



Governor's  
Office of  
Economic  
Development

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Economic Affairs  
Interim Committee

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October 5, 2011

Governor  
Schweitzer's

Economic  
Development  
"Vision"  
for  
Montana





# Gov. Schweitzer

Economic Development Focus

- Diversify the economy

## • More Jobs

- Better quality jobs – wages & benefits
- Jobs geographically dispersed

## Governor Schweitzer's Economic Development Vision

Strengthen & diversify  
state's economy

- Resource Sector
- Energy Sector
- Manufacturing Sector
- Technology Sector
- Research & Development
- High-end Service Sector
- Tourism Sector

## Why Montana has been Strong Economically

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- Strong resource, commodity & energy economy
- Growth in technology & knowledge economy
- Growth in tourism
- Attractiveness as a place to live and do business

## Governor's Office of Economic Development Focus

(Section 2-15-218)

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- Workforce Development
- Technology Development
- Marketing and Recruitment (retention and marketing)
- Infrastructure Improvement
- Permitting and Regulatory Processes

# Governor's Office of Economic Development

## Focus

(Section 2-15-218)

- Strengthen the foundations of the state's business environment and diversify and expand existing economic endeavors to achieve long-term economic stability;
- Cooperate with business enterprises, local governments, other public organizations, and the federal government and use all practical means and measures, including financial and technical assistance, to:
  - establish an economic climate in which the state's natural resources and agricultural operations remain constant contributors to the state's economic welfare;
  - articulate a coherent economic development vision for the future; and
  - take a proactive role to ensure that Montana has the flexibility and resources to be an effective competitor in the changing global marketplace.

# Governor's Office of Economic Development

## Focus

(Section 2-15-219)

Empowers the Chief Business Development Officer to:

- (1) advise the governor on policy issues related to economic development;
- (2) lead the state's business recruitment, retention, and expansion efforts;
- (3) coordinate the development and distribution of a statewide coordinated strategic economic development plan;
- (4) coordinate the individual functions and programs within the office; and
- (5) serve as the state's primary liaison between federal, state, and local agencies, Montana tribal governments, private, nonprofit economic development organizations, and the private sector.

## MAJOR PROJECT STATUS

### Mt State Small Business Credit Initiative (MT SSBCI)

- Recent U.S Department of Treasury grant to Montana of approximately \$13 million
- Help eligible Montana companies get low-cost financing during recession
- Businesses with positive net worth and fewer than 750 employees eligible
- **Eligible uses - Real estate, machinery and equipment, working capital, agriculture, non-speculative ventures**

## Mt State Small Business Credit Initiative (MT SSBCI)

- Loan participation program with local banks and eligible local development corporations
- Maximum SSBCI participation is \$500,000
- Minimum 1-1 participation by bank
- Interest rate 3% below posted MBOI rate plus lender service fee
- Interest rate can be reduced 5 basis points per job created up to a maximum 2.5% reduction
- **Contact:** [mtssbci.mt.gov](http://mtssbci.mt.gov) for eligible entities

## Mt State Small Business Credit Initiative (MT SSBCI)

Business

State

Local Eco Devo

Bank

# Mt State Small Business Credit Initiative (MT SSBCI)

\$13 Million State

Minimum \$13 Million Bank

10-1 Overall Leverage (Debt & Equity)

Est. 186 Jobs to be Created

Plus Construction Jobs

# Mt State Small Business Credit Initiative (MT SSBCI)

## Eligible Local Economic Development Participant Entities

### Community Development Finance Institutions (CDFIs)

Butte Local Development Corporation  
Great Falls Development Authority, Inc.  
Montana Community Development Corporation - Missoula

### Economic Development Organizations (RLEs)

Anaconda Local Development Corporation  
Bear Paw Development Corporation - Havre  
Big Sky Development Authority - Billings  
Montana Business Assistance Connection - Helena  
Montana West Economic Development Corporation - Kalispell  
Southeastern Montana Development Corporation - Colstrip