

# Montana Economic Development Tools: Bringing Biofuel/Biomass Development to Montana

Tracy D. McIntyre  
Executive Director: Eureka Rural Development Partners  
Eureka, Montana



# Creating the Tools in Montana

A sampling of Economic Development tools in Montana

## Key Areas of focus

- Workforce Training
- Research & Commercialization
- Job Creation and Retention

## Primary Sector Workforce Training

- Existing and new Montana business
- 50% of sales out of state – Primary Sector
- Up to \$5,000 in training funds for each new job created
- \$1 to \$3 match (company to state)
- Funds not paid to company until jobs created and training given



## Primary Sector Training cont.

- 41 companies
- \$242.5 million private investment in projects.
- 9,563 jobs created
- \$381 million in new wages each year
- \$135.8 million in new construction
- \$14.1 million awarded since 2005
- \$15.1 million new state income tax per year

## Board of Research & Commercialization

- Funding for research and commercialization
- Statutory appropriation of \$1.265 million/yr.
- 6 member Board reviews applications
- 185 projects since 2001 for \$38 million
- \$301 million follow-on funding
- 47 projects commercialized
- 135 patents issued



Native Seedster

# Planning and Feasibility

## Big Sky Economic Development Trust Fund

- 25% of annual Trust earnings available
- business district development and re-development, industrial development, community profiles, feasibility studies
- Certified Regional Development Corps. eligible applicant
- $\approx$  \$650,000 /yr.

## CDBG – Community Development Block Grant

- Planning for economic development projects
- Local Government is eligible applicants
- \$125,000/yr.



# Wood Products Revolving Loan

- Assist wood products & timber related businesses to create and/or retain jobs providing long-term economic benefit
- Loan program
- Maximum funding is \$20,000 per created/retained job or \$2 M per request
- Use of Funds
  - Working Capital
  - Infrastructure (including land purchase or lease)
  - Equipment

# Job Creation and Retention Programs

Big Sky Economic Development Trust Fund (planning and construction)

Community Development Block Grant (planning and construction)

Micro-business Finance Program

Indian Country Economic Development Program

MT Board of Investments Programs

These programs work as leverage for other State funds, private funding and Federal programs like the USDA Rural Development



- Business Resources Division's Montana Finance Information Center: <http://www.mtfinanceonline.com/brdbbusinessfinance.mcpix>
- Wood Products Revolving Loan: <http://wpplf.mt.gov/default.mcpix>
- Board of Research and Commercialization: <http://businessresources.mt.gov/MBRCT/default.mcpix>
- Big Sky Trust Fund: <http://bstf.mt.gov/default.mcpix>
- Community Development Block Grants :<http://cdbged.mt.gov/default.mcpix>
- Micro-business Finance: <http://businessresources.mt.gov/MBFP/default.mcpix>
- Board of Investments: <http://www.investmentmt.com/default.mcpix>
- Energy Publications: <http://commerce.mt.gov/Energy/publications.mcpix>

## TECHNICAL ASSISTANCE SURVEY

### FINANCE

- Big Sky Economic Development Trust Fund
- Community Development Block Grant Economic Development
- Indian Country Economic Development
- MicroBusiness Finance Program
- Montana Board of Research & Commercialization Technology
- Montana Finance Information Center
- Montana Indian Equity Fund
- Montana SBIR/STTR Matching Funds Program
- Montana State Small Business

### Business Resources Division

## BUSINESS RESOURCES DIVISION

GROWING BUSINESSES UNDER THE BIG SKY

ANDY POOLE, DIVISION ADMINISTRATOR

Our Montana economy depends on local entrepreneurs taking risks to create job opportunities for themselves and other Montanans. At the same time, private enterprise sometimes needs a boost that can only be provided by the public sector. This is where the Business Resources Division comes in.

We offer key finance, technical, and information assistance for private business, local and regional development corporations, and local communities aimed at improving, enhancing and diversifying Montana's economy.

### FINANCE

[Loan and grant programs](#) are available to businesses across the state; some may be available and useful to your business.



## Business Resources Division Project Information

Select any combination of search criteria and then select Search.

**PROGRAM:** Primary Sector Workforce Training Grant

**AWARD YEAR:** From: -- Any --

To: -- Any --

**PROJECT APPLICANT:** -- Any --

**PROJECT NAME:** -- Any --

**COUNTY:** -- Any --

**CITY:** Billings

**RESERVATION:** -- Any --

**PROJECT STATUS:** -- Any --

**Search**

**Reset Search**

<div> Show 10 entries Print Search: </div> <div> First Previous 1 Next Last </div>										
AWARD YEAR	PROGRAM	PROJECT APPLICANT	PROJECT NAME	LOCATION	AWARD AMOUNT	LEVERAGE	PROJECT DESCRIPTION	JOBS CREATED	JOBS RETAINED	PROJECT STATUS
2012	Primary Sector Workforce Training Grant	Northwest Scientific, Inc.	Northwest Scientific, Inc.	Billings-YELLOWSTONE	\$70,000	\$2,238,232	Grant to train 14 net new, full-time jobs.	14	0	Committed
2011	Primary Sector Workforce Training Grant	ConocoPhillips Company	ConocoPhillips Company	Billings-YELLOWSTONE	\$415,933	\$1,886,272	Grant to train 313 new and existing employees.	15	298	Completed
2008	Primary Sector Workforce Training Grant	Cabela's Inc.	Cabela's Inc.	Billings-YELLOWSTONE	\$40,000	\$16,970,388	Grant to train 11 new employees	11	0	Completed
2008	Primary Sector	Billings Clinic	Billings Clinic	Billings-YELLOWSTONE	\$310,000	\$56,630,558	Grant to train 62 new employees	62	0	Completed

# DNRC and DEQ Energy related programs

## Montana DNRC: Biomass Feasibility Program

- <http://dnrc.mt.gov/Forestry/Assistance/Biomasss/FinAssist/FinAsst.asp>

## Montana DEQ- Alternative Energy Revolving Loan Program and Ethanol/Biodiesel Incentives

- [www.deq.mt.gov/energy/renewable/alternenergyloan.mcp](http://www.deq.mt.gov/energy/renewable/alternenergyloan.mcp)
- [www.deq.mt.gov/Energy/Renewable/TaxIncentRenew.mcp](http://www.deq.mt.gov/Energy/Renewable/TaxIncentRenew.mcp)

# Montana Energy Promotion and Development Office

- The Montana Department of Commerce Energy Promotion and Development Division (EPDD) was created in 2007 to facilitate the development of Montana's vast energy resources in order to stimulate job creation and economic development. The division has worked on nearly 300 projects since its creation.
- In the 2009 biennium EPDD was funded with \$510,000 in ARRA funding. During that period the EPDD worked with government agencies (state, federal and local), businesses, economic development organizations, communities, regional energy planning organizations (such as the BPA, WAPA, the Western Interstate Energy Board (WEIB) and the Western Electricity Coordinating Council (WECC) and other energy coalitions to promote and develop Montana energy projects or regional projects that will benefit the state.



# What does it mean to you?

- Swimming through the alphabet soup?
- Trying to determine the best avenue for alternative/gap financing?
- Needing assistance to put together the team?

Answer: Economic Developers





# Montana Economic Developers

- Not experts in the industry
- Creating a life style for the communities we serve
- Building communities that are sustainable, diversified, and for the future generations
- Working with Businesses and Entrepreneurs to make tomorrow better

Its all about us making it better for...  
our youth of tomorrow



# Montana Economic Developers Association: Creating the Team=Making the Connection



MEDA Members networking at the MT Ambassador Conference (L to R) Montana Chief Business Officer John Rogers, Big Sky Economic Development Jeremy Vannatta, Montana Representative Ankney, Governor Bullock, Eureka Rural Development Partners, Tracy McIntyre, Governors Office of Economic Development Liz Ching, and Richland County Economic Development Leslie Messer.

# What do we do?



- Catalyst for projects (idea to completion)
  - We put together the pieces
- Goal is to build jobs, businesses, and improve overall economy of areas we serve and our State
- Bridge between the Federal and State Programs and Businesses
- Ties together all aspects of a project
  - (funding, training, location, political, etc)
- Solution based: Problem solvers
- Work together to get the job done!



# Why Montana?

- Governor's Mainstreet Project: Montana's business plan
  - Creating a business plan for Montana by Montana
- Strong Entrepreneurial Spirit
  - Over 20% of Montana households have at least one family member who owns a business
  - 4<sup>th</sup> highest in business ownership in the Nation
- Educated and Dedicated Workforce
- Quality of Life based on the foundations of culture and heritage
- Strong "Locational Factors" for biomass/biofuel industries
  - Workforce, raw materials, transportation methods, technology centers, etc.



# Eureka!

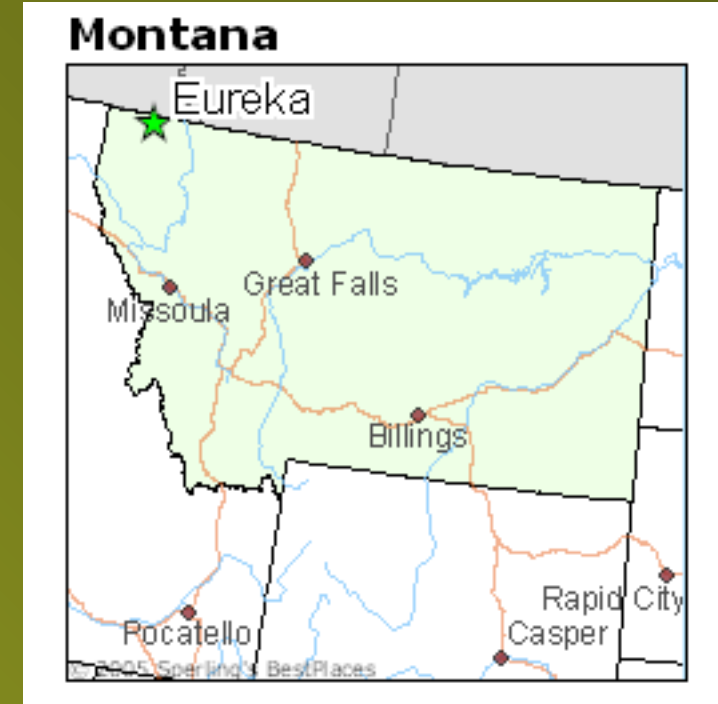
## You have Found it



FOCUSING ON ONE AREA

# Advantages of Eureka, Montana

- Proximity to Canada
- Access to raw wood products (private and public)
- Active workforce (trained)
- Understanding of a balanced use of natural resources (sustainable forest, sustainable community)
- Quality of Life
  - Recreational opportunities
  - Community amenities
  - Strong sense of community
  - Good schools
  - Access to continuing education
- Strong Transportation (Highway, Rail and Air)
- Affordable Utilities
  - Fiber and Broadband access (dual redundancy lines)
  - Cooperative Electricity
- Industrial District





# Wood Development Center

## BUSINESS INCUBATOR

- 6,000 sq. foot (estimated)
- Business creation and development focused on value added wood industry
- 4 bays with connected offices
- Onsite business technical assistance
- Business Library and resources
- Shared office space and equipment

## INDUSTRIAL DISTRICT

- 22 acre business park
- Redundancy fiber/high speed broadband to site
- 3-phase power
- Affordable lease and sale options
- Options to build to suit
- Alternative Financing options



# Bringing it Together



- Economic Development professionals across Montana are available to bring all of this together...
- The alphabet soup makes sense to us...
  - Building the relationships and funds/programs from Federal, State, and Local sources (private and public)
  - Pairing the business to the best source
- We understand how to get the project from an idea to a reality and are here to help
- Western Montana EDO's (Economic Development Organizations) are ready to go to Work!
  - Lets bring biofuel and biomass to Montana



# Thank you

Questions

