are also putting together our Furniture RFP and are aiming to present that to the Board for consideration on November 9th. We check in often with our contractors about the construction schedule. We might face a few challenges with supply chain issues, but they feel confident we'll still be able to move in around June. As a reminder, we are giving tours weekly so if someone you know would like to see inside, please reach out!

**Respectfully submitted,  
November 3 and 9, 2021**



**Steve Arveschoug  
Executive Director**



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# ATTACHMENT D

## **Recreational Marijuana**

In order to support a well-thought-out implementation of recreational marijuana in Yellowstone County, we have put together the below three talking points. Additionally, we have included the letter that the Substance Abuse Coalition provided to council. This letter provides a lot of good information to consider as we work through this challenge. We believe the below are the critical considerations from an economic development perspective on implementation of recreational marijuana.

1. In talking with economic development peers in Colorado we know that there are a few factors in zoning for this industry.
  - a. There will be concerns and frustration from existing businesses
    - i. Dispensaries – safety
    - ii. Growing/drying plants – odor intrusion
  - b. Location disparity
    - i. In part so Colorado dispensaries local in lower income areas, these areas often do not have as loud of political voice, this community chose to legalize recreational marijuana so no one socioeconomic area should alone bear the burden of the industries footprint
2. Managing potency will be critical to limiting workforce impacts and maintaining a healthy community
  - a. The bill does not limit potency on edibles, this leaves the door open for users to be consuming far more than intended.
    - i. Inability to show up to work
    - ii. Addiction
    - iii. Economic disengagements due to apathy
3. City capacity concerns
  - a. Already hear from the business industry that the permitting process can be lengthy, concerned about the impacts of onerous enforcement and permitting that will be required for marijuana businesses, we do not want to slow the progress of all business in our community, the city needs to invest appropriately in the staff this will require. TO do so permitting fees need to be reviewed carefully.



October 25, 2021

To Billings City Council,

Substance Abuse Connect is dedicated to preventing addiction, fostering a healthy climate for recovery, and ensuring behavioral health treatment is available to those in need. Because of our work to substantially reduce addiction and addiction related crime, Substance Abuse Connect believes it is important to responsibly prepare for the impacts of recreational marijuana on addiction and addiction-related problems. To that end, the signing members of this letter commend Council and city staff for your work to date on this issue. We also urge you to strongly consider incorporating the following in local regulation:

**1) Ensure the cost of licensing and license renewals will adequately provide for the cost of additional code enforcement and Drug Recognition Experts.**

- Code Enforcement for marijuana businesses will require extensive specialized knowledge and training, and dedicated FTE.
- Driving Under the Influence of marijuana is anticipated to increase. Between 2014 and 2020 Colorado experienced a 120% increase in DUI summonses in which marijuana-alone or marijuana-in-combination was recorded. Testing that works for other substances in a DUI situation does not exist for marijuana. This is due to the fact that marijuana can remain in the system long after an individual is no longer impaired. The only way to substantiate impaired driving due to marijuana consumption is through the use of Drug Recognition Experts.
- There is no other funding source for the additional Code Enforcement and Drug Recognition Experts that will be necessary. Therefore Council should consider pricing licensing fees and renewals at a rate sufficient to cover these expenses.

**2) Regulate THC potency, not just weight, in all products sold in dispensaries. We recommend a 35% potency cap, to match the potency cap set by the state for flower.**

- Potency matters the most when it comes to harmful side effects of marijuana use.

- Prior to the 1990s the percent of THC occurring in cannabis was about 2%. In the 1990s it grew to 4%, and between 1995 and 2015 there was a 212% increase in THC content in the marijuana flower.
  - The flower or leaves that are generally smoked or vaped are only one formulation. We now have concentrated THC products such as oil, shatter, dab, and edibles that have been able to get the THC concentration upwards of 95%. There is absolutely no research that indicates this level of THC is beneficial for any medical condition. The purpose of these products is to produce a high, and the increased potency makes them potentially more dangerous and more likely to result in addiction<sup>i</sup>.
- The risks of physical dependence and addiction increase with exposure to high concentrations of THC, and higher doses of THC are more likely to produce anxiety, agitation, paranoia, and psychosis.<sup>ii</sup>
- The consumption of high potency marijuana is associated with an increase in violent behavior over the course of an individual's lifespan, a high risk of psychosis for frequent users, an increase of cardiovascular diseases, and deterioration in health for individuals who have pre-existing mental health issues such as Post Traumatic Stress Disorder, social anxiety, and depressions. High potency marijuana is a predictable and preventable cause of tragic violent consequences.<sup>iii</sup>

**3) Limit the number of dispensaries within the city limits to no more than three.**

- As the city ramps up code enforcement for these businesses, this number will keep the city from being overwhelmed.
- More research is needed on impacts of marijuana outlet density; however studies to date suggest caution. According to research in The American Journal On Addictions, higher density of both licensed and unlicensed cannabis outlets near young adults' homes was associated with greater likelihood of use, heavier use, stronger intentions to use, and more problematic use during a period after the opening of recreational cannabis outlets<sup>iv</sup>.
- It is much easier to increase the number of dispensaries over time than to decrease.

**4) Ensure that zoning includes setbacks from any behavioral health treatment facility, organization, club, or community facility whose primary clientele include those suffering from mental illness, or in recovery from addiction.**

- Exposure to marijuana businesses and smells could be triggering for individuals in recovery from addiction. Zoning setbacks provide a common sense way to prevent relapse for individuals in recovery.
- Patients with a serious mental illness often use cannabis at higher rates than the general population and are also often diagnosed with cannabis use disorder. Clinical studies reveal a strong association between the psychoactive effects of cannabis and the symptoms of serious mental illnesses<sup>9</sup>. Setbacks from locations whose primary clientele include those suffering from mental illness could be protective for those suffering from a mental illness.

**5) Add regulation regarding odor mitigation (that can be adapted over time with innovation).**

- Odors associated with the marijuana industry have sparked litigation against cannabis companies, fueled neighborhood tension and decreased quality of life in some locations,
- Odor mitigation is possible, with methods similar to those used for other businesses where exhaust odors impact quality of life.
- These protections make sense for businesses and real estate that may be adversely affected by odors if there are regulations in place.

As leaders whose businesses are impacted by and/or devoted to addiction and the consequences of addiction, we believe that incorporating these common-sense regulations offers pragmatic protection from potential harms. The recommendations are based on research cited in the attached End Notes, and extensive conversations with national expert Ben Cort who provided insight into the impacts and challenges in Colorado and other state that are ahead of us in their journey with recreational marijuana. Thank you for your consideration.

Sincerely,



Kristin Lundgren, Executive Director Substance Abuse Connect

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## END NOTES

<sup>i</sup> Stuyt E. (2018). The Problem with the Current High Potency THC Marijuana from the Perspective of an Addiction Psychiatrist. *Missouri medicine*, 115(6), 482–486.

<sup>ii</sup> NIDA. 2020, June 25. Marijuana Concentrates DrugFacts. Retrieved from <https://www.drugabuse.gov/publications/drugfacts/marijuana-concentrates> on 2021, October 24

<sup>iii</sup> Miller, N. S., Ipeku, R., & Oberbarnscheidt, T. (2020). A Review of Cases of Marijuana and Violence. *International journal of environmental research and public health*, 17(5), 1578. <https://doi.org/10.3390/ijerph17051578>

<sup>iv</sup> Pedersen, E.R., Firth, C.L., Rodriguez, A., Shih, R.A., Seelam, R., Kraus, L., Dunbar, M.S., Tucker, J.S., Kilmer, B. and D'Amico, E.J. (2021), Examining Associations Between Licensed and Unlicensed Outlet Density and Cannabis Outcomes From Preopening to Postopening of Recreational Cannabis Outlets. *Am J Addict*, 30: 122-130. <https://doi.org/10.1111/ajad.13132>

<sup>v</sup> Jenkins BW and Khokhar JY (2021) Cannabis Use and Mental Illness: Understanding Circuit Dysfunction Through Preclinical Models. *Front. Psychiatry* 12:597725. doi: 10.3389/fpsyt.2021.597725



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# ATTACHMENT E



## Memo

To: Steve Arveschoug, Executive Director and Big Sky Economic Development BOD

From: Dianne Lehm, Community Development Director

Date: November 3, 2021

Re: Request for Board Approval to Submit a Grant Application to the U.S. EPA

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The Community Development Team at Big Sky Economic Development is proposing to submit a grant application to the U.S. EPA requesting additional funding to complete Phase I and Phase II Brownfields Assessments focusing in the East Billings Urban Renewal District and Downtown Billings to spur new development opportunities.

Each applicant may request up to \$500,000 to assess sites contaminated by hazardous substances, pollutants, contaminants (including hazardous substances co-mingled with petroleum), and/or petroleum. The performance period for these grants is three years. Applications must be submitted by December 1, 2021. Big Sky Economic Development intends to apply for up to \$500,000 in funding to continue to assist with the redevelopment, reuse, and expansion of properties in our community.

If awarded BSED would provide 20% in match, either cash or in-kind. Staff time is billed toward the Brownfield program that accounts for the matching funds requirement. BSED may draw up to 5% for administrative costs.

To date Big Sky Economic Development has received three U. S. EPA Brownfield Assessment Grants totaling \$1.1 MM. Big Sky Economic Development in partnership with property owners have completed over 46 Phase I and 31 Phase II assessments, on over 40 different parcels.

Brownfields are existing properties where redevelopment is complicated by real or perceived continuation which impedes the expansion, redevelopment or reuse of the property. Assessment Grants provide funding for a grant recipient to inventory, characterize, assess, conduct a range of planning activities, develop site-specific cleanup plans, and conduct community involvement related to brownfield sites.