

Comprehensive Economic Development Strategy

2016 - 2020 Update



Southeastern Montana



The 2016 – 2020 Comprehensive Economic Development Strategy (CEDS) is a revision to the original 2004 report and a planning guide for Southeastern Montana.

It also enables the Southeastern Montana Development Corporation to continue as a designated Economic Development District.



Southeastern Montana
Development Corporation
6200 Main St. PO Box 1935
Colstrip, MT 59323

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OFFICE OF THE GOVERNOR
STATE OF MONTANA

Steve Bullock
GOVERNOR



Mike Cooney
LT. GOVERNOR

June 29, 2017

Angela Martinez
Regional Director
U.S. Department of Commerce
EDA Regional Office
1244 Speer Blvd., Suite 431
Denver, CO 80204

Dear Angela:

I am writing today to express my support for the continuing regional economic development efforts of the Southeastern Montana Development Corporation (SEMDC) Economic Development District (EDD).

Updating the Comprehensive Development Strategy (CEDS) for the four counties of Custer, Rosebud, Powder River and Treasure will help this region approach economic development with a guiding document that reflects a unified regional approach to creating healthy and vibrant communities. This strong, intentional approach will work well with the activities that we are undertaking at the state level.

As Chief Business Development Officer for the State of Montana, I support this economic development planning project and hope you will as well. Please feel free to contact me if I can be of further assistance regarding this proactive and positive effort.

Sincerely,

Ken Fichtler
Chief Business Development Officer
State of Montana Governor's Office of Economic Development

A handwritten signature in blue ink, appearing to read "Ken Fichtler".

CONTACT:

Ken Fichtler, Chief Business Development Officer, 406-444-5470, ken.fichtler@mt.gov

United States Senate

June 29, 2017

Angela Martinez
Regional Director
U.S. Department of Commerce
EDA Denver Regional Office
1244 Speer Blvd., Suite 431
Denver, CO 80204

Dear Angela,

It is an honor to express my support for the Southeastern Montana Development Corporation's (SEMDC) revisions to their regional economic development plan.

SEMDC is a cornerstone to the economic vitality of Southeast Montana and is responsible for numerous positive impacts on the four southeastern counties of Treasure, Custer, Powder River and Rosebud, as well as the surrounding counties. Businesses in the southeastern region of Montana are supported by the services that SEMDC provides, including business assistance, grant assistance, loan programs and planning assistance. Without these resources, many businesses would likely not exist as they do today.

Additionally, I am working closely with SEMDC to support the workers of two of Montana's major industries: timber and coal. SEMDC has been instrumental in planning an economic diversification strategy for the coal community in Colstrip, which is an important step in planning for the prosperity of the region for years to come. My office is looking forward to working with SEMDC to support Montana's forestry and energy jobs to benefit the people of Montana.

Once more, I support this organization and its economic development efforts that have benefited Montanans in the past and will continue to do so in the future. Thank you for your consideration of their proposed revisions. Please feel free to contact me if I can ever be of service.

Sincerely,



Steve Daines
United States Senator

JON TESTER
MONTANA

COMMITTEES:
APPROPRIATIONS
BANKING
INDIAN AFFAIRS
VETERANS' AFFAIRS
HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS

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SUITE 311
WASHINGTON, DC 20510
202-224-2644

INTERNET:
<http://tester.senate.gov/contact>

United States Senate

June 30, 2017

Angela Martinez, Regional Director
U.S. Department of Commerce
EDA Denver Regional Office
1244 Speer Blvd, Suite 431
Denver, Montana 80204

Dear Ms. Martinez:

I write in support of the continuing regional economic development efforts of the Southeastern Montana Development Corporation (SEMDC) in Colstrip, Montana.

Updating the Comprehensive Economic Development Strategy (CEDS) for the four counties of Custer, Rosebud, Powder River, and Treasure will help these areas grow economically. The CEDS will provide them with a guiding document that reflects a unified regional approach to creating healthy and vibrant communities. Montana is a rural state. Joining communities and counties together in the name of economic development will help ensure these communities maintain a vital status across the state of Montana.

Thank you for your attention to this application. If I can provide any additional information, do not hesitate to contact me. Please inform my office of the eventual decision on this application.

Sincerely,



Jon Tester
United States Senator

BOZEMAN
(406) 586-4450

BUTTE
(406) 723-3277

GLENDIVE
(406) 365-2391

GREAT FALLS
(406) 452-9585

HELENA
(406) 449-5401

KALISPELL
(406) 257-3360

BILLINGS
(406) 252-0550

MISSOULA
(406) 728-3003

1 INTRODUCTION

EXECUTIVE SUMMARY

“The goal of this CEDS update is to create an on-going foundation for economic planning”

The 2016 Comprehensive Economic Development Strategy (CEDS) update from Southeastern Montana Development Corporation (SEMDC) represents the commitment and effort by our staff and Board of Directors to listen, deliver and sustain a high level of attention and service to each of our members.

Southeastern Montana Development Corporation (SEMDC) was established in 1997 as a public benefit, regional non-profit economic development corporation. Today, the four Counties of **Custer, Powder River, Rosebud and Treasure** along with the communities of **Ashland, Broadus, Colstrip, Forsyth, Hysham, Miles City, and Lame Deer** and the **Northern Cheyenne Indian Reservation** in Rosebud County, have joined forces and capital to create a means to encourage, stimulate and promote economic development in this area of Montana.

The 2016 update of our CEDS is the result of a thoughtful and often challenging planning and implementation process designed to improve the economy and quality of life in Southeastern Montana. This ongoing process involves gathering input from a culturally and economically diverse group that includes individuals and organizations from the SEMDC Economic Development District (EDD). We continually analyze local conditions, identify the strengths, weaknesses, problems, opportunities, and design strategies to achieve objectives, coordinate activities to implement the strategies, and evaluate accomplishments.

By creating unique partnerships and improving relationships, SEMDC can help its citizens to address the challenges facing the economic future of our region in a more comprehensive and inclusive manner. During the seven “Town Meetings” held throughout the District, nearly 100 residents expressed a desire to initiate projects that will provoke sustainable, multi-faceted economic development. Subjects commonly mentioned were the desire to develop basic infrastructure, increase web presence and visibility to attract tourists and enhance communication, increase broadband capacity to meet local needs, encourage responsible energy development while maximizing opportunities to support the industry, and to foster diverse and homegrown businesses. Public input from this on-going process helped SEMDC focus on the following six main factors:

Economy, Natural Resources, Infrastructure, Services, Communication, Quality of Place

Without the active involvement of local elected officials, area business people, government employees, school officials and private citizens, this update would not have been possible.

It represents the input SEMDC staff received from District residents over the past 12 – 15 months to identify specific economic development goals and objectives and to work together to develop mutually beneficial strategies to meet those needs.

In addition to these local planning meetings, SEMDC has incorporated information from two very recent economic planning efforts: the **Coal Country Coalition Planning Report** (March, 2017) as well as the **Colstrip Economic Diversification Strategy** (May, 2017). This very recent and pertinent content is integrated as appropriate throughout this document.

VISION

Southeastern Montana Development Corporation envisions a strong coalition of communities and counties with diversified industries supporting thriving commercial centers, while maintaining a traditional, rural, high quality lifestyle.

MISSION

The mission of Southeastern Montana Development Corporation is to maintain, diversify and improve economic conditions and to foster cooperation between public and private entities in Custer, Powder River, Rosebud and Treasure Counties, including the Northern Cheyenne Indian Reservation.

SERVICES

Southeastern Montana Development Corporation provides the following basic services as part of their overall economic development capacity-building and planning package to local governments and small communities across the four county area.

1. Business Services – the staff provides free and confidential business counseling to both start-up and existing businesses. SEMDC also partners with Miles Community College to provide technical assistance to business owners through Montana’s Small Business Development Center (SBDC).
2. Financial Services – SEMDC operates a Revolving Loan Fund (RLF) that provides a gap-lending tool to help small businesses become eligible for traditional bank financing. This bridges the divide for companies that haven’t quite reached the point of a bankable loan proposal.
3. Community Services – the organization provides a variety of community development services including: grant writing, project/grant administration, local/regional planning, etc. SEMDC provides exclusive service for CEDS planning and implementation as well as access to EDA programs and other funding opportunities.
4. Advocacy Services – SEMDC interacts with state legislators and the Montana Congressional Delegates, providing key linkage to local issues and information as well as testimony at hearings and governmental proceedings.



What is CEDS?

The Economic Development Administration (EDA), a division of the U.S Department of Commerce states:

A Comprehensive Economic Development Strategy (CEDS) is the result of a local planning process designed to guide the economic growth of an area. For the purpose of these guidelines, the terms “area”, “region” and “community” are often used interchangeably to refer to an appropriate political, economic, geographic, or environmental entity for addressing economic development. A CEDS process will help create jobs, foster more stable and diversified economies, and improve living conditions. It provides a mechanism for coordinating the efforts of individuals, organizations, local governments, and private industry concerned with economic development. A CEDS is required to qualify for Economic Development Administration (EDA) assistance under its public works, economic adjustment, and most planning programs, and is a prerequisite for designation by EDA as an economic development district (EDD).

This Comprehensive Economic Development Strategy (CEDS) is the result of efforts made by SEMDC staff, the CEDS Strategy Committee, participating communities, and local support.



Planning can help communities find the right balance of essential needs, new developments, changing demographics, future goals, challenging obstacles, and innovative change.

2 ORGANIZATION PROFILE

ORGANIZATION OVERVIEW

“Who are we?”

Southeastern Montana Development Corporation (SEMDC) serves as the lead regional nonprofit economic development organization for a four county area in southeastern Montana. The organization has had a successful economic development record since 1997. The primary counties within the SEMDC area are Treasure, Powder River, Custer and Rosebud. Through a Memorandum of Understanding for management of the Eastern Plains RC&D and EDC Revolving Loan Fund, SEMDC also has responsibilities for Carter, Prairie, Fallon, Dawson, and Wibaux counties. Outside of banks, SEMDC is one of the only economic development lenders in the nine county region. SEMDC is also an established Certified Regional Development Corporation with the State of Montana and is recognized by the Economic Development Administration (EDA) as a funded EDA District.

Since April of 2005, SEMDC has employed a part-time loan officer in collaboration with the Miles City Area Economic Development Council. In 2007, SEMDC expanded services to offer a Grant Writing and Administration position which has been expanded to full time due to overwhelming demand from area entities and individuals, both public and private.

SEMDC partners with the area Small Business Development Center (SBDC), hosted by Miles Community College, to offer free and confidential services to area businesses including business training programs. The SEMDC Executive Director is designated as a Technical Assistance Provider for the Montana Cooperative Development Center for our region as well. This designation has served to establish at least one new cooperative business in the area as well as provide assistance to several others in the process of formation.

Area banks, city/county governments and the private sector recognize SEMDC for its' technical assistance in business development and its' willingness to partner to meet business financing needs.



ORGANIZATION OVERVIEW

Organizational Leadership

Membership Structure

Southeastern Montana Development Corporation (SEMDC) is an organization of cities, towns, and counties brought together for this purpose of forming and maintaining an Economic Development District (EDD). This organization has also been recently approved as a Certified Regional Development Corporation (CRDC) by the State of Montana.

The participating governments and communities are:

Custer County	Town of Broadus
Powder River County	City of Colstrip
Rosebud County	City of Forsyth
Treasure County	Town of Hysham
Northern Cheyenne Reservation	City of Miles City
Community of Ashland	

These governments all support and agree to the four-county regional partnership and structure. For the past few years most governments have contributed \$1.25 per capita per year to the district formed by Southeastern Montana Development Corporation (SEMDC). Support has continued with the governments each passing a resolution in support of the formation of the district.

Non-Profit Status

Southeastern Montana Development Corporation (SEMDC) has had a non-profit tax-exempt 501 (c) 3 status from the IRS since it merged with the Treasure Foundation in 1998. Copies of the SEMDC Articles of Incorporation, By-Laws and Revolving Loan Fund Policy/Procedures, can be supplied upon request.

MANAGEMENT STRUCTURE

Management and Staff – Board of Directors

The sixteen-member SEMDC Board of Directors represents all member Counties and Cities/Towns in the four county region. They meet at least quarterly or as needed and have the final vote or authority directing the staff and projects. The Executive Board of Officers meets quarterly during off months that the full Board does not meet. The five member SEMDC Revolving Loan Committee meets as needed to review the SEMDC Revolving Loan Fund programs and any loan applicants to the SEMDC Revolving Loan Funds. One SEMDC Board Director sits on the SEMDC Revolving Loan Committee with the remaining four members selected from experienced community and business leaders.

The Board of Directors of Southeastern Montana Development Corporation (SEMDC) includes a representative from each government (four Counties and five Cities/Towns), appointed by that government entity. Two members represent two unincorporated communities (Ashland and the Northern Cheyenne Indian Reservation), appointed by the County. One member represents Treasure Development, one member represents the Miles City Area Economic Development Council (MCAEDC), one member representing Chief Dull Knife College or Miles Community College, and the Board of Directors appoints two at-large members for a total of sixteen Directors.

The Board of Directors is comprised of sixteen (16) total members broken out as follows: nine (9) local government or elected officials (56%)—including one (1) elected official representing and appointed by the Northern Cheyenne Indian Tribe; and six (6) non-government or private citizens representing the private sector and stakeholder organizations (38%); and one Member-at-Large (6%). Currently, twelve (12) men (80%) and four (4) women (25%) are serving on the Board. Minority representation is currently two (2) Directors (14%) which is consistent with District percentages. Each Director is assigned one or two areas of interest to represent the district.

MANAGEMENT STRUCTURE

Southeastern Montana Development Corporation

EDD Board Membership Roster

2017

1. Government Representatives (51-65%)

Elected officials and/or employees of a general-purpose unit of state, local or Indian tribal government who have been appointed to represent the government.

Name	Government	Position
Donna Giacometto	Powder River County	Commissioner
Sharon DeCock	Town of Hysham	Town Council Member
Doug Martens	Rosebud County	Commissioner
Marlo Moehr	Treasure County	Commissioner
Keith Holmlund	Custer County	Commissioner
John Williams	City of Colstrip	Mayor
Raymond Ragsdale	Town of Broadus	Public Works Director
Dennis Kopitzke	City of Forsyth	Mayor
Steve Small	N. Cheyenne Indian Tribe	Tribal Planner

2. Non-Government Representatives (35-49%)

A. Private Sector Representatives: Any senior management official or executive holding a key decision-making position, with respect to any for-profit enterprise. (At least one required)

Name	Company / Enterprise	Position
Amy Pontius	1 st Interstate Bank – Colstrip	President
Alan See	Tongue River Electric Coop.	General Mgr.
Rick Huber	Automatic Transmissions Systems	Owner / Mgr.
Roberta Harris	Lightning Designs	Owner / Mgr.

B. Stakeholder Organization Representatives: Executive directors of chambers of commerce, or representatives of institutions of post-secondary education, workforce development groups or labor groups. (At least one required)

Name	Organization	Position
Dr. Stacey Klippenstein	Miles Community College	President
Ruth Baker	Treasure Foundation	Board Member

3. At-Large Representatives (0-14%)

Other individuals who represent the principal economic interests of the region.
(No minimum required)

Name	Area of Interest	Background
Jack Regan	Miles City Economic Development	Board Member

MANAGEMENT STRUCTURE

Management and Staff – CEDS Committee

The CEDS Committee, formed for the purpose of revising the current Comprehensive Economic Development Strategy (CEDS), is from the full Board of Directors. Each member is assigned one or two areas of interest to represent the district. These areas of interest are:

Local Business	Labor	The Disabled	The Elderly	Agriculture
Government	Utilities	The Unemployed	Professionals	Woman
Industry	Education	The Underemployed	Public Health	
Finance	Community	Ethnic Minorities	Transportation	

Southeastern Montana Development Corporation Strategy Committee Roster

2017

1. Private Sector Representatives (At least 51%)

Any senior management official or executive holding a key decision-making position, with respect to any for-profit enterprise.

Name	Company	Position
Amy Pontius	1 st Interstate Bank-Colstrip	President
Alan See	Tongue River Electric Cooperative	General Mgr.
Rick Huber	Automatic Transmission Systems	Owner/Mgr.
Roberta Harris	Lightning Designs	Owner/Mgr.

2. Representatives of Other Economic Interests (No more than 49%)

Persons who provide additional representation of the main economic interests of the region. These may include, but are not limited to: public officials, community leaders, and representatives of workforce development boards, institutions of higher education, minority and labor groups, and private individuals.

Name	Area of Interest	Position
John Williams	Economic Development	President, Southeastern MT Development
Dr Stacey Klippenstein	Education	President, Miles Community College
Donna Giacometto	Public Official	Commissioner, Powder River County

<u>Interest Represented</u>	<u>Number</u>	<u>Percent</u>
Private Sector Representatives (at least 51%)	4	58%
Representatives of Other Economic Interests	3	42%
Total	7	100%

MANAGEMENT STRUCTURE

Management and Operations – Staff

Jim Atchison – *Executive Director*

Jim was born in Sidney, MT and raised in Glendive, MT. He graduated from Dawson College and Montana State University in Bozeman with a Bachelor of Science degree in Business – Marketing in 1980. After spending 16 years out-of-state successfully managing retail stores and companies, he returned to Montana in late 2000. Since September 2001, Jim has been the Executive Director of Southeastern Montana Development Corporation (SEMDC) based in Colstrip.

Tracy Baker – *Loan Officer*

Tracy joined the SEMDC Staff as a part-time Loan Officer in February 2017. Additionally, Tracy will serve as the part-time Executive Director for the countywide Miles City Area Economic Development Council (MCAEDC). Tracy, a native of Alaska has lived in Miles City for the past 11 years. She brings a wealth of customer service and sales experience from having been employed by First Interstate Bank and MidRivers Telephone Cooperative. She will be covering the day-to-day economic development duties and opportunities for Custer County and Miles City. She will also be marketing and operating the six revolving loan programs housed at SEMDC over a nine county region.

Julie Emmons – *Grant Administrator and Community Services Specialist*

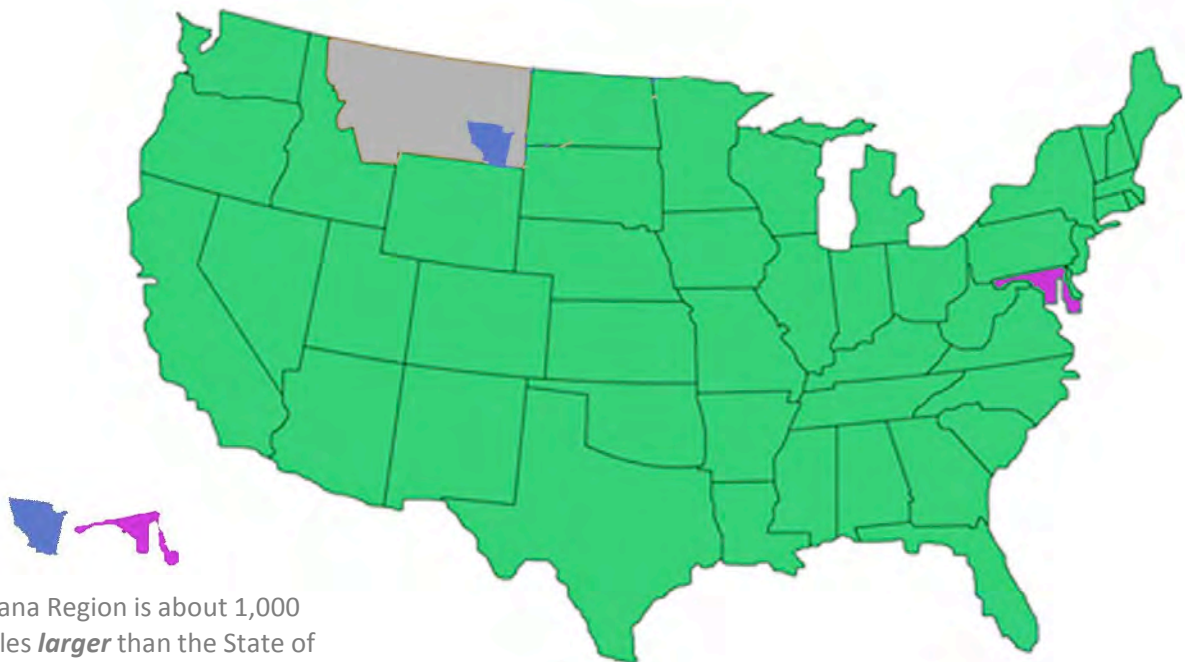
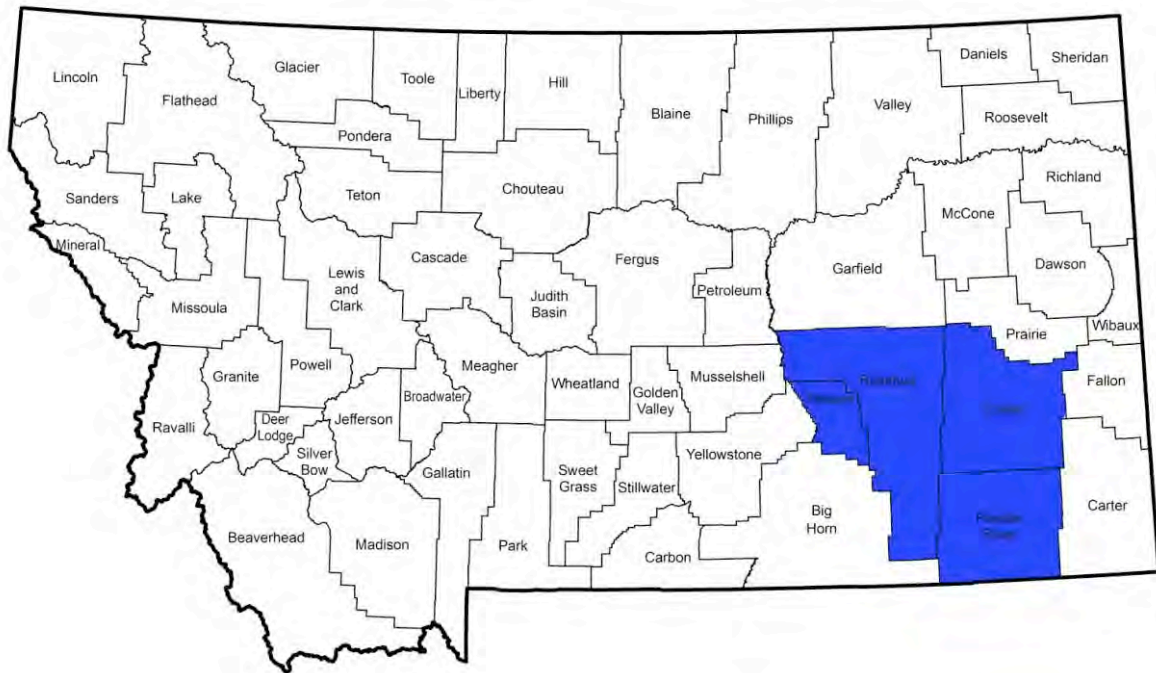
Julie attended college at MSU Bozeman and received her BS Degree from North Carolina State University in Ag Business Management. She joined SEMDC in July of 2007 after a 10-year career with USDA, Rural Development in North Carolina where she served as a Community Development Specialist outside Raleigh, NC and later as a Business Specialist in the North Carolina State Office of USDA, Rural Development. Julie also has over 10 years of experience managing her own business. She is originally a resident of Powder River County and has lived in Powder River County her entire life outside of the 13 years she was in North Carolina. Since beginning her employment, SEMDC has secured and administered approximately \$2 million annually for communities in southeastern Montana.

Pam Hill – *Part-Time Assistant*

Karen Amende – *Part-Time Grant Coordinator*

3 ANALYSIS OF THE REGION AND ITS ECONOMY

“where are we?”



SE Montana Region is about 1,000 square miles **larger** than the State of Maryland

REGIONAL SUMMARY

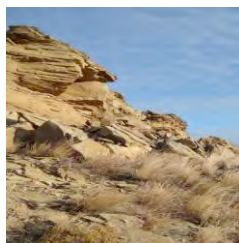
This section of the CEDS document begins with an overview of the region as a whole. We will begin with a geographical summary, then analyze and compare socioeconomic trends, and finish the section with an environmental synopsis. This document then becomes more specified as it addresses each county separately.

The four counties of Custer, Powder River, Rosebud, and Treasure form the Southeastern Montana Development Corporation district. They cover a vast area of prairies, buttes, ravines, and forests, encompassing 13,280 square miles. With a population of just under 24,000, the density is a sparse 1.8 people per square mile. Three rivers running through the district and several creeks provide the cherished water to this semi-arid climate.

The title of the district, Southeastern Montana Development Corporation, aptly describes its geographical location in the state. Its most western boundary is 75 miles east of the largest city in the state, Billings, and 300 miles east of the state capital, Helena.



REGIONAL SUMMARY



Geography

This region is home to a beautiful and vast landscape of prairies, badlands, and waterways. The southern portion of Rosebud County is also home to the Northern Cheyenne Reservation. Southeastern Montana is filled with many natural resources such as coal, methane gas, oil and timber. With just over 13,000 square miles of land and a population density of 1.8/sq. mile, land ownership and natural resource development are key features of the economy in this region. Natural disasters and severe weather such as floods, droughts, forest and rangeland fires pose threats in this area. Floodplains exist along the three major rivers in the district. The major communities in the district have built levees for protection from the flooding, though Miles City and Forsyth's structures are uncertified. It is astounding how large the cost burden of flood insurance is for small communities. Miles City's flood insurance policies make up 25% of the policies in Montana.



Population

Although Montana's population continues a slow, steady increase, this district is experiencing the opposite trend. Between 2010 and 2015 there was a .9% population decrease in this area. This consistent trend has continued since the 1970's. The population is also aging, with younger people leaving the area for better job opportunities. It is a challenge to find creative ways to increase quality of place and job opportunity/diversity to maintain the youth, as well as maximize the potential in the rising senior population by stimulating the economy through senior housing and services. Other than the Northern Cheyenne community (which is seeing an increase in their youth population), there is very little ethnic diversity in this area. It is difficult to recruit cultural diversity to an area with longer winters, little new economic opportunity, and agriculture as the primary economic driver.



Poverty, Income and Business

Over the past five years there has been a slight decrease in both the poverty level and unemployment rate across the region. This region has a level median income in comparison to the statewide average. There are disparities with income and poverty levels across the region. Generally, men have higher income than women; and communities with natural resource development (coal/oil) have much higher levels of personal income and thus better basic infrastructure and amenities than communities without.



Housing

Housing on average in this region is aging, as the construction industry is relatively inactive with few new homes being built. Low-income, senior, and temporary housing are generally lacking across the area. Recognizing the increase in the senior population in the next 25 years, this could be an opportunity to develop more senior housing and assisted living, which would bring more construction jobs and diversified job opportunities.

REGIONAL SUMMARY



Health, Education, Social Services

There is a high percentage of medically underserved communities, as well as a high population of people who are uninsured. School enrollments are down across the region creating difficult decisions for school officials. High school graduate completion rate is average compared to the state; however college and university completion is relatively low. Overall social services such as low-income energy assistance and TANF and SNAP distribution have remained fairly steady over the years 2002-2017.



Business Patterns and Regional Economy

Between the years 2010-2015, business establishments across the region increased slightly, exhibiting stability in the local economies. Agriculture and coal mining/energy production are the region's main industries. Health, education, government services, and small businesses also make up an important part of the economy. There are other industries such as hunting, camping, and tourism that bring in a significant amount of revenue to this region.



Agriculture, Natural Resources and Energy Development

Ranching and farming as well as extractive industries make up a large portion of the economy and livelihood of the residents in southeastern Montana. Western Energy Company (WECO) has operated a surface coal mine near Colstrip, MT since 1968. Located in Rosebud County, WECO's mine produces approximately 10 million tons annually. The power plant in Colstrip is the second largest coal fired plant in the western United States and is operated by Talen Energy. Together WECO and Talen Energy employ nearly 800 workers in the District. The projected closing of Units 1 and 2 over the next several years will have a large economic impact.



Infrastructure

In dealing with rural communities and small populations, the tax-base is often limited which creates a lack of financial resources. Infrastructure such as paved roads, gravel roads, water and sewer lines, cell phone towers, school facilities, internet service, and dependable electricity and plumbing services are often a need in this area. The Miles City Converter Station in eastern Montana is one of eight sites nationally that tie the National power grids together, and increases system reliability by providing a connection between the separate grids and enhances energy exchanges and system operating flexibility.



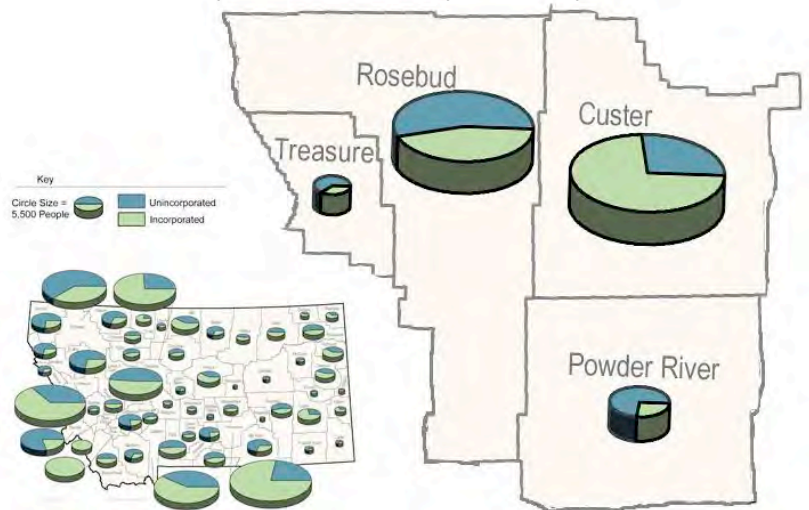
Environment

Changes in precipitation and temperature strongly influence this region's economy due to the large agriculture base. Water, weeds, and land use or re-use continue to be issues as the district sees ongoing challenges in the future, from local/state and out of state concerns. There is a significant amount of coal production in Southeastern Montana, primarily in Colstrip, Rosebud County where the 2nd largest coal mine in Montana is located. Over 6,000 acres of land previously used for mining in this area has been turned back into quality ranching land through responsible reclamation practices.

REGIONAL ANALYSIS - GEOGRAPHY

This four county region has four urbanized towns with populations over 1,000. Miles City, located in Custer County, is the largest city in the region. It is and has historically been the commercial and transportation center for the region. Each county has a town that serves as the county seat and center of government services. The remaining area is a vast and beautiful western landscape with some smaller communities, primarily based on agriculture and ranching.

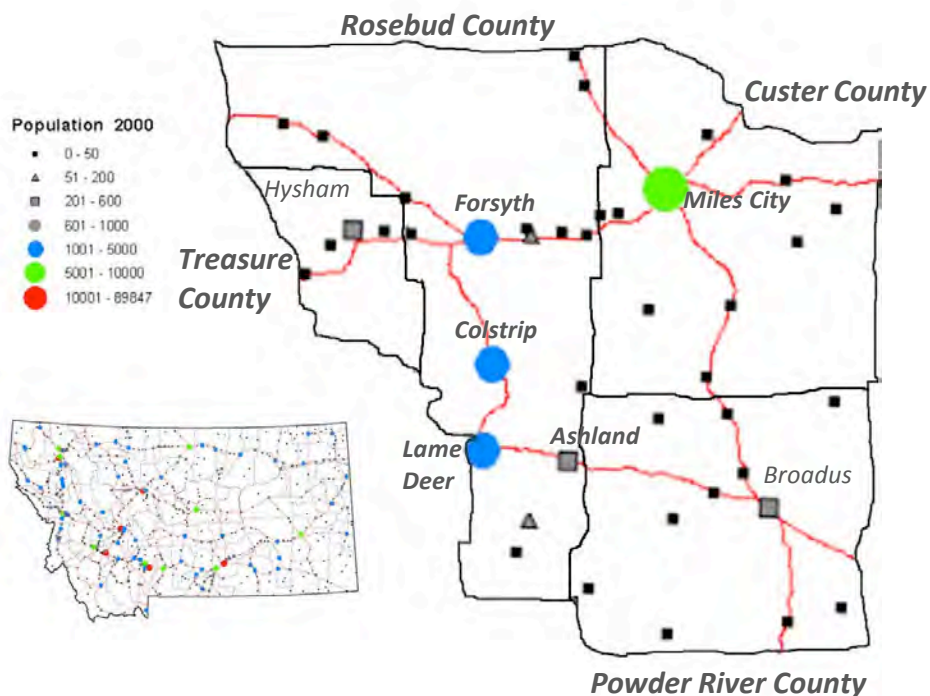
Montana Population by County – 2015
Incorporated vs. Unincorporated Populations



http://ceic.mt.gov/graphics/Data_Maps/estimates/IncVsUninc_allCo.pdf

Custer County is the only county in the region that has more residents living in incorporated vs. unincorporated areas, indicating the region's very rural nature. Each county, city, and town has a different culture and offers different resources. There are festivals and activities throughout the year including rodeos, county fairs and town festivals, horse shows, car shows, and music festivals. There are also various events outside the region, such as: events in Billings, like the Blues Fest; the Motorcycle Rally in Sturgis, South Dakota; hunting season; and fishing/ice fishing that bring a variety of people from outside of the region.

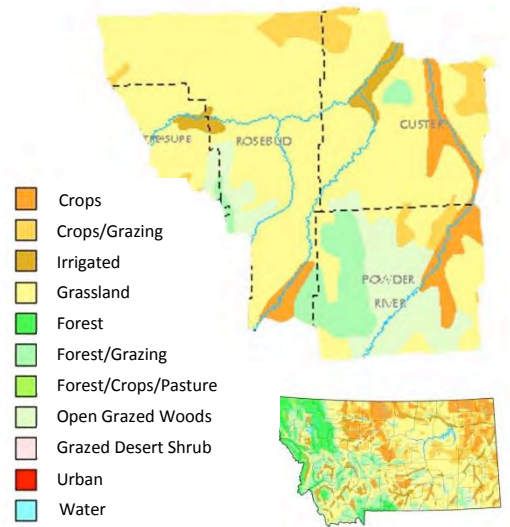
Population - SEMDC Cities and Towns



<http://nris.mt.gov/gis/gisdata/lib/downloads/ct107.gif>

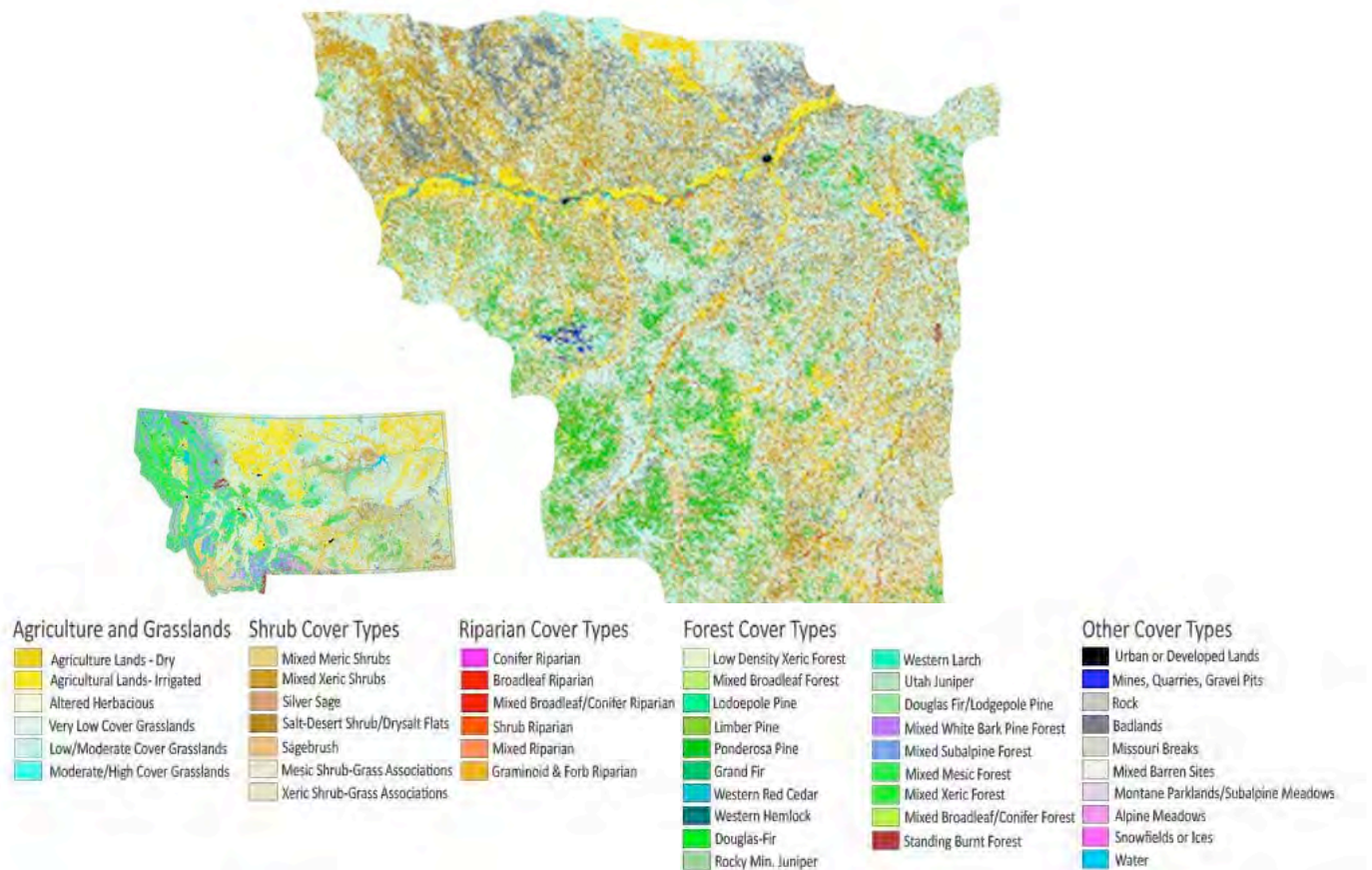
GEOGRAPHY

The land uses in this region primarily consist of agriculture crops, crops for grazing, grasslands, forest/grazing, open grazed sparse woods, and irrigated land. This vast and open landscape provides the region with natural resources and space to farm, ranch, mine, and hunt. With access to land for recreational opportunities, many people enjoy the fishing, hunting, access to rivers, and small town lifestyle that this region offers. However, being as wide open as it is, as well as having relatively harsh winters and drought problems, it can deter some people from immigrating or staying here.



<http://nris.mt.gov/gis/gisdata/lib/downloads/lu23.gif>

Montana Land Cover Type

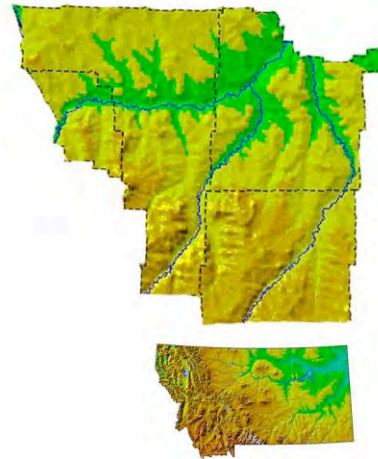


<http://nris.mt.gov/gis/gisdata/lib/downloads/gap90.gif>

GEOGRAPHY

Flood plains (map right in green) exist along the three major rivers in the district. The waters of the Yellowstone, Tongue, and Powder Rivers flood pasture and farming lands during years when there is good precipitation. Both Miles City and Broadus have a majority of their community located in a flood plain. This is expensive to residents and business owners and has been cited as an inhibitor to growth. During the dry months in the summer forest fires also pose a threat. As illustrated in the shaded relief map, this region is primarily flat and rolling land with some hillside and badlands in the southern portion.

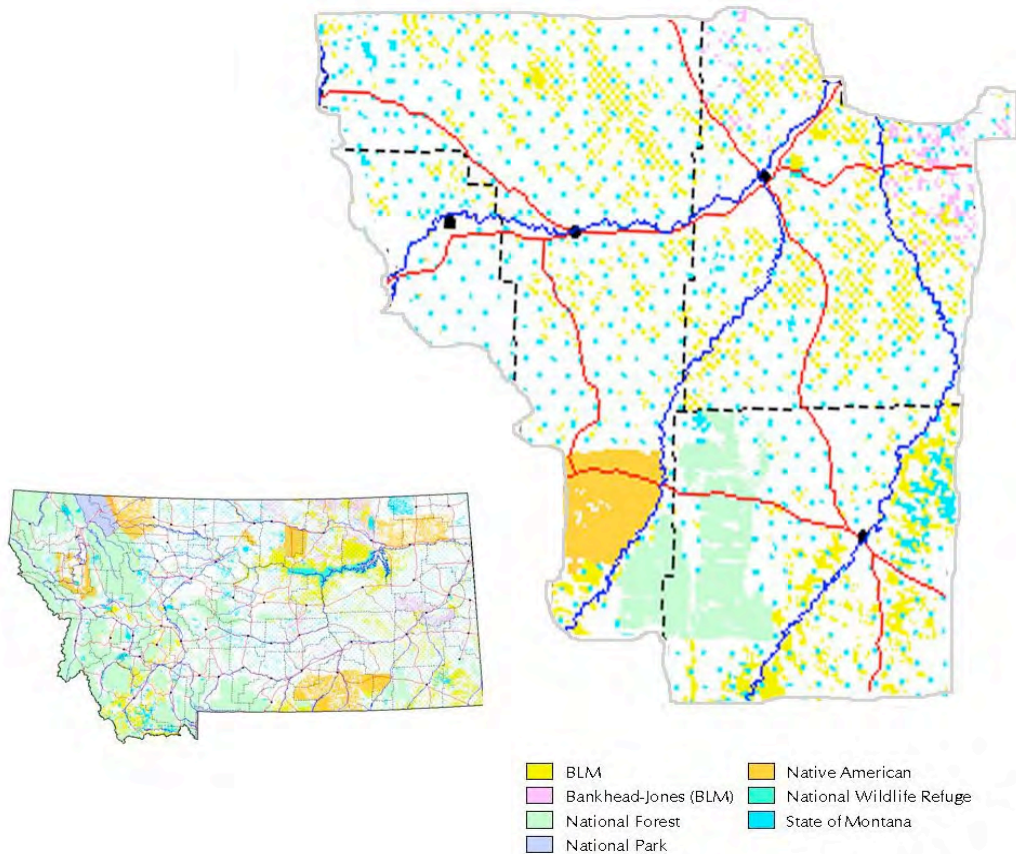
Shaded Relief Map



<http://nris.mt.gov/gis/gisdata/lib/downloads/el11.gif>

As seen in the map below, public land ownership is significant across the SEMDC region. Montana does not have a sales tax. Property tax forms the foundation for county and town revenue. Thus, these large tracts of public land ownership deprive local communities of tax revenue for local government functions and services.

Major Public Land Ownership of



<http://nris.mt.gov/gis/gisdata/lib/downloads/ab105.g>

GEOGRAPHY

Natural Disasters and Geographical Threats

This region is not as affected by earthquakes or volcanoes as the Western parts of Montana, but has a higher risk of damage due to flooding, fires, drought, and severe weather (tornados and winter storms).

Ice Jams

Miles City in Custer County has the highest reported amount of ice-jams in Montana. Approximately 11% of the reported ice jams in Montana have known damages. The most common damages include bridge and residential damage, road flooding, evacuations, dike and levee damage, and agricultural damage. - <http://dma.mt.gov/des/Library/PDM/PDM-Final%20Draft/Montana%20Plan%20October%202004.pdf>

Flooding

Some areas can be completely immune to flooding because the steep incised river banks limit development near the river, limiting flood damage when floodwaters arrive. Other areas experience flooding annually where meandering rivers have created broad floodplains and development has encroached and impeded floodwaters. *Miles City in Custer County had the highest flood insurance claims in Montana (State of Montana Hazard Assessment)*. Floodplains exist along the three major rivers in the district. The waters of the Yellowstone, Tongue, and Powder Rivers flood pasture and farming lands during years when there is good precipitation. The major communities in the district have built uncertified levees for protection from the flooding, but it is astounding how large the cost burden of flood insurance is for small communities.

Floodplain Coverage in SE Montana (updated June, 2017)

Community Name	Total Premium	Total Coverage	Total Claims Since 1978	Total Paid Since 1978
Custer County Total	\$ 609,010	\$ 170,538,800	109	\$ 403,335
Custer County	\$ 36,594	\$ 4,525,700	0	\$ 0
Miles City	\$ 572,416	\$ 166,013,100	109	\$ 403,335
Powder River County Total	\$ 26,994	\$ 2,503,500	10	\$ 34,429
Town of Broadus	\$ 24,655	\$ 2,286,00	10	\$ 34,429
Powder River County	\$ 2,339	\$ 217,500	0	\$ 0
Rosebud County Total	\$ 9,706	\$ 2,128,600	4	\$ 9,716
City of Forsyth	\$ 4,749	\$ 1,398,000	2	\$ 3,508
Rosebud County	\$ 4,957	\$ 730,600	2	\$ 6,208
Treasure County Total	\$ 806	\$ 47,00	1	\$ 27,597

Montana Department of Natural Resources and Conservation (DNRC)

Drought

The effects of drought become apparent with a longer duration because more and more moisture-related activities are affected. Non-irrigated crop producers are most severely impacted by extended drought periods; however livestock producers are also stressed due to decreased rangeland forage production and lack of natural water sources. In addition during periods of severe drought, plant and forest fuel moisture is very low, increasing the potential for devastating wildland fires.

GEOGRAPHY

Severe Weather

Tornadoes, hail, high winds, snow, and extreme thunderstorms are all prevalent in the Southeastern region. Powder River County has experienced the most sighted tornadoes. Powder River and Rosebud Counties have the most hail (2" in diameter or larger), however in spring 2010, Hysham in Treasure County had a lot of property damage due to a hailstorm. Severe weather can cause property damage, wildfires (from lightning-major losses occurred in the summer of 2012 car accidents and injuries/deaths, as well as an overall financial burden for both private and public sectors.

Table 3.3.9-5 Counties with High Frequency of Tornadoes, Wind, and Hail Events. Source: NCDC, 2004

Tornadoes (≥ F0)		Hail (≥ 2" diameter)		Synoptic Wind (≥ 75 mph)		Thunderstorm Wind (≥ 75 mph)	
County	#	County	#	County	#	County	#
Valley	33	Powder River	17	Glacier	34	Valley	14
Fergus	21	Yellowstone	16	Pondera	24	Yellowstone	9
Yellowstone	16	Valley	15	Park	22	Garfield	8
Choteau	14	Fergus	15	Teton	21	Roosevelt	7
Cascade	13	Rosebud	13	Blaine	12	Cascade	6
Dawson	13					Choteau	6
Powder River	13					Phillips	6
						Rosebud	6

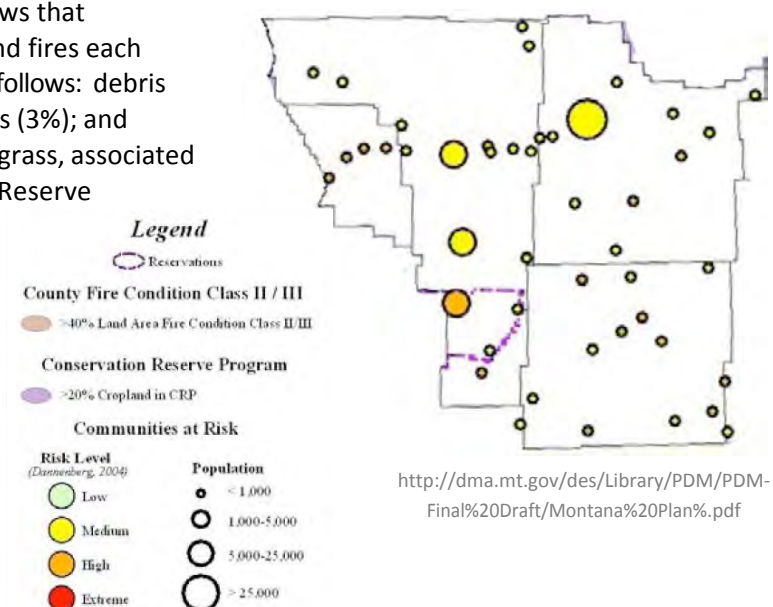
<http://dma.mt.gov/des/Library/PDM/PDM->

Wildfires

Wildland fires are hazards that impact Montana every year. In mild fire seasons, there may be relatively small timber and crop resource losses. In extreme years, there can be resource devastation, habitat destruction, structure losses and deaths. The 2012 fire season in and around the Custer National Forest in Rosebud and Powder River Counties was quite severe. Numerous blazes burned out of control for several weeks, resulting in devastating losses for local ranchers, consuming well over 400,000 acres, killing thousands of head of livestock, and destroying 39 structures and hundreds of miles of fence. The loss of cattle and fencing infrastructure created prolonged hardship for many local livestock producers.

Montana Department of Natural Resources and Conservation (DNRC) data for fire starts shows that historically, lightning initiates 53% of wildland fires each year. Human caused ignition sources are as follows: debris burns (13%); campfires (10%); railroad starts (3%); and equipment caused fires (3%) (MDNRC). Dry grass, associated with rangeland and farmland Conservation Reserve Program (CRP), is a primary fuel for eastern Montana wildfires. Eastern Montana has areas of Ponderosa pine, juniper, sagebrush, and other hazardous fuels.

Wildfire Vulnerability



<http://dma.mt.gov/des/Library/PDM/PDM-Final%20Draft/Montana%20Plan%.pdf>

POPULATION

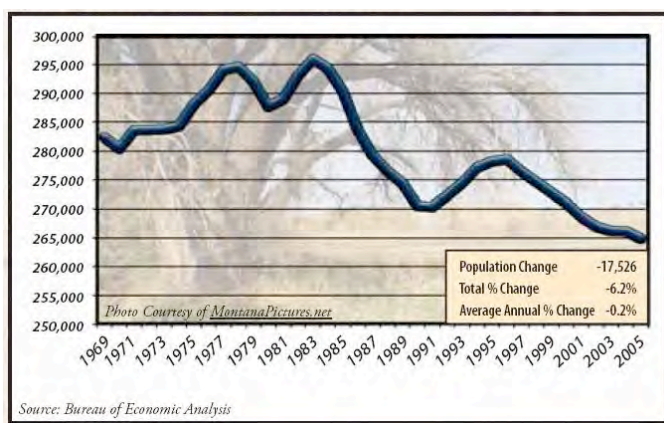
The population of the four counties covered by SEMDC has consistently declined since the 1970's with exception of a boom in Colstrip in the 80's and a boom in Broadus in the 70's. Farms/Ranches have combined making fewer families to support schools and businesses, absentee owners have bought up land, and no significant industry has been developed since Colstrip. These conditions contribute to a cycle of population decline.

Eastern Montana Population Change – 1990-2015

	Montana	SEMDC Region	Custer	Powder River	Rosebud	Treasure
Land Area in square miles	145,552	13,071	3,783	3,297	5,012	979
Pop. estimate - 1990	799,065	25,166	11,697	2,090	10,505	874
Pop. estimate - 2000	902,190	23,804	11,696	1,858	9,389	861
Pop. estimate – 2010	974,989	22,723	11,189	1,664	9,258	612
Pop. estimate – 2015	1,032,949	23,892	12,135	1,773	9,287	697
Pop density 2015	7.1/sq mi	1.8/sq mi	3.2/sq mi	.5/sq mi	1.9/sq mi	.7/sq mi

Source U.S. Census Bureau: State and County QuickFacts 2015

Eastern Montana Population – 1969-2005



<http://www.ourfactsyourfuture.org>

Eastern Montana Population – 1969-2015

	Out Migration	In Migration	Net migration
Out of State	33,261	23,450	9811
In State	18,386	11,715	6,671
Total	51,647	35,165	16,482

<http://www.ourfactsyourfuture.org>

- Montana population peaked in 1985 and has been decreasing ever since.
- Figure 2 illustrates a higher out migration than in-migration.
- Potential reasons for out-migration include:
 - technological advances in agriculture create less workforce demand,
 - lack of job opportunity and diversification
 - limited higher education resources,
 - lack of health resources
- Decreasing population in this region can and has led to;
 - Decreased pool of resources
 - Lack of innovation and human capital
 - Smaller business market

POPULATION

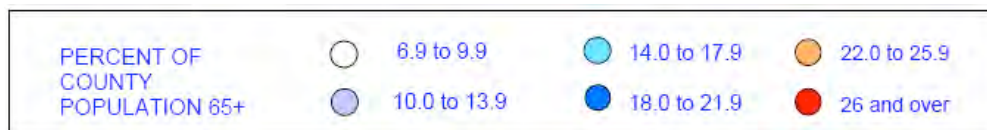
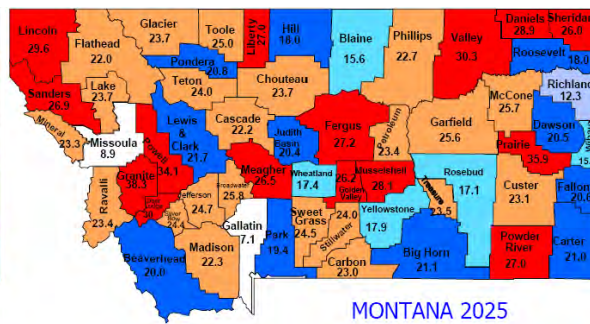
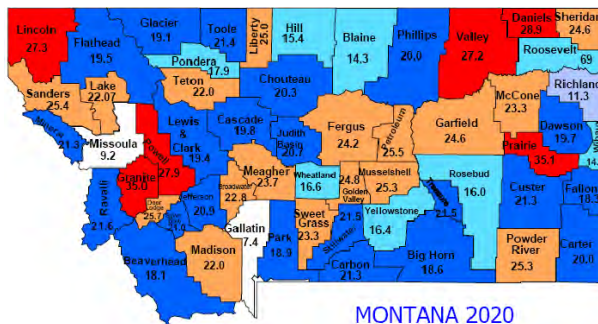
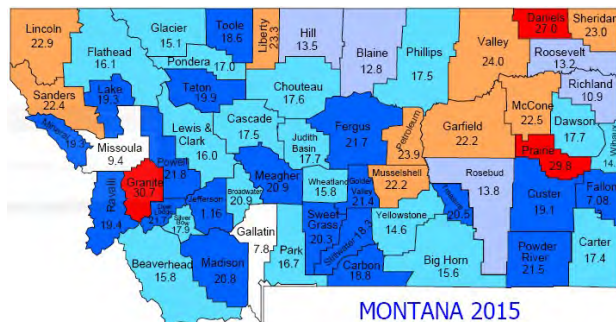
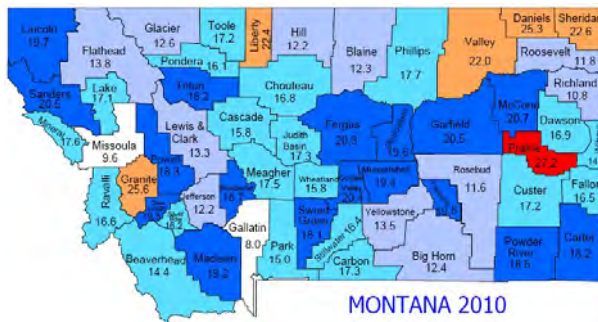
Along with the overall regional population decline, there has been, and continues to be a shift in the age demographics, demonstrated in the table below. There is an overall decrease in the younger generation (<18) and rise in the older generation (>65).

SE Montana Age Demographics

		Montana	SE Regional Agglomeration	Custer	Rosebud County	Powder River	Treasure
Population under 18 years	1990	26%	29.9%	27.5%	36.5%	27.6%	28.0%
	2000	27.1%	28.2%	25.1%	33.5%	26.6%	27.8%
	2008	22.8%	22.1%	22.7%	29.6%	17.9%	18.4%
	2015	21.9%	21.5%	22.1%	29.4%	17.0%	17.6%
Population over 65 years	1990	13.3%	13.9%	17.0%	7.0%	15.7%	15.7%
	2000	13.4%	15.3%	17.1%	8.9%	18.5%	19.7%
	2008	14.2%	17.0%	17.8%	11.1%	20.8%	23.8%
	2015	17.2%	21.3%	18.8%	14.1%	24.5%	27.8%

Source U.S. Census Bureau: State and County QuickFacts

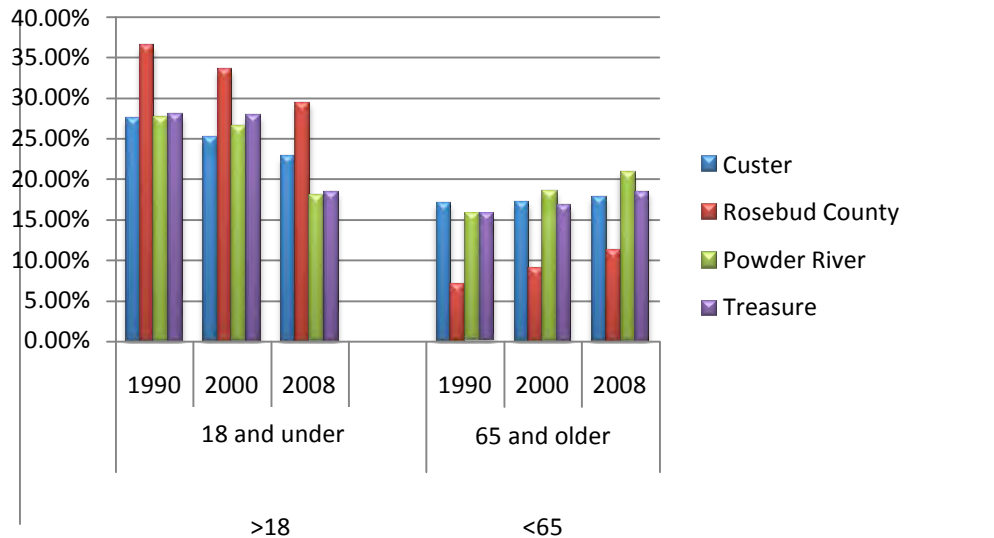
Montana's Aging Population Estimates



<http://dphhs.mt.gov/sltc/services/aging/Reports/Maps.pdf>

POPULATION

Age Demographic Shift (This change continues steadily in the same direction)



Source U.S. Census Bureau: State and County QuickFacts

Potential Effects of a Changing Age Demographic

Summary of Selected Expenditures Dollars per Montana resident - Figure 3

	2010	2030	Change
K – 12 Education	1,356	1,278	-78
Higher Education	129	106	-23
Corrections	137	120	-17
Medicaid	233	270	37
Total	1,855	1,774	-81

<http://www.econedmontana.org>

These figures help illustrate some potential financial effects this changing demographic may have on government spending. Regionally, Southeastern Montana may have a growing need for more elderly residences, assisted living centers, nursing homes, and adequate medical facilities and accessible transportation.

Summary of Selected Tax Revenues Dollars per Montana resident - Figure 4

	2010	2030	Change
Property Taxes	525	544	19
Income Taxes	755	713	-42
Total	1,279	1,255	-23

<http://www.econedmontana.org>

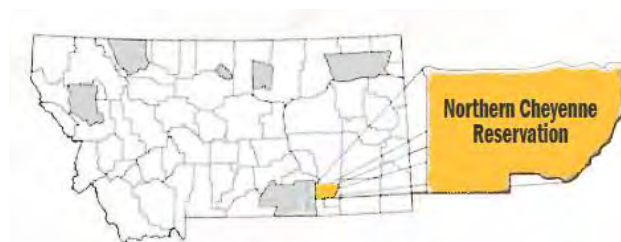
POPULATION

Southeastern Montana, with the exception of Rosebud County, has very little ethnic diversity. The Northern Cheyenne Reservation lies in the southern portion of Rosebud County, which accounts for the large population of American Indians in this area.

SE Montana Ethnic Diversity

2015	Montana	SEMDC Region	Custer	Rosebud County	Powder River	Treasure
White persons %	89.2%	87.8%	94.9%	59.7%	95.8%	96.4%
Black persons %	0.6%	0.2%	0.6%	0.3%	0.1%	0.4%
American Indian and Alaska Native persons %	6.6%	10.5%	2.1%	36.2%	2.0%	2.3%
Asian persons %	0.8%	0.3%	0.4%	0.2%	0.5%	0.7%
Native Hawaiian and Other Pacific Islander %	0.1%	0.1%	0.1%	NA	0.0%	0.3%
Persons reporting two or more races %	2.7%	1.1%	1.9%	2.0%	3.3%	2.2%
Persons of Hispanic or Latino origin %	3.6%	2.3%	3.1%	4.4%	2.0%	3.0%
Foreign born persons %	2.1%	1.0%	1.7%	1.3%	0.0%	2.0%
Language other than English spoken at home, age 5+	4.1%	4.6%	3.1%	9.4%	1.5%	7.0%

Source U.S. Census Bureau: State and County QuickFacts



Native American Population in the Northern Cheyenne Reservation

Location	2000	2010	2015
Big Horn County	7,006	7,198	7,793
Rosebud County	2,861	2,940	3,183

www.ourfactsyourfuture.org

The Little Wolf Capitol Building, located in Lame Deer, Montana is Tribal headquarters. The Northern Cheyenne Indian Reservation is in both Rosebud and Bighorn Counties. The Tribal homeland encompasses 445,000 acres of grass-covered hills, narrow valleys and steep outcroppings. It is nestled between the Crow Reservation and the Tongue River Valley and is home to nearly 55% of the Tribe's 11,266 enrolled members. Unlike most rural Montana communities, which are losing population, reservations such as Northern Cheyenne are experiencing an increase. According to tribal enrollment officials, nearly one third (1,671) of the population residing on the reservation is below the age of 16.

REGIONAL ANALYSIS - POVERTY, INCOME, BUSINESS OVERVIEW

Economic Indicators

Income Levels and Poverty

The following table compares income levels across the region to Montana and the change over the last five-year period. The region is about even with the rest of Montana for nearly all parameters. Generally income levels have increased, but so has the number of individuals living below the poverty level. Overall Rosebud has higher individual income levels, likely due to the mine and power plant related employment opportunities. However, per capita income and poverty are highest in this county due to the depressed economic situation on the Northern Cheyenne Reservation.

SE Montana Income and Poverty Levels

	Montana	Custer	Powder River	Rosebud	Treasure
Median Household Income					
2010	43,872	38,319	37,685	44,776	37,969
2015	47,169	48,750	46,346	51,159	41,103
Per Capita Personal Income					
2010	23,836	21,676	21,534	19,864	20,882
2015	26,381	25,506	29,902	23,238	20,758
Median Earnings Men vs. Women					
2010 Men	40,558	37,535	27,721	52,500	38,194
Women	29,238	26,576	26,250	31,798	26,563
2015 Men	43,769	42,770	40,223	52,256	35,625
Women	32,364	31,013	32,878	31,798	25,883
Poverty Level (%)					
2010	10	12	12	14	5
2015	15	13	11	19	12

<http://factfinder.census.gov>

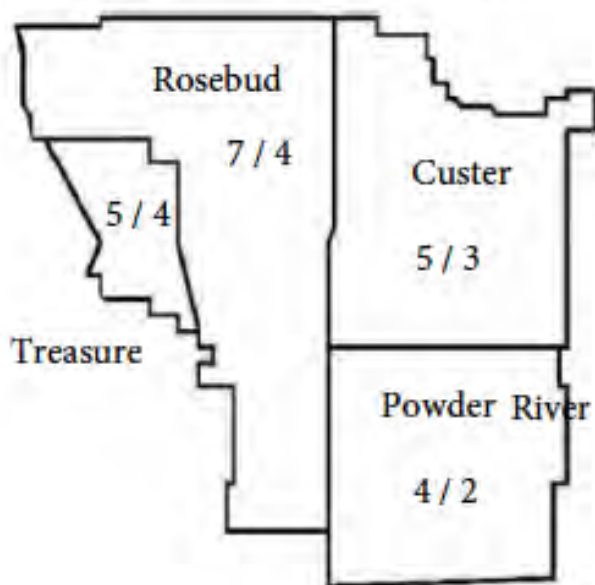
In reference to the previous section, population is supported by a region's export industries. The more profits come in from selling goods outside the region, the more money there is to then purchase goods from outside the region and sustain local service industries. Therefore, for Eastern Montana to reverse its population decline, the export sector needs to thrive and expand.

Industrial diversification is important because it lowers the risks associated with the decline of a key industry. If a region has several basic industries, a decline in any one of them will not cause severe economic hardship on the economy as a whole. But if a region is dependent on one or two basic industries, then hard times in one industry can mean hard times for the entire regional economy. Eastern Montana does depend heavily on a few key industries: agriculture, mining, and the various types of government employment.

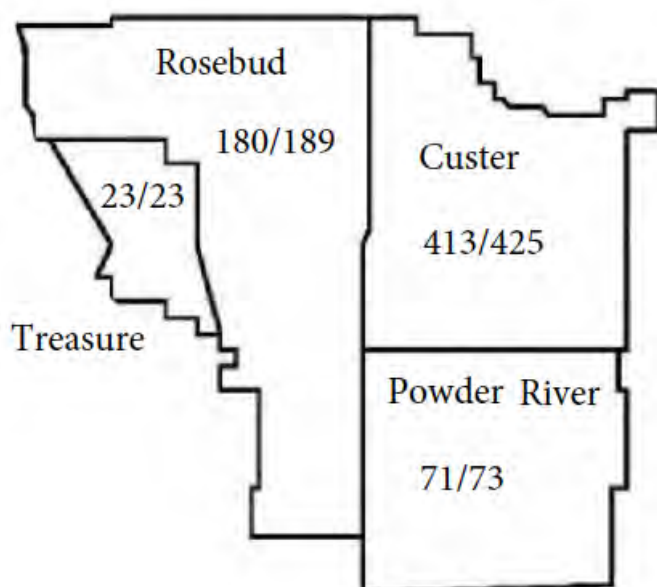
POVERTY, INCOME, BUSINESS OVERVIEW

Unemployment and Business

Unemployment (%) 2010 / 2015



Business Establishments 2010/2015



- In 2015 Montana's unemployment was 4.1, which showed that Montana as a state had slightly higher unemployment than this region. The jobless rate for the Northern Cheyenne Population is 23% according to US Census numbers for 2012, which is the most current information available.
 - Underemployment is another important consideration. There is little data on how many people work multiple jobs or part time work at wages much less than what they are qualified for.
 - Out migration statistics and the low unemployment rates are closely related. These counties are close in proximity to Wyoming where there are ample opportunities in the energy industry.
 - Between 2010 and 2015, unemployment in this region declined. There is concern currently that with the power plant closings in Colstrip and decreased coal mining activity unemployment and/or outmigration may increase.
 - The number of business establishments increased slightly across the region during the period 2010-2015, which is a positive indicator of increased economic diversity. For this number to increase even a small amount across a region with very little niche opportunity and negative population growth is encouraging.

POVERTY, INCOME, BUSINESS OVERVIEW

Agriculture Industries

The agricultural industries of ranching and farming make up a large portion of the economy and livelihood of the residents in SE Montana. Cattle and grain production are by far the dominant agricultural activities. Between 2010 and 2015, the cattle industry experienced an all time peak in prices (for just one year), which has been followed by a significant decline. These huge swings in commodity prices can be extremely difficult for producers to manage, particularly on the heels of a devastating fire season in 2012. Prolonged low grain markets have been excessively stressful on the farming community. The table below illustrates the cyclical nature of commodities raised in the district. Overall the trend of land use and major agricultural products is fairly constant.

Obviously, these industries are highly dependent on nature as well. In a semi-arid climate, local precipitation and temperature are important factors, and are often less than ideal. The farms are also dependent on water quantity and quality, transported to the area by the major rivers and used for irrigation.

Weed control is a necessity to protect the grazing land for ranching. Chemicals and some insects are used to control their spreading. Chemical weed control involves some threat to water and wildlife when applied incorrectly. However this risk is minimal compared to the economic and environmental threat of large infestations of noxious weeds. Large wildfires also create opportunities for weed invasion and establishment.

Gross Sales of Primary Crops and Livestock in the 4-County Region 2000 – 2016 Comparison

Commodity	2000	2009	2016
Wheat Winter All (bu)	1,086,000	1,599,000	670,000
Wheat Spring Other(bu)	1,210,000	1,527,000	208,000
Wheat Durum(bu)	18,000	--	--
Corn (Grain) (bu)	685,000	1,231,000	952,000
Corn (Silage) (tons)	897,200	919,000	691,000
Oats (bu)	95,000	43,000	--
Barley All (bu)	581,000	622,000	27,500
Sugarbeets (tons)	163,900	63,200	--
Pinto Beans (ctw)	44,000	--	--
Beans Dry Edible (ctw)	53,800	11,300	--
Hay Alfalfa (Dry) (tons)	226,000	313,000	349,000
Hay Other (Dry) (tons)	51,000	70,000	69,000

Livestock	2000	2009	2016
Cattle and calves	265,000	261,000	333,000
Sheep Inventory	28,300	21,500	16,000
Hogs and Pigs	2,100	-	5,300

http://www.nass.usda.gov/QuickStats/PullData_US_CNTY.jsp

POVERTY, INCOME, BUSINESS OVERVIEW

Tourism Impact

Southeastern Montana's economy is greatly influenced by tourism. Hunting, fishing, hiking, camping, social events, agro-tourism, and history/cultural tourism attract many people both in and out of state. This is an area of economic development that can be improved upon with increased marketing and tourism/hospitality efforts.

Resident vs. Non-resident

Resident visitors to state parks and overnight visitors to fishing access sites spent an average of \$8.57 per group per day around Montana, away from the FWP site visited, and \$31.70 per group per day at the site or in the local area, for a total of \$40.27.

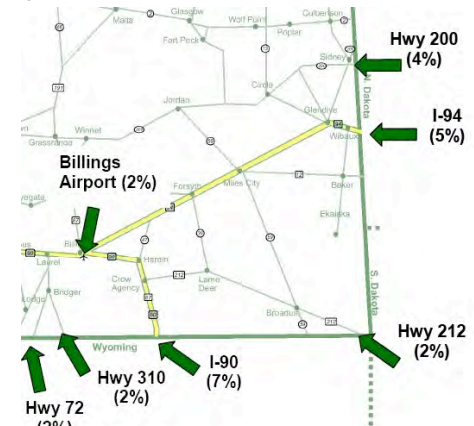
Non-residents, on the other hand, spent three times that amount: an average of \$57.58 per group per day around Montana and \$66.57 per group per day at the site or in the local area, total of \$124.15 per group per day.

State Park vs. Overnight FAS Visitors

State park visitors spent an average of \$40.42 per group per day while traveling in Montana, and \$46.79 per group per day at the site or in the local area, totaling \$87.21.

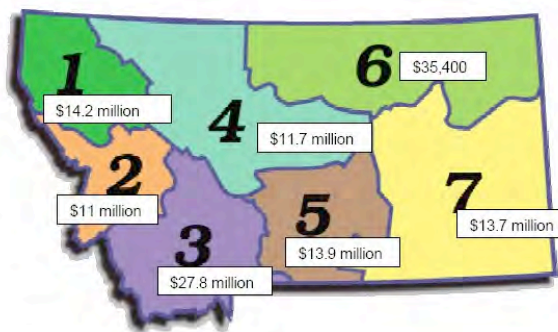
Overnight visitors to fishing access sites spent \$71.51 per group per day, somewhat less than park visitors. Around Montana, they spent \$20.28 per group per day, and at the site or in the local area they spent \$51.23 per group per day. <http://fwpiis.mt.gov/content/getItem.aspx?id=32576>

Major Entrance Points for Tourism



<http://www.itrr.umt.edu/ecorev/EconomicReview2010ITRR.pdf>

Figure 1: Nonresident Economic Impact - Industry Output by Region



State Park: Top Five Activities

Wildlife watching/nature study (60%)
Visiting scenic/historical sites/museums (55%)
Dining for pleasure (52%)
Picnicking/day use (51%)
Overnight camping (49%)

Resident: Top Five Activities

Overnight camping (68%)
Picnicking/day use (59%)
Wildlife watching/nature study (57%)
Fishing (56%)
Swimming (48%)

FAS: Top Five Activities

Overnight camping (86%)
Fishing (73%)
Wildlife watching/nature study (63%)
Picnicking (56%)
Swimming (41%)

Nonresident: Top Five Activities

Visiting scenic/historical sites/museums (67%)
Dining for pleasure (65%)
Wildlife watching/nature study (65%)
Overnight camping (60%)
Shopping (53%)

<http://fwpiis.mt.gov/content/getItem.aspx?id=32576>

POVERTY, INCOME, BUSINESS OVERVIEW

Hunting and outfitting are two major activities in the Southeastern Montana that bring people into the area for over 116,000 thousand days per year. This creates positive direct and indirect economic effects within the communities in this area, and promotes other linkages such as lodging and food industries.

Hunting brings money into the region, and generally provides a positive cultural exchange, however it does have some negative impacts. If landowners close off some of their land and lease it to outfitters, it limits hunting access for locals, which can create some tensions in the area. A recent initiative that no longer guarantees out of state licenses to outfitters has been approved. An increase in fees for out of state licenses could have a detrimental impact on the SEMDC region.

According to the Institute for Tourism and Recreation Research (Grau 2006), vacationers spend \$183.37 per day for 6.02 days or \$1,103.89 per Montana visit. Antelope, Deer and Elk hunters alone brought in about \$4,341,761 in 2008 in this region.

Number of Hunters in Region 7

Location	R=Resident NR=Non-Res	Antelope	Deer (Combined)	Elk Hunters	Upland Game Birds (2007)
Region 7 (2008)	R	3700	7744	499.2	1575.3
	NR	7254.3	14445.3	1978.6	2395.7
	SUM	10954.3	22189.3	2477.8	3971

*The area, "Region 7" includes a larger geographical area than the four counties of Custer, Powder River, Rosebud and Treasure
<http://fwpiis.mt.gov/hunting/planahunt/harvestreports.html>

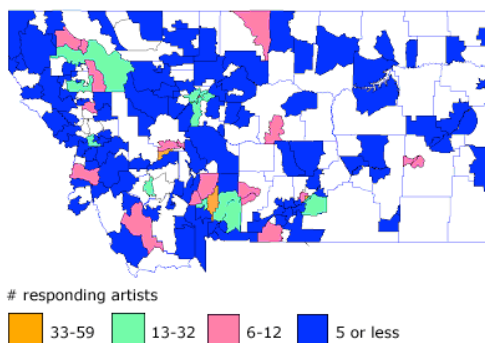
"Artists contribute significantly to the local economies in many areas of Montana, especially in less populated communities."

-MSU Billings Economic Report on Artist Impact

Artists and Artisans

Southeastern Montana has two main art centers/museums, as well as a variety of art and craft courses. There are many artists who create more traditional art as well as modern. According to the research conducted at Montana State University – Billings, *The Economic Impact of Montana Artists*, Montanan artists have had a total in-state economic impact of \$233 million. The research shows the economic value of artists in Montana, however shows that there is very little artist representation in Eastern Montana. The study also shows that artists need the most assistance in marketing. Perhaps the promotion of artists in Southeastern Montana could help develop more of an economic base and also lead to economic diversification in this area. The development of marketing could also positively impact tourism.

Responding Artists by Location



Total impact of all Montana Artists
Total Sales (extrapolated to 5,840 total)

	Jobs	Economic Impact
Direct	2,411	\$165 million
Indirect	1,301	\$38 million
Induced	562	\$30 million
Total	4,274	\$233 million

REGIONAL ANALYSIS – EDUCATION AND WORKFORCE DEVELOPMENT

Education Attained

Generally speaking Southeastern Montana has a higher rate of high school graduations but a lower rate of bachelors or higher degrees attained than Montana as a whole. At the same time, SE Montana has a higher rate of some college or associates degrees which is likely due to the large number of oil field and mining industry workers with welding, mechanics, construction or other trade-oriented certification/education.

Some grade schools and high schools are experiencing financial challenges with fewer students enrolled. Infrastructure needs and updates continue. Rural schools find it particularly challenging to compete in offering salaries to teachers and funding educational programs.

There are two community colleges in the region; Miles Community College located in Miles City, Custer County, and Chief Dull Knife College in Lame Deer, Rosebud County, Northern Cheyenne Reservation. These community colleges are a great asset to the region, providing not only access to higher education, but also enhancement of local culture, create creation, and greater community awareness and continuity. These are institutions that could be further developed in the area, especially in fields such as natural resources development, energy development, and research.

Educational Attainment 2015

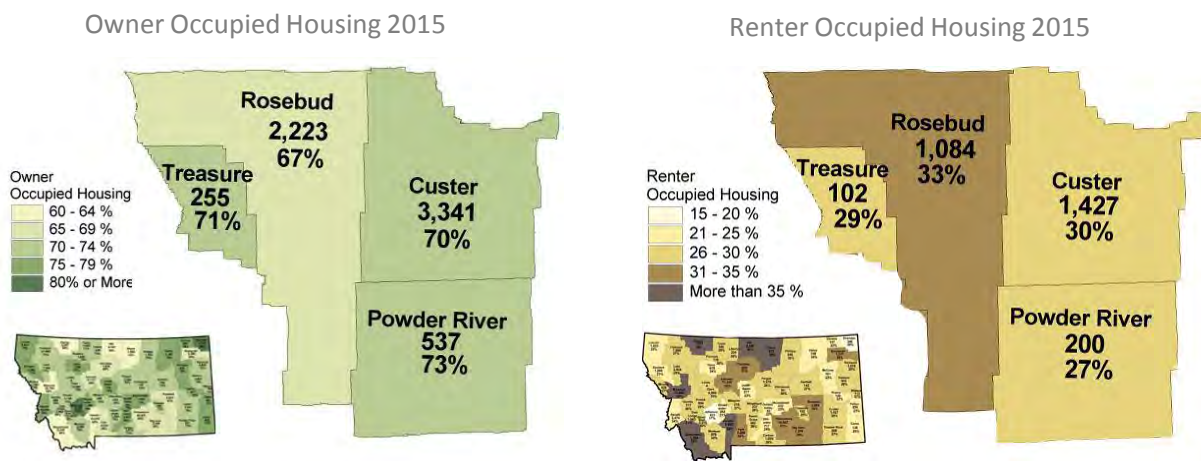
2015	Montana	Custer	Powder River	Rosebud	Treasure
Population 18 – 24 yrs	99,861	1,081	104	752	79
Less than high school graduate	15%	14%	12%	15%	36%
High school Graduate	33%	42%	42%	45%	29%
Some college or associates degree	46%	37%	46%	36%	32%
Bachelors degree or higher	7%	9%	0%	4%	3%
Population 25 years and over	690,448	8,277	1,318	5,879	587
Less than High school graduate	7%	9%	6%	13%	10%
High school graduate	30%	29%	29%	32%	35%
Some college or associates degree	33%	40%	40%	35%	36%
Bachelors degree or higher	30%	20%	25%	20%	19%

Source: U.S. Census Bureau, FactFinder, Educational Attainment, 2011-2015 American Community Survey, 5-yr. estimates

REGIONAL ANALYSIS – HOUSING AND DEVELOPMENT

Southeastern Montana has relatively high rates of owner occupied housing versus renter occupied housing. Given the rural nature and low population density in this region, affordable, temporary, rental, assisted and senior housing is limited. The overall housing cost is lower than the majority of Montana. However it reflects the income generated in this region, still showing to be a cost burden on many. Some counties have problems with aging housing construction and a lack of functioning plumbing and basic infrastructure.

The lack of housing options more suitable to the needs of senior citizens combined with underserved medical areas causes many seniors to leave their rural homes and take their accumulated wealth from the communities.



http://ceic.mt.gov/graphics/Data_Maps/housing_rent_or_own.pdf

Beyond the lack of available affordable and senior housing, there is a degradation of housing infrastructure, and some overcrowding occurring in the current state of housing in southeastern Montana. A lack of quality housing was a major concern voiced throughout the SEMDC area at individual communities during the CEDS process. There are only two non-profit housing organizations serving the SEMDC area. One is Miles City Housing Authority whose assistance is limited primarily to the Miles City area and the other is Action for Eastern Montana out of Glendive, MT. Action for Eastern Montana delivers some weatherization programs but serves 18 counties over a very large geographic area.

REGIONAL ANALYSIS – HOUSING AND DEVELOPMENT

Housing Needs

The various factors including an aging population, aging and dilapidated infrastructure, lack of accessible land, lack of contractors, the costs of floodplain insurance/structural needs, a fluctuating workforce population, and the increasing cost of construction, all impact the current and future housing needs. Housing and lack of land availability for development/purchase were major issues at all of the community meetings.

HOUSING UNIT DEGRADATION NUMBERS AND PROJECTIONS

Housing Units and Structure-type Data for SE Montana Agglomeration				
Homeownership rate in 2000		70.2%		
Households in 2000		9,169		
Households in 2010		8,104		
% Change in population 2008 to 2025		-1.2		
% Change in Households 2008-2025		2.8		
% of population aged 65+ in 2025		28.8%		

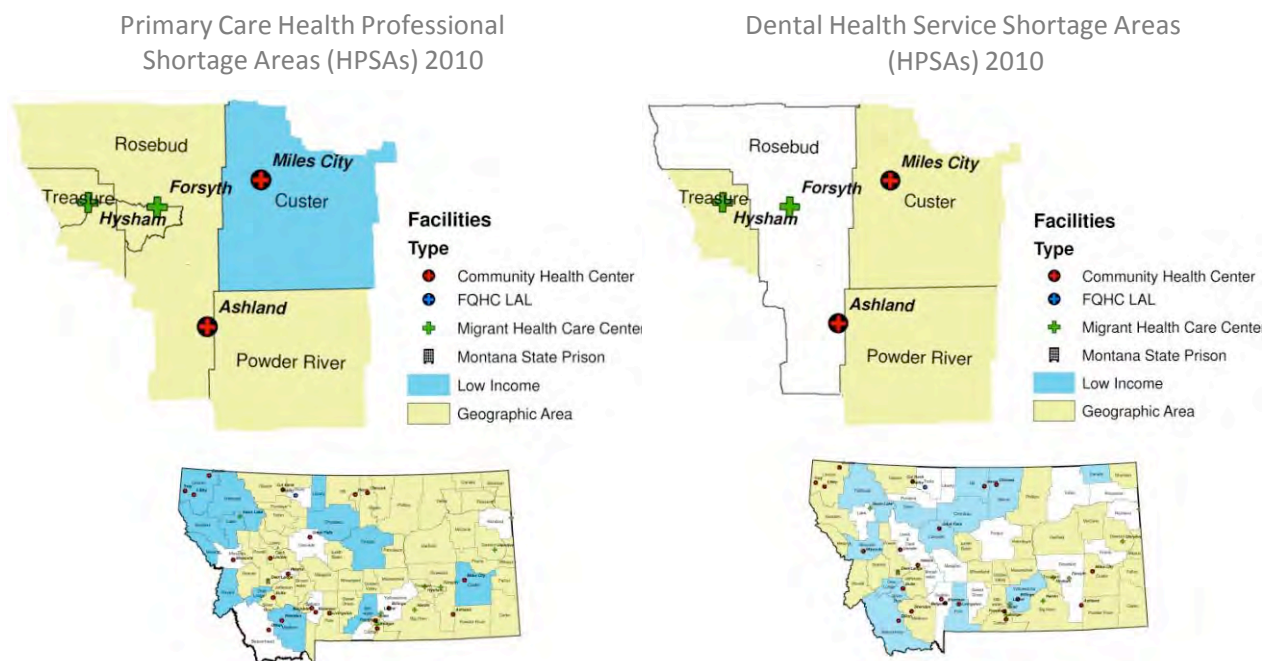
Estimated Housing Units needed by 2025 for SE Montana Agglomeration				
Housing Units	Units in Poor Condition Lost by 2025	Units in Good Condition Available in 2025	Total Housing Units Needed by 2025	New Housing Units that must be created by 2025
TOTAL	5775	4,269	10,601	6,305
Single Family	3,898	2,910	?	?
Multi-Family	416	718	?	?
Mobile Home	1,451	576	?	?

The data in the table above provides a rough estimate of housing needs and some context for consideration of options to address those needs in the future. One option is to focus on rehabilitating the units in poor condition. This will reduce the number of new units needed. The type of new units will be determined entirely by whether they will be rented or owned. The higher the housing costs relative to incomes, the more expensive both rental and homeownership housing will be and the fewer new homeowners will be created between the years of 2008-2025. (Montana Department of Commerce, Housing Coordinating Team, White Paper, June 2010)

REGIONAL ANALYSIS – HEALTH AND SOCIAL SERVICES

Health Access

There are limited healthcare resources in this area including lack of Critical Access Hospitals and Acute Care Hospitals, Primary Care Health Services, Mental Health Services and Dental Health Services. With so few medical resources many people who are injured are flown or driven to Billings. Lack of cell phone reception in some areas also plays a role in hindering fast and effective emergency responses.



<http://www.dphhs.mt.gov/PHSD/Primary-Care/documents/PCHPSA082010.pdf>

- 70% of Montana dentists are older than 45; 26.7% are older than 55.(2010)

In Montana, the need for physicians is substantial. There is no 'official' medical school in the state, and the only medical education offered is through the WWAMI (Washington, Wyoming, Alaska, Montana, Idaho) program, which is run by the University of Washington. Because of this, Montana undergraduate students experience a severe disadvantage compared to other undergraduates in pursuing medical education:

- Currently, there is one slot (for medical school) per 46,000 people in Montana– the national average is one slot per 17,400.ⁱⁱⁱ
- Because of the limited number of slots for Montana students to participate in WWAMI, only about 1 in 3 qualified applicants are accepted.ⁱⁱⁱ

It will be difficult to replace those Montana physicians who will be leaving the workforce in the upcoming years, since **41% of Montana's physicians are already older than 55.**

<http://healthinfo.montana.edu/research.html>

Mental Health

For all age groups investigated, **Montana ranked number one** in rate of suicide in the United States, and **has been in the top five** for the past thirty years (Montana Department of Health and Human Services). Alcohol and drug impairment, a sense of hopelessness, underlying mental illness and a societal stigma against depression, all contribute to the high rate of suicide in Montana. Custer and Powder River Counties had suicide rates at or above the 80th percentile nationally between 2000-2015. Increasing mental health services, as well as drug (including prescription drugs) and alcohol addiction services could greatly help the physical and mental well-being of the area's residents. The level of mental and emotional health and support greatly affect the economic development in a community as well as the area's ability to believe in and support itself.

Social Services

In the SEMDC District, social services are much more prevalent in Rosebud County, less so in Custer County, and nearly non-existent in Powder River and Treasure Counties. There is a great need in Rosebud County with the high poverty and unemployment on the Northern Cheyenne Reservation and the very small surrounding communities. Below are two tables that illustrate the utilization of social services by county across the last few decades.

Government SNAP and TANF Programs

County	Population	Average monthly TANF Recipients	TANF %	Average monthly SNAP Recipients	SNAP %
Montana Total 2009	967,440	8,201	0.85%	87,241	9.02%
Montana Total 2015	989,415	7,176	0.73%	121,182	12.25%
Custer 2009	11,149	23	0.21%	894	8.02%
Custer 2015	11,699	22	0.19%	1,755	15.00%
Powder River 2009	1,694	2	0.10%	31	1.83%
Powder River 2015	1,743	0	0.00%	0	0.00%
Rosebud 2009	9,190	556	6.05%	1,825	19.86%
Rosebud 2015	9,233	443	4.80%	2,255	4.43%
Treasure 2009	637	0	0.00%	25	3.92%
Treasure 2015	718	0	0.00%	0	0.00%

Low income energy assistance

County	Heat assist cases	Recipients	Handicapped cases	Senior cit. cases	Heat assist payments
Montana Total 2009	22,448	51,553	8,305	6,066	\$19,488,244
Montana Total 2015	20,421	42,561	9,771	7,242	\$10,443,803
Custer 2009	251	496	105	83	\$216,952
Custer 2015	191	380	94	78	\$84,819
Powder River 2009	27	54	9	16	\$37,653
Powder River 2015	16	20	7	13	\$9,829
Rosebud 2009	96	204	35	37	\$90,537
Rosebud 2015	74	145	33	33	\$40,662
Treasure 2009	13	16	5	12	\$13,867
Treasure 2015	11	19	8	5	\$6,542

HEALTH AND SOCIAL SERVICES

Health Access

“Health insurance affects access to health care as well as a person’s financial well-being. Over 50% of uninsured adults have no regular source of health care. Worried about high medical bills, they are more than twice as likely to delay or forgo needed care as the insured. The uninsured are almost three times more likely than the insured to be unable to pay for basic necessities because of their medical bills. Medical bills forced 20% of uninsured adults to use up all or most of their savings in 2009.”

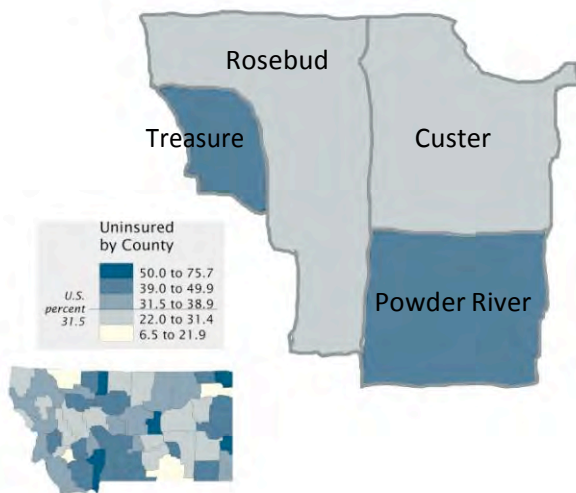
- <http://www.kff.org/uninsured/upload/1420-11-2.pdf>

“The disproportionate number of rural Americans serving in the military has created a disproportionate need for veteran’s care in rural areas and yet rural areas are less likely to have VA services available to them... Combat soldiers who need specialized care to assist with their readjustment to civilian life or adaptation to living with war injuries (both physical and mental) will likely find access to that care extremely limited.

-Andy Behrman

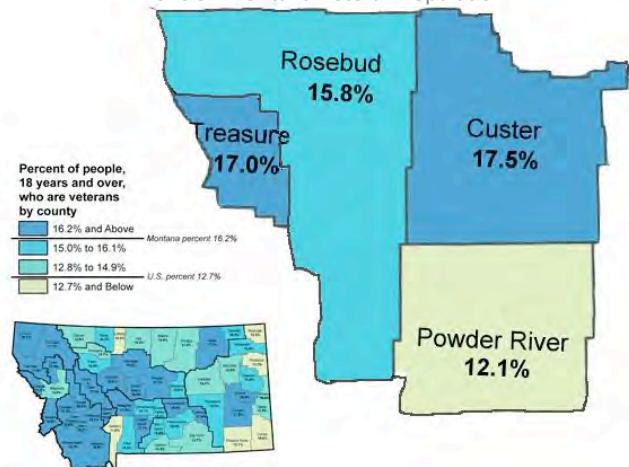
“Access to VA Health Care: How Easy is it for Veterans? Addressing the Gaps,”
April 18, 2007.

% of People Uninsured



http://www.census.gov//did/www/sahie/data/2007/files/Under65_Pct_UI_below200IPR.pdf

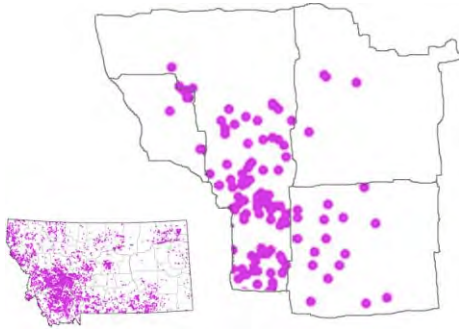
2010 SE Montana Veteran Population



http://ceic.mt.gov/graphics/Data_Maps/VetPop2015r.pdf

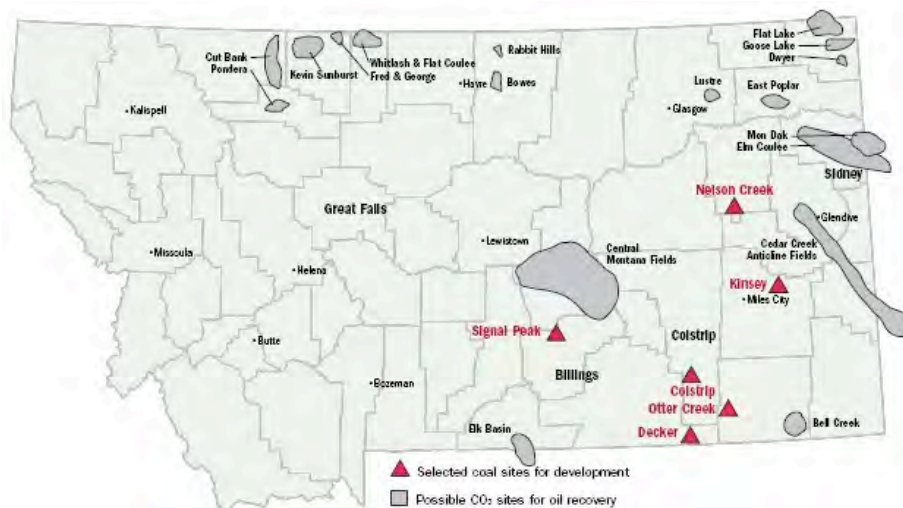
15.6% of people in this region are veterans, and 16.25% of people in this region are disabled, which account for populations that often require additional medical support in various means. As the population of seniors rise, there will be an even higher population of people with a potentially higher need for medical resources, including assisted living and/or nursing homes.

Coal Mining and Energy Production



Montana has 25% of all of the country's coal reserves and 7-8% of the world's coal supply. The Rosebud Mine, located in Rosebud County, is the 2nd largest coal producer in the state. It is a large, modern mine. The power plant adjacent to the mine, is the second largest coal burning plant in the western U.S. The type of coal mining done at the mine is surface or "strip" mining. This requires over two hundred feet of soil to be removed to get to the 25-foot seam of coal, leaving open pits, which are then reclaimed.

Western Energy Company (WECO) has operated a surface coal mine in Southeastern Montana since 1968. Located in Rosebud County near Colstrip, WECO's mine produces approximately 8-10 million tons annually. The mine typically disturbs and reclaims approximately 350 acres per year. For its exemplary reclamation program successes, the Rosebud Mine was presented the Office of Surface Mining's 1999 Excellence in Surface Coal Mining Reclamation Award.



<http://www.mii.org/ReclMtoZ/rosebud/rosebud.html>

The map above shows potential coal and oil development sites across the state. The Otter Creek Coal project is a very large potential development project, that until recently was on track for production. If it ever comes to fruition, this mine would have significant effects on the region including employment, infrastructure, environmental, population, and others. A rail line was also proposed to export product.

Coal production and coal-fired electrical generation are major economic drivers in Rosebud County and the city of Colstrip. Unfortunately for this area, coal has become a very unpopular source of energy due to the growing world-wide public sentiment surrounding carbon emissions and subsequent effects on climate change. Many factors have contributed to a recent announcement of the closing of Colstrip Units 1 and 2 (half of the generation facility) by the company's ownership. The closing of these units will result in significant economic impacts going into the future. As a proactive measure, two large-scale planning efforts have recently been completed: the **Colstrip Economic Diversification Strategy** – May, 2017; and the **Coal Country Coalition Report** – March, 2017. The objectives of these reports were to create tools and implementation strategies for mitigating the impacts of a decline in coal production and power generation over the next several years (executive summaries are found in Appendix C).

NATURAL RESOURCES AND ENERGY DEVELOPMENT

Oil and Gas Production

Oil and gas production in southeastern Montana does contribute to the economy in both job creation and tax-base. Natural resource development is increasing in Eastern Montana as a whole, creating more economic development. Western Montana has been more affluent and populated as a whole than eastern Montana, but as more natural resource development occurs in eastern Montana, we are seeing a great potential in economic and population growth.

There are a lot of major natural resource development projects near this region such as the oilfields near Sidney and Baker, which are very valuable to the economic development of southeastern Montana. If southeastern Montana positions itself to provide more resources to support these projects, the local wealth associated with oil and gas production will contribute to economic development beyond just resource extraction. The CO2 pipeline has been extended to the Belle Creek oil field located in Powder River County and may be extended to Cedar Creek Anticline at Baker. There are also efforts in process to have the Keystone XL pipeline cross the area. Current low oil prices have slowed development of some of these projects in recent years. These pipelines generate long-term property tax revenues to local governments, while creating short and long term construction and maintenance jobs. Numerous other pipeline projects are planned for the near future.

Montana Oil and Gas Production Statistics

	2005	2009	2011	2013	2015
Oil Production in Barrels					
Montana Total	33M	28M	24M	28M	29M
Southeastern MT	0.16M	0.47M	0.41M	0.33M	1.09M
Number of Producing Oil Wells					
Montana Total	3,956	4,451	4,572	4,883	4,948
Southeastern MT	67	57	41	55	84
Gas Production in MCF					
Montana Total	37M	57M	59M	39M	33M
Southeastern MT	0.08M	0.12M	0.16M	0.09M	0.06M
Number of Producing Gas Wells					
Montana Total	5,559	6,584	6,549	5,756	5,546
Southeastern MT	7	22	22	6	4

http://bogc.dnrc.mt.gov/PDF/AnnualReview/AR_2015.pdf

The chart above shows steady oil production in Southeastern Montana (an area slightly larger than the SEMDC region) over the last ten years with a spike in production for the most recent reporting period. Natural gas production, on the other hand has experienced a steady decline over the same period. Most of the production of oil and natural gas occurs in Powder River County, providing a good income source for area landowners and some limited construction income during well development. The increased oil production could be a good opportunity for economic growth.

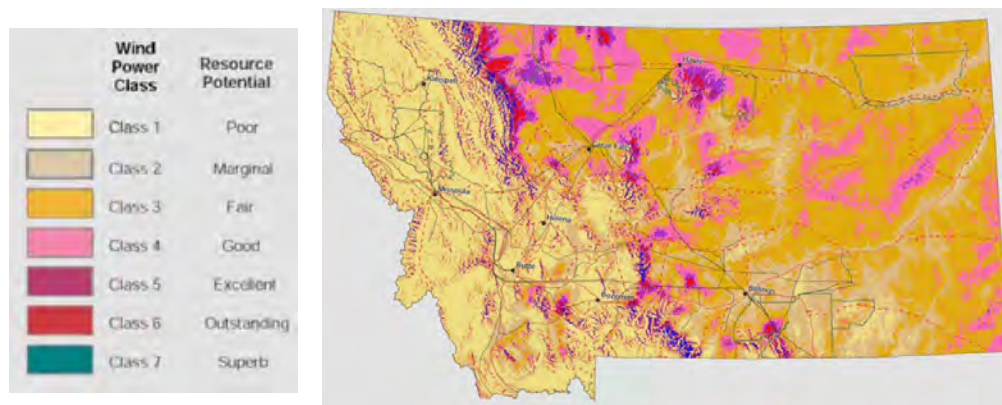
NATURAL RESOURCES AND ENERGY DEVELOPMENT

Renewable Energy

Southeastern Montana has potential for incorporating more renewable and sustainable energy production. Developing renewable energy in southeastern Montana can contribute many positive factors including: energy independence, economic diversity, fewer CO₂ emissions and less environmental degradation.

Wind, solar, and geothermal energy currently have somewhat limited potential in southeastern Montana given the geography and environment. However as renewable energy technology develops, the potential could be greater. While southeastern Montana is typically not thought of as a forested area, there is also potential for biomass projects. Feasibility studies have been done that show there is an ample supply of renewable energy resources in the form of trees to supply small power generation plants. Both public and private entities are highly in favor of this type of energy as it is clean, renewable, and also provides a management tool for maintaining forests and decreasing the potential for fire hazards.

Montana Wind Power



<http://nris.mt.gov/gis/gisdata/lib/downloads/windpower.gif>

With renewable energy gaining interest and momentum globally, there are more opportunities for grants and funding for projects and feasibility studies. For example, there has been quite a bit of support for renewable energy projects on Native American Reservations. For example, the Crow Reservation located in Southeastern Montana, just west of our four-county region received funding to do studies to implement a co-generation project.

“The Indian Energy Resource Development Program, authorized by Title XXVI of the 1992 Energy Policy Act, provides funding to American Indian tribes to develop Indian renewable energy and other energy resources. In fiscal years 1994 and 1995, 35 grants totaling \$6.5 million were awarded to 29 tribes and Alaskan native corporations in 13 states. The projects cover the development range from feasibility studies to purchase and installation of equipment for commercial projects. Technologies include photovoltaic, biomass, wind, building energy efficiency, hydroelectricity, integrated resource planning, coal-fired cogeneration, and multi-sector natural gas. The Title XXVI program provides an important opportunity for assessing the technical and economic feasibility of renewable energy on Indian lands, and also for demonstrating DOE-developed technologies in real-life settings.”
http://apps1.eere.energy.gov/tribalenergy/report_reservations.cfm

REGIONAL ANALYSIS – INFRASTRUCTURE

One of the most important aspects of infrastructure in the region is the WAPA Miles City Converter Station.

Transmission Lines

As the use of electricity spread across the country in the 20th century, three distinct alternating current power grids evolved. One grid connected utilities in the eastern United States, while the second grid spread across the western half of the country. A third grid developed in Texas. The sparsely populated Great Plains formed a divide between the separate power systems.

As American dependence on electricity grew, utilities needed to increase reliability and match generation to electrical demand by allowing the exchange of power between the eastern and western grids. ***The Miles City Converter Station in eastern Montana is one of eight sites that tie the power grids together.*** The Miles City Converter Station increases system reliability by providing a connection between the separate grids. It can balance power resources between the regions and allows the eastern and western grids to share energy reserves, resulting in enhanced energy exchanges and system operating flexibility.

Facilities such as the Miles City Converter Station act as a giant shock absorber, converting the alternating current power on one side to direct current, then back to AC on the other side. The DC converter allows the reliable flow of energy between the grids, but maintains their separation. Now when disturbances occur in one system, they do not affect the other system.

Converter stations are the most cost-effective way of connecting the east and west power systems. Access to power from the other grid allows utilities to delay construction of power plants needed to meet peak power demands.

General Electric built the Miles City Converter Station for Western Area Power Administration and Basin Electric Power Cooperative. Western owns 60 percent of the project and Basin owns 40 percent.

Miles City Converter Station at a Glance

Operator: Western Area Power Administration

Construction began: August 1982

Operations began: July 1985

Initial cost: \$30 million

Transfer capacity:

- From east to west: 200 MW
- From west to east: 200 MW

Southeastern Montana also has a strong network of transmission lines, and the 500 KV transmission lines coming from Colstrip in Rosebud County are the largest in the state. This is a tremendous asset for the region as well as for the state of Montana. Current legal restraints and financial requirements would almost certainly prohibit the potential of adding this infrastructure in today's environment impossible.



<http://business.mt.gov/docs/MontanaMeansTransmission.pdf>



INFRASTRUCTURE

Roads and Highways

Southeastern Montana has I-94 crossing the northern part of the region east to west, highway 212 along the southern portion going east to west, and then highways 39, 12, and 59 crossing north to south. This area also has smaller county roads, both paved and unpaved connecting the region as well. The road and highway system play an important role in the economy connecting people, services, industries, and towns, however they require a lot of oversight and maintenance.



<http://nris.mt.gov/gis/gisdata/lib/downloads/hwymapmdt.pdf>

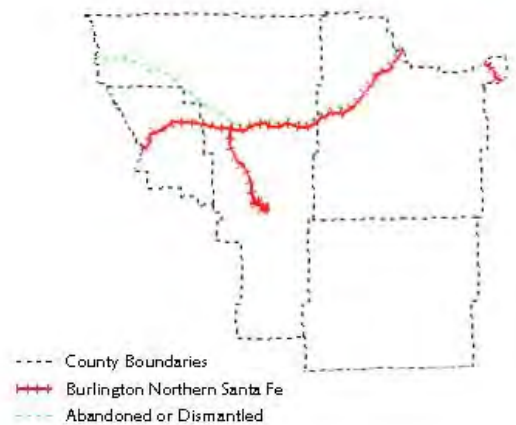
INFRASTRUCTURE

Rail

Construction of Montana's railroad system between 1880 and 1909 breathed new life into mining as well as the livestock industry. The railroads also brought an invasion of agricultural homesteaders. Montana's population surged from 243,329 in 1900 to 548,889 by 1920, while the number of farms and ranches increased from 13,000 to 57,000. Today, rail still plays an important role in southeastern Montana's economy.

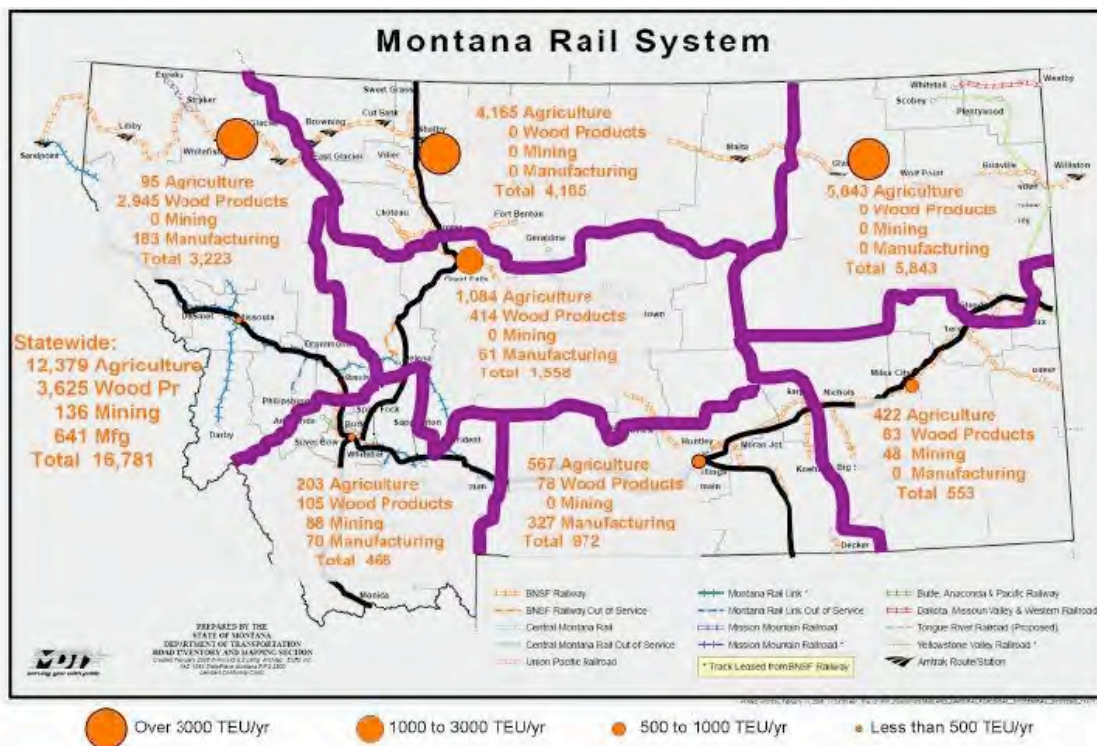
The Railroads in southeastern Montana are an important asset in the region because they create jobs, support other industries such as agriculture and coal, as well as create a need for other goods and services in the area. There are no passenger trains that run along these rail lines, however some interest for passenger rail has been expressed in past years.

SE Montana Rail



http://www.bnsf.com/about-bnsf/pdf/fact_sheet.pdf

Montana Intermodal Shipments by Industry and Sub-region



This graph illustrates the total intermodal shipments by major industries and by geographical sub-region of the State.

SE Montana:

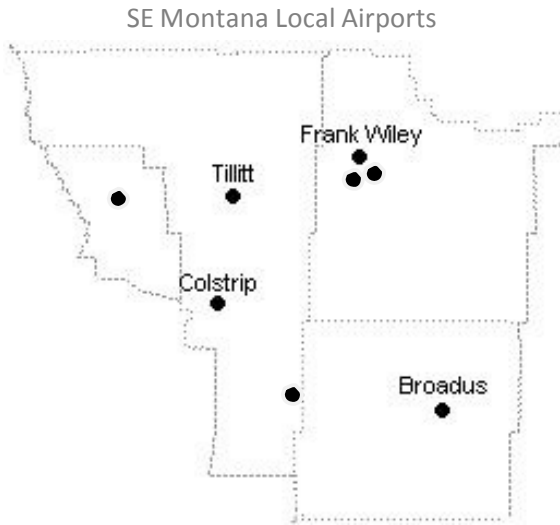
- 422 Agriculture
- 83 Wood Products
- 48 Mining
- 0 Manufacturing
- Total: 553

http://www.mdt.mt.gov/pubinvolve/docs/railplan/railplan_sect7.pdf

INFRASTRUCTURE

Airports

All four counties in the region have some type of airport but only Miles City is capable of providing services to major carriers. The Bureau of Land Management has created a wildfire response base, which has generated strong opportunities. Miles City formerly received Essential Air Service (EAS), a federal program to ensure that small communities served by certified airlines maintained commercial service. The economic impact of this loss is uncertain at this time, but limits some economic opportunities.



<http://www.montana-map.org/airports.htm>

- Broadus
- Colstrip
- Hysham
- Miles City
- Tillett Field Airport - Forsyth
- Holy Rosary Heliport – Miles City
- St. Labre Mission Airport – Ashland
- Sunday Creek Airpark Airport – Miles City

- The major functions of the local airports are for private passenger planes and for emergencies and fire management.
- One of the major challenges for these airports is funding
- Recently the US Air Force has held meetings locally to try to implement air force bomber trainings in southeastern Montana due to the topography and radio access. This has been a controversial issue within this region.

Air Passengers at Miles City Municipal Airport

MILES CITY MONTH	2009 PASSENGERS			2010 PASSENGERS			%2010 VS. 2009		
	ON	OFF	TOTAL	ON	OFF	TOTAL	ON	OFF	TOTAL
Jan	74	67	141	82	79	161	10.8%	17.9%	14.2%
Feb	81	66	147	64	55	119	-21.0%	-16.7%	-19.0%
Mar	79	77	156	89	84	173	12.7%	9.1%	10.9%
Apr	68	85	153	71	61	132	4.4%	-28.2%	-13.7%
May	66	66	132	78	77	155	18.2%	16.7%	17.4%
Jun	86	73	159	88	68	156	2.3%	-6.8%	-1.9%
Jul	60	54	114						
Aug	66	70	136						
Sep	72	71	143						
Oct	82	107	189						
Nov	81	93	174						
Dec	72	64	136						
TO DATE	454	434	888	472	424	896	4.0%	-2.3%	0.9%
TOTALS	887	1,327	2,214						

<http://www.mdt.mt.gov/publications/docs/datastats/boardings-2010.pdf>

REGIONAL ANALYSIS – ENVIRONMENT

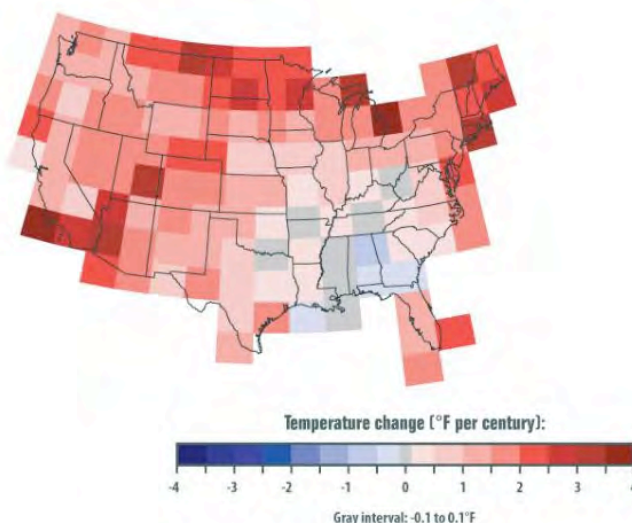
This region has a variety of plant and animal species, a unique landscape of prairies and buttes, as well as an economic base of agriculture and natural resource development. It is important to have a high level of stewardship and environmental analysis in this area, not only for the species that inhabit this region, but also for the economy based on agriculture.

Most farmers use some form of chemical weed and insect control, which does involve some risk to water and wildlife. However the economic impacts of not using these chemicals may be even more detrimental to the area. In addition, a large majority of agricultural producers are respectful of the natural environment and value nature and wildlife as much or more than the general public.

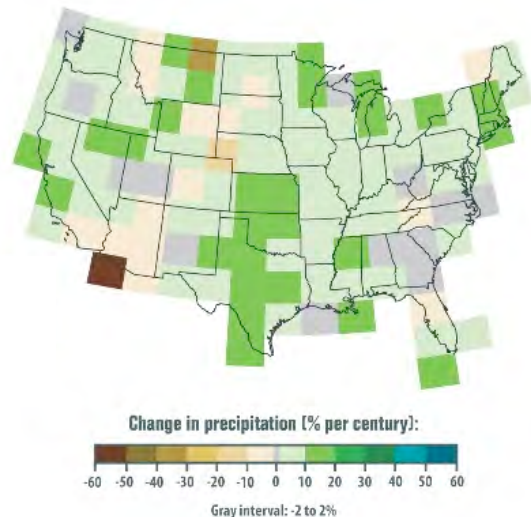
Methane gas extraction is being done minimally in this region. It is possible there will be more methane gas developments, but there is currently a lot of local, state, and regional discussion of this. The extraction requires extensive amounts of water to be pumped from the earth with the gas. The impact this will have on well water, the quality of water pumped to the surface, and the effect on the aquifer is an environmental question and potential concern.

The issue of climate change will have a significant impact on the SEMDC region in the coming years, primarily from a public policy standpoint. Coal and oil resources are experiencing intense negative pressures as viable long-term energy sources. Both precipitation and temperature have increased which has been a trend throughout the Northwest. This will continue to cause various changes in the environment and in agriculture. This subject continues to be a focal point of debate and discussion national scene as well as world-wide and is being studied extensively.

Rate of Temperature Change in the United States, 1901–2008



Rate of Precipitation Change in the United States, 1901–2008



<http://www.wwfblogs.org/climate/content/epa-climate-change-indicators-keyfindings-apr2010>

ENVIRONMENT

Endangered Species

In total there are three endangered species in this region, which is a concern for this region's ecosystem. Another difficult matter is the increase in the wolf population in Montana, and its effect on local livestock. This will be a continuing concern to balance the population of this species as well as prevent damage to livestock and the economy.



<http://www.whoopingcrane.org/index.html>

Endangered Species				
Sub Group Name	Name	Common Name	Status	Habitat
Birds (Aves)	Whooping Crane	Cranes	ENDANGERED	Wetlands
Birds (Aves)	Least Tern	Gulls / Terns	ENDANGERED	Large prairie rivers
Fish (Actinopterygii)	Pallid Sturgeon	Sturgeons	ENDANGERED	Large prairie rivers

<http://mtnhp.org/SpeciesOfConcern/?AorP=p>

Hazardous Material Sites

Colstrip Steam Electric Station and Colstrip Energy Rosebud Power Plants are on the list of the Top 10 Facilities for Waste Emissions (EPA, 2004). These Hazardous Material Sites are Environmentally sensitive locations and are important to consider in planning for potential emergency situations as well as ensuring that waste is monitored, contained, and/or treated according to standards. The Colstrip power plant has taken plenty of precautions such as using a contained system, high OSHA standards, low sulfur dioxide emissions state of the art nitrogen oxide controls and has one of the best mercury abatement systems in the nation. Colstrip has taken aggressive actions to control seepage from its scrubber slurry storage ponds by investing \$64 million over the last ten years on innovative groundwater protection systems. The plant has spent millions over the years to reduce groundwater seepage from storage bins and continues to reinvest in environmental remediation efforts.

Hazardous Material Sites



<http://dma.mt.gov/des/Library/PDM/PDM-Final%20Draft/Montana%20Plan%20October%202004.pdf>

Brownfield Sites

Brownfield sites are abandoned or unused industrial sites such as unused gas stations, mills, and wrecking sites. This region could benefit greatly from brownfield redevelopments, opening up the potential for available land, and mitigating environmental effects. Funding for brownfield assessment and redevelopment is a challenge, but progress is being made through a regional partnership, which includes funding for initial assessments as well as a regional loan fund to help with mitigation projects. SEMDC is a founding member of this regional partnership dubbed the Eastern Montana Brownfield Coalition.

REGIONAL ANALYSIS – ECONOMIC RESILIENCE

SEMDC has developed a Disaster/Economic Recovery and Resiliency Strategy that has regional applicability and is kept current with the cooperation of its member City, County, and Tribal government entities. This document outlines the potential risks associated with natural and human-influenced catastrophes, how these events might impact the areas residents, and provides guidance and planning processes that will help mitigate and overcome the challenges presented by such a disaster.

Each County has its own Disaster and Emergency Planning documents, processes and local management officials. SEMDC serves as a regional planning entity that helps to link these assets together across jurisdictional boundaries and assist with putting the tools into an economic development-related context.

From the document, disaster preparedness is addressed in the following bullet points:

SEMDC supports and encourages its communities to:

- Engage in pre-disaster recovery and mitigation planning
- Regularly assess the community's risks and vulnerabilities
- Inventory and organize the community's recovery resources
- Engage in business continuity planning
- Ensure resources are available for the elderly and those with special needs
- Identify shelters
- Identify recovery partners, as well as the type of assistance and resources they can provide
- Establish a timeline for recovery activities (immediate, short-term, intermediate, and long-term)
- Develop and disseminate a community evacuation plan
- Establish a communication chain
- Engage the community's residents in the planning and recovery process

It also identifies the specific challenges unique to the SEMDC regional communities:

Recovery and Mitigation: SEMDC Regional Challenges

Small population dispersed over a large area
Lack of comprehensive services
Isolation/lack of access
Limited options for transmitting information
Possibility for widespread interruption of services
High percentage of stationary, at-risk population (elderly)
Lack of economic diversity, loss of "one" may mean loss of "all"
Limited transit options
Limited incomes
Few liquid assets, significant amount of money tied up in land and equipment
Vulnerable infrastructure, including historic sites and structures
Heavy reliance on imported materials and food

Finally, the plan provides a multi-faceted role for SEMDC to serve in this context, including:

- Developing technical expertise and economic analysis tools for conducting initial disaster assessments and long-term economic impact analysis; and leveraging assets
- Encouraging concepts and principles of economic resiliency strategies into the existing planning and development plans and activities within the region; and providing collaboration across jurisdictions
- Offering grant writing expertise and technical assistance to regional and local entities, both for pre-disaster resiliency initiatives as well as post-disaster recovery efforts
- Establishing familiarity with traditional economic and community recovery funding sources, including resources for business development assistance programs, such as EDA's Revolving Loan Fund (RLF) programs as well as private, nonprofit, and philanthropic resources; and providing technical support to impacted businesses

Regional Industry Clusters

The economist Michael Porter coined the term, Industry Cluster, in *The Competitive Advantage of Nations* (1990), which has sparked much discussion about the theory since. We broadly define ‘Industry Cluster’ as a group of establishments located geographically in close proximity to one another, which are similar industries, have similar inputs or outputs, and/or are a supplier or customer to one another. Clusters often help to increase economic diversity within a region, as well as help in small business development and local employment. When industries that support each other are located in the same region, this often; decreases transportation costs, increases face-to-face interaction amongst local stakeholders which often creates a platform for innovation within that industry, provides a stronger local network and need for local companies and entrepreneurship, and often creates jobs.

The following maps and charts highlight current cluster trends (major clusters, growing clusters and declining clusters), as well as the potential effects natural resource and energy developments may have on the industry clusters in the region.

By identifying local industrial trends through regional Industry Cluster Analysis, we hope to provide a framework for local communities to stimulate local innovation, entrepreneurship and economic development. We, as a region, can better identify what new businesses may find success through becoming part of a growing cluster, or to better analyze why a cluster is declining.

There are a number of variables that could be used to analyze clusters such as population, revenue, and number of establishments. In this document we chose to use the number of establishments in quantifying the major clusters and those that are growing and declining. More detailed statistics were published in census information regarding the number establishments, compared to the statistics made public for the number of employees, which is one of the reasons why establishments show a more representative illustration of the clusters. However we do include the change in number of paid employees between 2003 and 2015 to be able to compare to change in establishments. These cluster statistics can also trigger interesting discussion and allow for more critical analysis on why industry shifts have taken place. For example in Custer County, between 2003 and 2015 the number of retail establishments declined by 7, whereas paid employees increased by 222. This could perhaps be because of the increase in large corporate retail representing increase in employees, but may have had a negative competitive effect on small businesses as illustrated by the decline in number of establishments.

We follow the cluster section with a Regional Networking map. Clusters, innovation, and culture all thrive on networking and communication. Especially in today’s changing communication environment and networking, the internet has changed the face of communication and marketing.

Through our town meetings, we recognized the need for better web presence not only for marketing tourism but also for communicating local opportunities. The Regional Networking Map on page 54 provides a visual representation of a regional communication survey we completed to understand how “networked” communities are, and which communities could gain by improving communication.

REGIONAL CLUSTERS

Custer County Industry Cluster Descriptions

The largest industry cluster in Custer County by employment is Health Care and Social Assistance closely followed by Retail Trade and then Accommodation and Food Services. The fastest growing industries as indicated by the increase in the number of establishments were Construction, Arts, Entertainment and Recreation, and Wholesale Trade. Miles City has long been regarded as a regional retail and service hub. The large aging population of eastern Montana is drawn to the community because of the health related services, independent living options and progression of assisted living as well as skilled nursing care and hospice. Such services are many times unavailable in the surrounding communities – especially those related to housing options for the elderly. Miles City also serves as the headquarters for Stockman Bank, which has aggressively expanded by opening branches and service locations throughout Montana. Thus, the employment in this sector has also seen expansion. Emerging industries seem to surround construction related businesses, tourism and manufacturing. Recently, Miles City found itself uniquely positioned between the oil fields near Gillette, WY and the Bakken reserve in North Dakota. Oil extraction and construction demands in these two areas have planted opportunities in Miles City. Additionally, local construction companies involved in road construction have strengthened through highway projects and other large equipment projects. This has created increased pressure on rental housing and moderately priced single-family homes. Another large economic impact on Custer County is that of agriculture. In 2015, there were 424 operations. This makes agriculture the largest industry by number of establishments (if one considers each operation as one establishment). The market value of that agricultural production in 2012 was estimated at \$109,201,000 (up from \$71M in 2007) or \$285,157 per farm and an average net cash income of \$44,610 per farm (NASS website, Ag Statistics, Economic Survey). This production value would not indicate that agriculture is the major contributor to the economy based on Bureau of Labor and Statistics information. Both Finance/Insurance and Health Care/Social Assistance would most likely surpass Agriculture in gross receipts.

Major Clusters – Agriculture, Health Care and Social Assistance, Accommodation and Food Services, Finance and Insurance, Retail Trade, Professional and Technical Services, and other Services

Growing Clusters – Construction, Arts/Entertainment/Recreation, Wholesale Trade

Declining Clusters – Health Care and Social Assistance, Retail Trade (however these continue to hold strong employment numbers)

REGIONAL CLUSTERS

Custer County Industry Cluster Breakdown

Industry code	Industry code description	Total Est. 2003	Total Est. 2008	Total Est. 2015	Paid Emp. 2003	Paid Emp. 2008	Paid Emp. 2015
-----	Total	408	410	425	3,742	4,099	4,500
11----	Forestry, Fishing, Hunting, Ag	2	2	3	0-19	0-19	0-19
21----	Mining/Oil&Gas	2	3	4	0-19	100-249	100-249
22----	Utilities	1	1	2	0-19	0-19	20-99
23----	Construction	37	44	50	292	100-249	211
31----	Manufacturing	7	12	12	43	87	91
42----	Wholesale Trade	19	18	27	166	162	247
44----	Retail Trade	66	63	59	745	808	967
48----	Transportation/ Warehousing	27	30	27	193	169	166
51----	Information	8	5	7	74	20-99	83
52----	Finance / Insurance	29	30	28	203	100-249	254
53----	Real Estate, Rent, Leasing	13	16	17	22	20-99	41
54----	Professional, Scientific, Tech	30	25	29	150	163	120
55----	Management of Companies	1	1	2	0-19	0-19	0-19
56----	Admin, Waste Mgmt, Remediation	14	14	15	45	46	130
61----	Educational Services	3	2	3	20-99	0-19	0-19
62----	Health Care/ Soc. Assistance	58	51	47	896	1010	925
71----	Entertainment, Arts/Recreation	12	17	22	108	112	130
72----	Accommodation/ Food Services	44	40	40	589	651	636
81----	Other Services (excl-PublicAdmin)	35	35	31	151	183	195
	Agriculture	425	411	424	364	330	-

<http://www.census.gov/econ/cbp/index.html>

REGIONAL CLUSTERS

Powder River County Industry Cluster Descriptions and Breakdown

The largest industry by number of establishments, employees, and by receipt in Powder River County is agriculture. The market value of that agricultural production in 2012 was estimated at \$62,417,000 (up from \$41M in 2007) or \$190,296 per farm and an average net cash income of \$49,469 per farm (NASS website, Ag Statistics, Economic Survey). Construction and Retail Trade make up the next largest industries based on the number of establishments. While Agriculture and Construction experienced an increase in the number of establishments, retail trade experienced a slight decrease. The industry sector that saw the largest percentage increase in number of establishments was that of construction while manufacturing experienced the largest decline.

Major Clusters – Agriculture, Retail Trade, Construction

Growing Clusters – Agriculture, Construction, Other Services

Declining Clusters – Manufacturing, Transportation and Warehousing, and Arts, Entertainment & Recreation

Industry code	Industry code description	Total Est. 2003	Total Est. 2008	Total Est. 2015	Paid Emp. 2003	Paid Emp. 2008	Paid Emp. 2015
-----	Total for all sectors	70	69	73	235	324	322
21----	Mining, Oil&Gas	1	1	3	0-19	0-19	20-99
22----	Utilities	1	1	1	0-19	0-19	0-19
23----	Construction	1	15	17	16	20-99	47
31----	Manufacturing	12	1	2	0-19	0-19	0-19
42----	Wholesale trade	1	1	2	-	0-19	0-19
44----	Retail trade	13	11	13	86	137	87
48----	Transportation, warehousing	7	5	4	9	0-19	7
51----	Information	1	1	1	0-19	0-19	0-19
52----	Finance/Insurance	4	3	2	18	20-99	0-19
53----	Real estate/rental/leasing	1	1	1	0-19	0-19	0-19
54----	Professional, scientific/tech services	5	5	4	0-19	19	15
62----	Health care and social assistance	2	1	1	0-19	0-19	0-19
71----	Arts, entertainment, and recreation	9	8	4	0-19	20-99	4
72----	Accommodation and food services	6	8	7	47	52	59
81----	Other services (excl-Public Admin)	6	6	9	10	13	34
	Agriculture	301	319	333	255	256	-

REGIONAL CLUSTERS

Rosebud County Industry Cluster Breakdown and Descriptions

The largest industry by number of establishments in Rosebud County is agriculture. Farms reported in Rosebud County increased from 412 in 2002 to 451 in 2015. The market value of that agricultural production in 2012 was estimated at \$91,793,000 (up from \$57M in 2007) or \$209,930 per farm and an average net cash income of \$35,409 per farm (NASS website, Ag Statistics, Economic Survey). The largest industry by gross receipts in this county is undeniably Utilities and Mining supporting an employee base of approximately 750 persons. Other industries were fairly stable in regard to number of establishments. The highest percentage increase would be in Arts, Entertainment and Recreation with an increase of 6 companies over this 12 year period.

Major Clusters – Mining, Utilities, Agriculture, Retail Trade, Accommodation and Food Services

Growing Clusters – Agriculture, Utilities, Arts, Entertainment & Recreation, Accommodation/Food Services

Declining Clusters – Manufacturing, Finance and Insurance, Retail Trade

Industry code	Industry code description	Total Est. 2003	Total Est. 2008	Total Est. 2015	Paid Emp. 2003	Paid Emp. 2008	Paid Emp. 2015
-----	Total for all sectors	190	183	189	2,548	2,684	2,404
	Forestry, Fishing, Hunting, Ag	1	0	0	0-19	0	0
21----	Mining, quarrying, oil/gas	2	2	1	250-499	250-499	250-499
22----	Utilities	4	7	8	250-499	250-499	250-499
23----	Construction	14	13	16	31	100-249	132
31----	Manufacturing	4	4	1	9	20-99	0-19
	Wholesale Trade	3	0	0	0-19	0	0
44----	Retail trade	34	33	28	313	306	292
48----	Transportation/warehousing	6	5	6	72	20-99	43
51----	Information	5	5	4	20-99	20-99	20-99
52----	Finance and insurance	12	11	10	60	56	61
53----	Real estate/rental/leasing	5	6	6	24	30	15
54----	Professional/scientific/tech	8	4	6	36	0-19	14
56----	Administrative and Support Waste Mgmt Remediation	10	10	10	60	60	38
61----	Educational services	3	3	4	250-499	250-499	250-499
62----	Health care/social	19	16	17	229	254	222
71----	Arts, entertainment, and recreation	6	10	12	20-99	20-99	76
72----	Accommodation and food services	30	31	34	296	296	198
81----	Other services (except public)	24	23	26	108	69	107
	Agriculture	412	478	451	327	336	-

<http://www.census.gov/econ/cbp/index.html>

REGIONAL CLUSTERS

Treasure County Industry Cluster Descriptions

The largest industry by far in Treasure County is agriculture. With only one very small community, there is very little additional business activity. Nearly all economic activity in Treasure County is dependent on agricultural receipts. The market value of that agricultural production in 2012 was estimated at \$46,565,000 (up from \$31M in 2007) or \$427,202 per farm and an average net cash income of \$162,543 per farm (NASS website, Ag Statistics, Economic Survey). Other major industries by number of establishments include Accommodation and Food Services, Health Care and Social Assistance, Finance and Insurance and Construction.

Major Clusters – Agriculture, Accommodation and Food Services, Health Care and Social Assistance, Finance and Insurance and Construction

Growing Clusters – Accommodation and Food Services, Agriculture, Retail Trade

Declining Clusters – Health Care and Social Assistance, Wholesale Trade, Manufacturing and Utilities

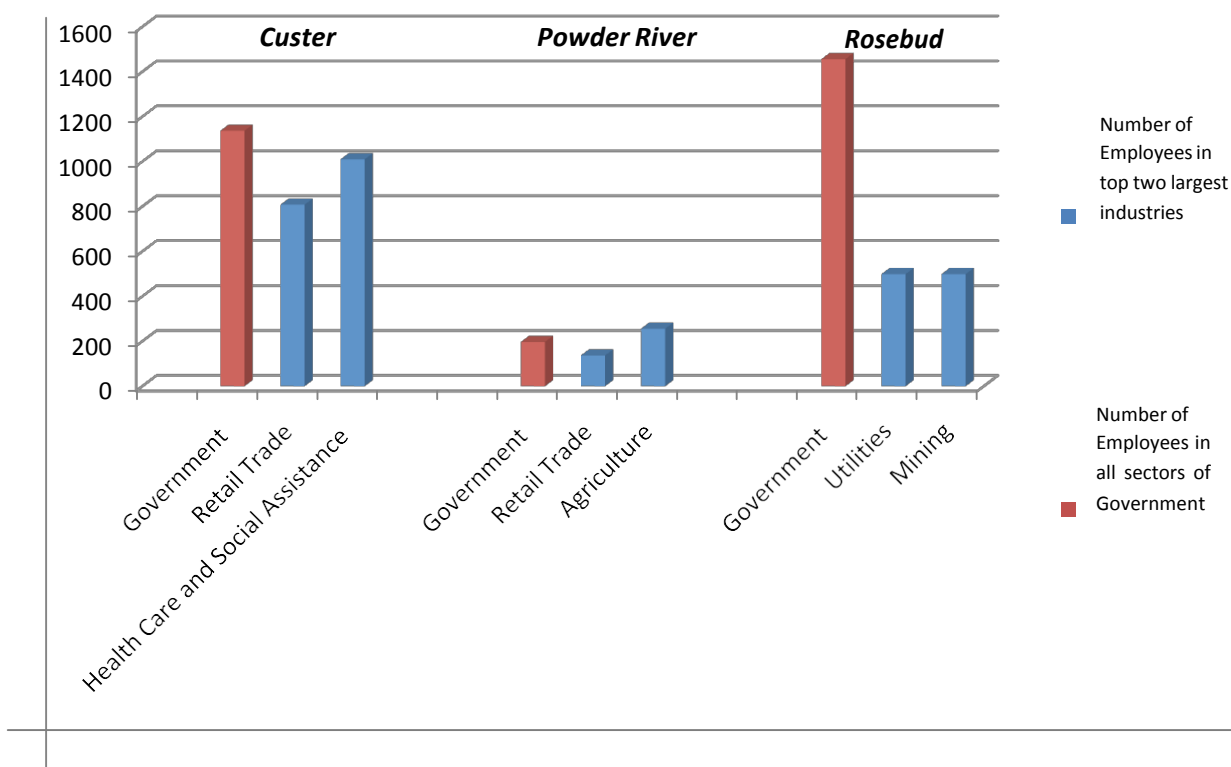
Industry code	Industry code description	Total Est. 2003	Total Est. 2008	Total Est. 2015	Paid Emp. 2003	Paid Emp. 2008	Paid Emp. 2015
-----	Total for all sectors	26	22	20	95	67	55
11----	Forestry, fishing, hunting	1	1	0	-	0-19	-
22----	Utilities	3	1	1	0-19	0-19	0-19
23----	Construction	2	3	2	0-19	6	0-19
31----	Manufacturing	4	2	0	-	0-19	-
42----	Wholesale trade	3	1	0	0-19	0-19	-
44----	Retail trade	1	2	3	22	0-19	0-19
48----	Transportation and warehousing	1	1	1	7	0-19	0-19
52----	Finance and insurance	2	3	2	0-19	0-19	0-19
54----	Professional, scientific, and technical services	3	2	2	0-19	0-19	0-19
62----	Health care and social assistance	5	3	1	0-19	0-19	0-19
72----	Accommodation and food services	1	3	3	21	4	7
	Agriculture	115	101	119	186	166	-

<http://www.census.gov/econ/cbp/index.html>

REGIONAL CLUSTERS

Government Workers in SE Montana

Government workers were not included in the Industry Cluster Analysis, because it is public sector. However, it plays a major role as an employer in this region. The graph below compares the number of government workers (Local, State, and Federal), to the number of employees in the largest industries. **Note: These statistics were not available for Treasure County (the graphical relationship is likely very similar to Powder River County).**

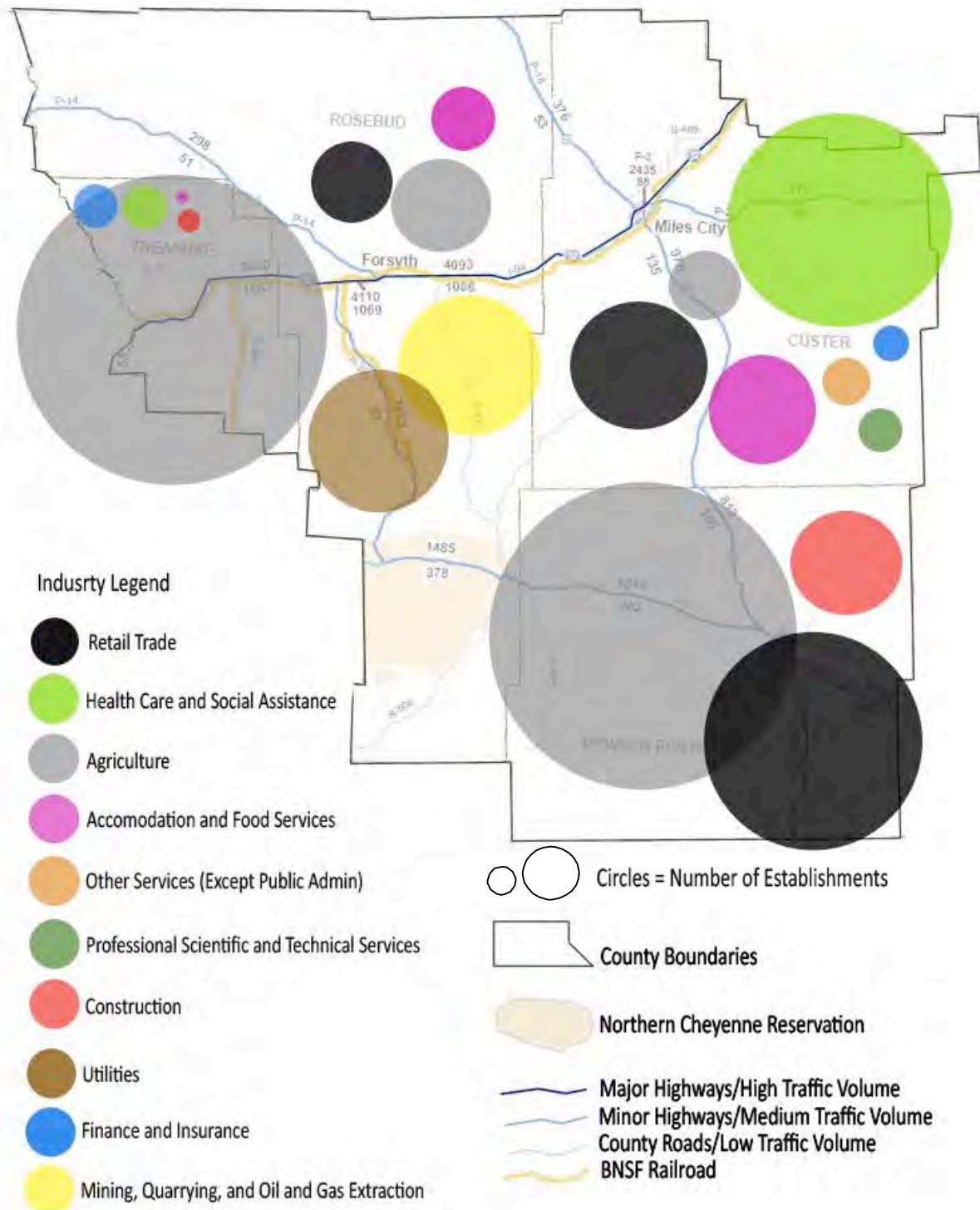


<http://www.ourfactsyourfuture.org/?PAGEID=67&SUBID=273>

REGIONAL CLUSTERS

Major Clusters

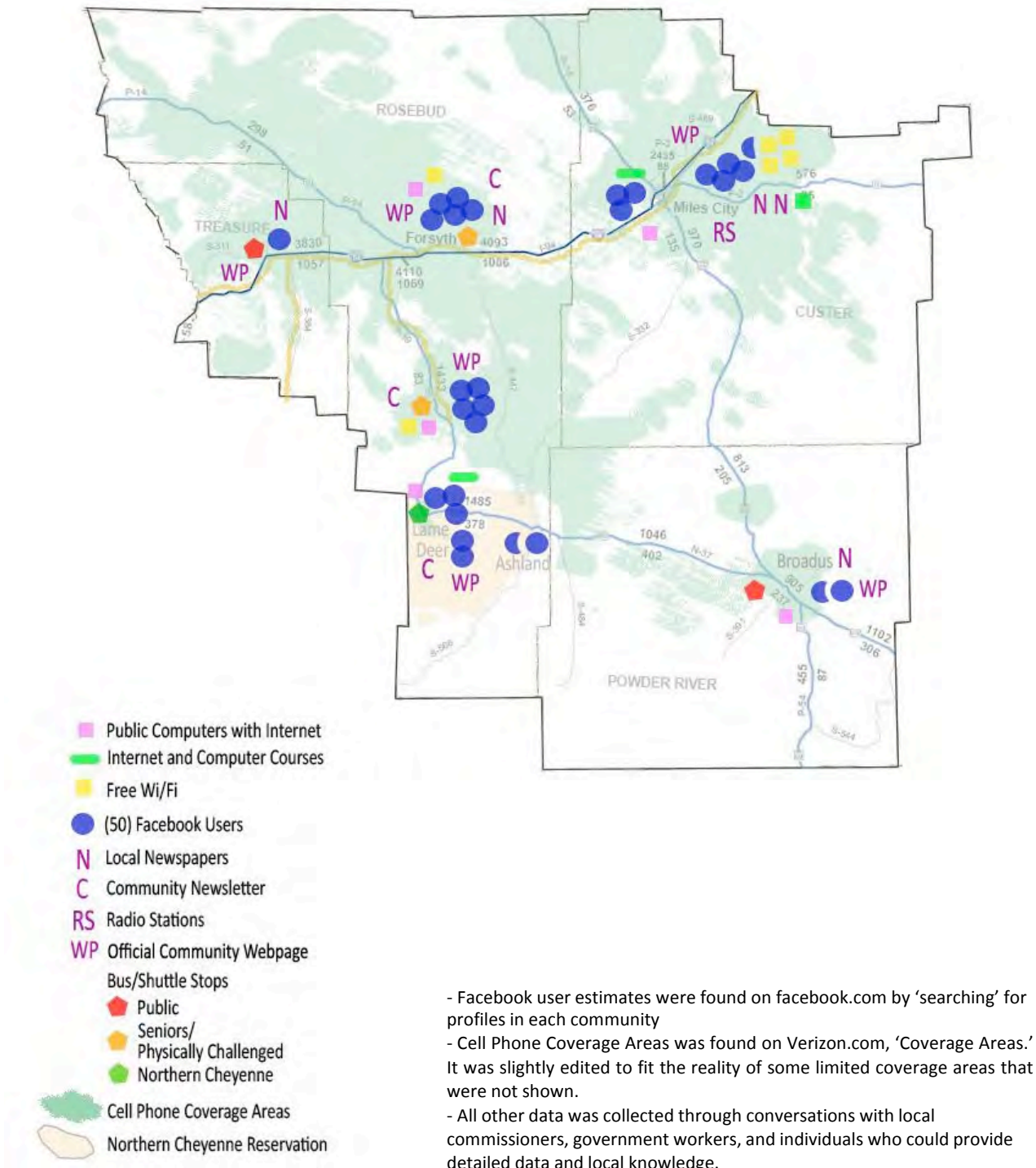
Relative comparisons in the graphic below are applicable within each county. The circles represent the size of the industry relative to other industries within that county only. For example, in Treasure County, the impact of agriculture is enormous compared to other industries.



<http://www.census.gov/econ/cbp/index.html>

REGIONAL NETWORKING MAP

Through our town meetings and background data, broadband capacity and better web presence not only for tourism marketing but also for communicating local opportunities was a huge concern. The Regional Networking Map is a visual representation of how “networked” communities are, and which communities could gain in improving communication. Social media has become a huge driver in rural communities and continues to grow in use and importance.



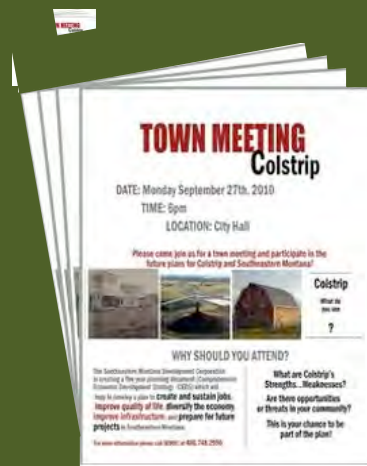
4 COUNTY PROFILES

The CEDS planning process analyzes local conditions and trends, identifies problems and opportunities, set goals, objectives and strategies and coordinates activities to implement them. Planning for community, economic and rural development is a continuing process responding to our changing wants and needs.

In order to assess the various communities in our region and develop a comprehensive plan, we organized seven community meetings and developed an online survey. We had a total of 86 attendees at the public meetings across the area, and received 6 electronic responses. Participants represented a broad cross section of industries, public officials, income/education levels, and socio-economic backgrounds.

Each meeting was based on a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis and a brainstorming session for proposed projects. Through this means of public participation we received a lot of interesting feedback on the current state of the community and county and developed project ideas to include in this planning document.

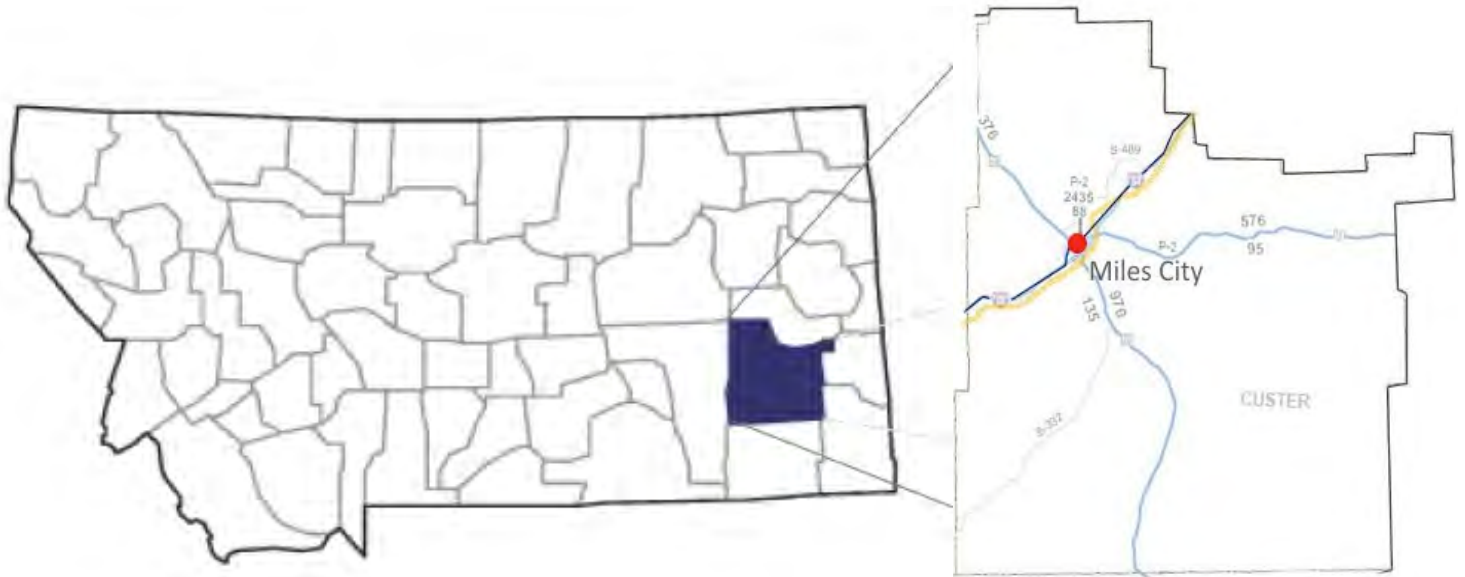
This next section goes into a more in-depth analysis of each county in the region. This includes the perspectives from the community as well as background socio-economic data. *(Please see Appendix B for Community Meeting notes.)*



- 7 Community Meetings held
- 86 meeting participants
- 6 electronic respondents
- The community meetings and surveys were based on a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis, and incorporated a brainstorm on future projects that may be beneficial to the community and/or region.
- Great participation and feedback
- All meeting notes are made public on the SEMDC website
- A document for each community will be developed to summarize the main issues and proposed projects that came out of the meetings. This will be a step towards putting the CEDS planning in action.

COUNTY PROFILES

CUSTER COUNTY



CUSTER COUNTY

Miles City

Miles City is the county seat of Custer County, the largest urban area in southeastern Montana with a population of approximately 9,000 people that has remained almost constant for the past 50 years.

Miles City serves as the Trade Center for an extended region running almost 100 miles in all directions. As such, retail, services, and agriculture-based services comprise the majority of firms with retail, accommodations, food services, healthcare and social assistance. Miles City provides a regional source for healthcare, banking, governmental services, transportation, financial services, legal services and educational services through Miles Community College. Cultural and recreational opportunities for the region abound and Miles City has a growing retirement community.

The Miles City community has a vast historical heritage with roots that extend from the days of the fur traders and the exploration by Lewis and Clark through the military establishment at Fort Keogh and the Native American presence, riverboat traffic on the Yellowstone, and the rail head brought by the Northern Pacific Railway. Miles City was the destination for many trail drives of cattle between Texas and the grasslands of the northern plains. Miles City was, for a time, the second largest banking center in Montana. Currently, Miles City has a historic district centered in the downtown commercial area and two residential historic districts. A strong community desire to preserve their heritage has led to the reestablishment of the Miles City Historic Preservation Commission, which pursues historic preservation through education, financial assistance and other activities.

Infrastructure and Services

Miles City has developed and maintained a solid infrastructure system over the years. It is in a good position to service additional growth in both residential and commercial sectors. However, Miles City is located in a floodplain creating high insurance cost and some development and infrastructure concerns.

Water Treatment Plant – The water treatment plant was built in 1973 and has a design flow of 7,000,000 gallons per day. The primary source of water is the Yellowstone River. Maximum current flows are 3 to 3.5 million gallons per day in the summer and much less during the winter. The water treatment process is rapid flash mix, flocculation, and sedimentation, with rapid sand filtration. Chlorine gas is added for disinfecting and fluoride is added for dental protection. Three storage tanks with total capacity of approximately 2,275,000 gallons are located around the city that will provide 2-3 days reserve in the event of an emergency.

Wastewater Treatment Plant – The wastewater treatment plant was built in 1980 with an average design flow of 1.98 million gallons per day with the ability to handle peak flows of up to 3.77 million gallons per day. Current flows are between 1.2 and 1.3 million gallons per day. The plant is an extended aeration oxidation ditch with brush aerators that treat both domestic sewage and industrial wastewater. Discharge is to the Yellowstone River. A major upgrade is currently in the planning phase.

Wastewater Collection System – There are 16 lift stations that make up the collection system with all but 3 equipped with radio alarms in case of malfunction. There is approximately 57 miles of sewer lines serving 3,500-metered customers and 230 unmetered customers.

Solid Waste – Solid waste disposal is provided by a joint city-county solid waste district and landfill owned by the district. The district is operated under contract with a private operator with residential and commercial collection provided through 2 private collection services.

CUSTER COUNTY

Municipal Airport – Frank Wiley Field is located 2 miles north of city on land owned by city. A joint city-county commission operates the facilities. Fueling, mechanics and other services are available. The airport has 2 runways over 5,600 feet long and 100 feet wide rated at 24,000 pounds and 38,000 pounds Single Wheel Gear. Visual and radio navigational aids and lighting are in place. A major BLM wildfire base has recently been installed. It also serves as a regional medical flight hub into Billings.

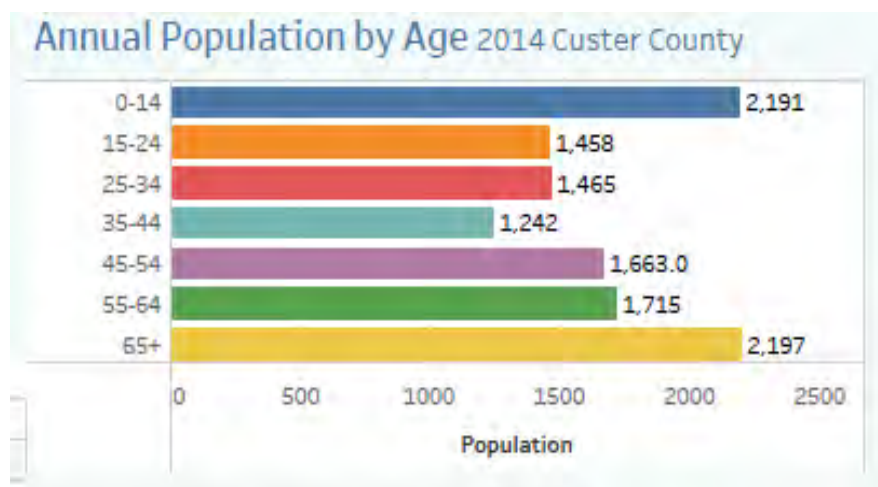
Surface Transportation – Burlington Northern – Santa Fe Railroad with container service available upon request, services Miles City. Daily train service is provided along with ample rail sidings. Interstate 94 provides east/west bus and cargo services connecting to Billings and Bismarck with 3 state highways providing access from the north and south. Numerous local and regional truck lines service the area including livestock and crop hauling capabilities.

Telecommunications – Miles City is served by two phone companies, has good cellular coverage, and available high-speed broadband telecommunications. Most of the city has fiber optic cable in place providing high-speed internet access, interactive video, DSL and cable modem services. All are provided at very affordable rates. Miles City also houses one of the two Data Centers in the State of Montana. This enhances network capabilities as well as has the potential for private storage of data.

Development Properties – Miles City has land use zoning that extends approximately two miles beyond the City limits. The ordinance has eighteen different zoning districts for residential, commercial, industrial, open space, agriculture and airport hazard uses to serve the wide variety of development needs of the community. A separate industrial site provides space for industrial uses. Water and sewer services are generally available throughout the development area.

Population

In 2015 Custer County had a population of 12,135, which is the only county that has experienced a slight increase in population over the last ten years. The decreasing population over time across this region is representative of Eastern Montana as a whole. The declining youth population and rising senior population is causing various community pressures. However of all the communities in the region, Miles City has seen the most stability in its population level.



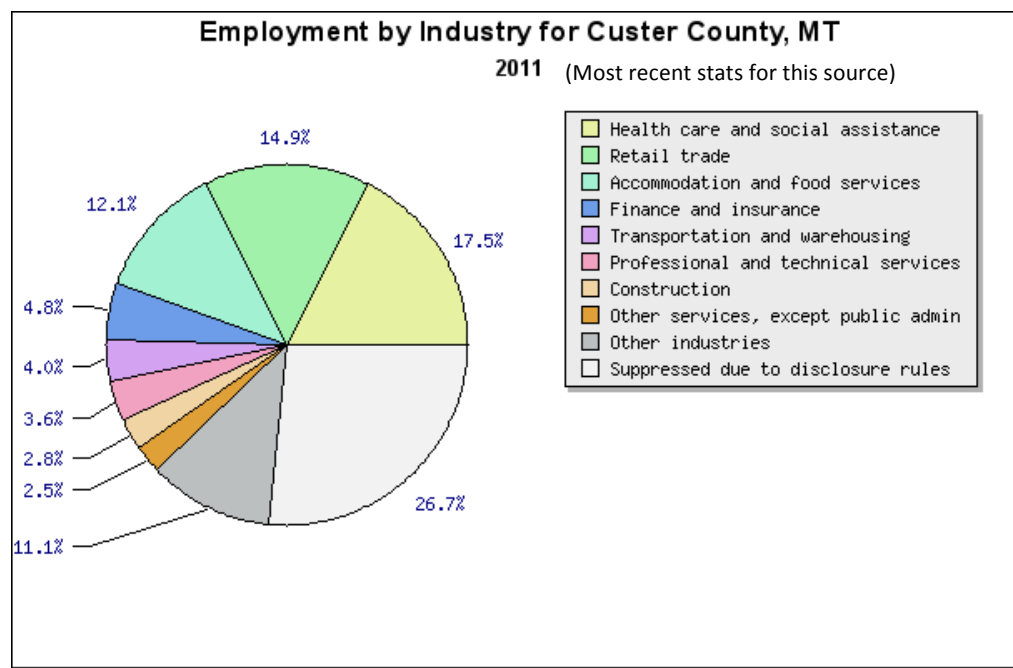
<http://www.census.gov>

CUSTER COUNTY

Economics and Business Trends

Economy and Employment – Miles City relies upon a service and retail economy similar to most “hub” communities. As referenced in the “Industry Cluster” section above, these service-related industries actually saw slight decreases in the number of business establishments, although they continue to hold high employment numbers and are considered major economic drivers within the county.

Construction, Arts/Entertainment/Recreation, Wholesale Trade all experienced growth in number of establishments as well as employees. Number of agricultural operations increased, as did overall commodity receipts over the same period.



http://economics.toolbox.mit.edu/images/employment_county.php?region_id=1&sfips=30&cfips=30017&rurality_flag=0

Select coverage: ☒ County ☐ State

Select Area: Custer

Top Private Employers (Top 15) for Custer County 2015

Trade Name	Num Emp	Top 15
Albertsons	50 to 99	■
Billings Clinic - Miles City	50 to 99	■
Eastern Montana Community Mental ..	50 to 99	■
Eastern Montana Industries	50 to 99	■
Friendship Villa Care Center	50 to 99	■
Holy Rosary Healthcare	250 to 499	■
McDonalds	50 to 99	■
Montana Health Network	50 to 99	■
Notbohm Motors	50 to 99	■
Reynolds Market	50 to 99	■
Sanial USA	100 to 249	■

Private Employment By Ind. 2015 (Annual) for Custer County

Industry	No. of Bus.	Avg. Emp.	Ann. Wage per Job
Accommodation	9	141	\$17,956
Administrative and Supp..	20	157	\$24,753
Ambulatory Health Care ..	24	241	\$47,167
Amusement, Gambling, ..	15	112	\$15,636
Animal Production	13	112	\$27,532
Building Material & Gard..	7	104	\$35,006
Clothing and Clothing Ac..	7	29	\$18,067
Construction of Buildings	15	26	\$26,527
Couriers and Messengers	5	36	\$59,630
Credit Intermediation & ..	9	206	\$56,523
Electronic Markets and ..	4	5	\$52,023
Electronics and Applianc..	3	9	\$35,278
Financial Investment & R..	4	6	\$75,268
Food and Beverage Stor..	4	133	\$25,530
Food Manufacturing	3	8	\$23,755

<http://www.census.gov>

CUSTER COUNTY

Income and Workforce –

According to US Census numbers, unemployment was down in Custer County from 4.9% in 2010 to 3.2% in 2015. Over the same period, median household income increased from \$38,319 in 2010 to \$48,750 in 2015, which puts the county slightly ahead of the rest of Montana for the same period. As reflected in the graphics below, average wages and per capita income reflect the same relationship.



<http://www.census.gov>

Agriculture

Crop and livestock production remains a strong economic driver in the county with overall sales income increasing over the five year period (actual income is discussed above under cluster analysis). These numbers are of course dependent on weather and commodity markets; and are thus fairly unpredictable. However, over time total production levels remain fairly stable. The fertile Yellowstone River valley provides excellent soils and ample water for irrigation in most years for secure productivity regardless of spring and summer precipitation. The rest of the county is subject to weather-related production on rangeland pastures and dryland fields, but has consistently produced good crop and livestock yields over the years.

CUSTER COUNTY

Education

Custer County has a strong primary and secondary school system with steady student populations and solid community support for curriculum, programs, faculty and facilities. Miles City also hosts the area's community college, which is described below.

Number of Schools by Level and Type

School Level	Total All Types	Regular school	Special education school	Vocational school	Other/alternative school
Total All Levels	15	13	0	0	2
Primary	10	10	0	0	0
Middle	3	2	0	0	1
High	2	1	0	0	1
Any other configuration	0	0	0	0	0

http://smpbff2.dsd.census.gov/TheDataWeb_HotReport/servlet/HotReportEngineServlet?reportid=01af76b9f7905d7b03d2c8277342e9a8&emailname=whazard@census.gov&filename=ed_comm_gen_v2.html

Miles Community College – Miles City is the home to Miles Community College (MCC), one of the three community colleges in Montana. MCC's programs address a broad spectrum of interests, everything from GED to professional-technical programs such as building construction, heavy equipment, auto technology, health information technology, agri-business, animal science, nursing (RN), and computer technology, including networking. These programs offer a one-year certificate or a two-year degree. For those who want to go on and earn a four-year degree, Miles Community College offers two-year transfer programs. Additionally, MCC provides customized programming for business and industry training, continuing and community education, and many other educational programs. MCC is also a leader in distance learning, and many of its programs are offered through outreach, online learning, and interactive television. Additionally, baccalaureate and advanced degrees can be completed through distance learning opportunities from the Montana University Systems (MUS).

Public Facilities and Services

Miles City Medical Community – Miles City is home to the Holy Rosary Hospital, two major medical clinics and several elderly care facilities with differing levels of care including retirement homes, assisted living, and skilled care nursing facilities. This is also a major employment center. The physicians practicing locally represent many different medical specialties and are supplemented by visiting physicians from the Billings community. Air ambulances are available for critical patient handling.

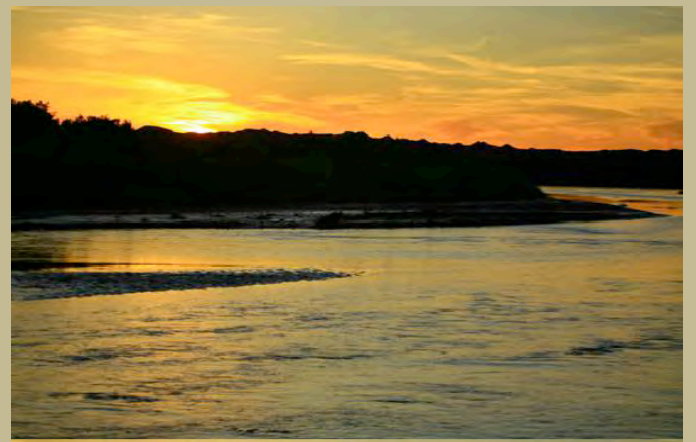
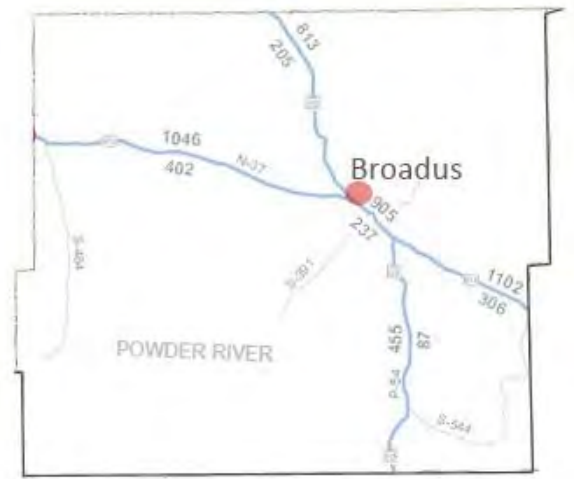
City/County Services – The local governments offer a full suite of public services including Sheriff's Dept. (partnering with Miles City local officials), emergency responders (fire/ambulance/search and rescue), County Roads, Weeds, Extension, and other typical local government offices.

Housing

Housing Stock and Characteristics – New home construction is slow across the entire region, which equates to an overall aging of housing infrastructure. The demand for housing in Custer County, though less in recent years, has caused pressure on available housing and escalated prices on existing homes. This is especially difficult for lower income homebuyers as there is little difference between asking price for older homes versus newer homes. These trends are common throughout the SEMDC region.

COUNTY PROFILES

POWDER RIVER COUNTY

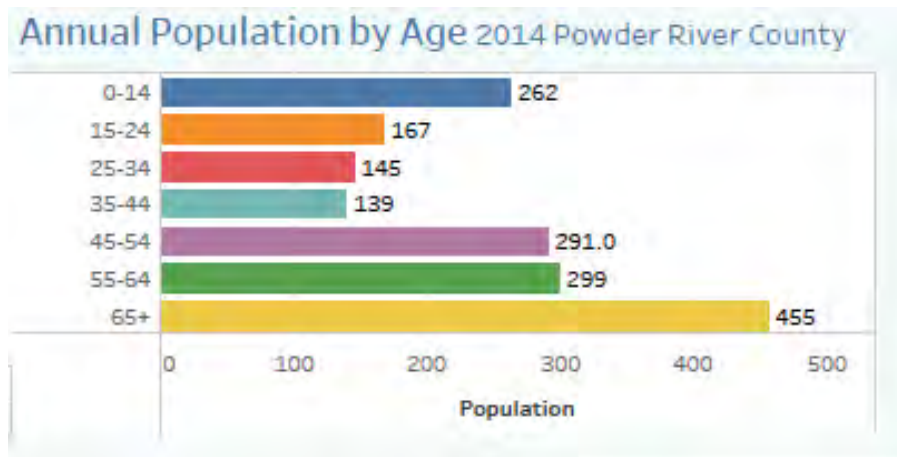


POWDER RIVER COUNTY

Population

Powder River County covers 3,297 square miles with a population of 1,773 persons (2015 US Census - Quickfacts), one of the least densely populated areas in the State. Overall the County has experienced a decrease in population from 2,090 residents in 1990.

Powder River County is similar to other counties in the district as the population is comprised of 98% Caucasian. This agriculture-based county is also experiencing the challenge of a decline in the younger population. As seen in the chart below, the population class 65 and older is nearly double of the next highest age class.



<http://www.census.gov>

Unemployment and Income

Per the most recent US Census numbers, unemployment was down from 4.4% in 2010 to 2.2% in 2015. Over the same period, median household income increased from \$37,685 to \$46,346. As reflected in the graphics below, average wages and per capita income reflect the same relationship.



<http://www.census.gov>

POWDER RIVER COUNTY

Broadus

The Town of Broadus claims 458 residents. Jobs in town are dominated by government employment with the largest private employer being the local grocery store. There are many small business owners, including farmers and ranchers. The business community is service and retail oriented and is largely dependent on the surrounding agricultural base. Broadus is the only commercial center of any size in the county. It has a modestly small, but bustling business district with several restaurants, a grocery store, and a handful of retail stores.

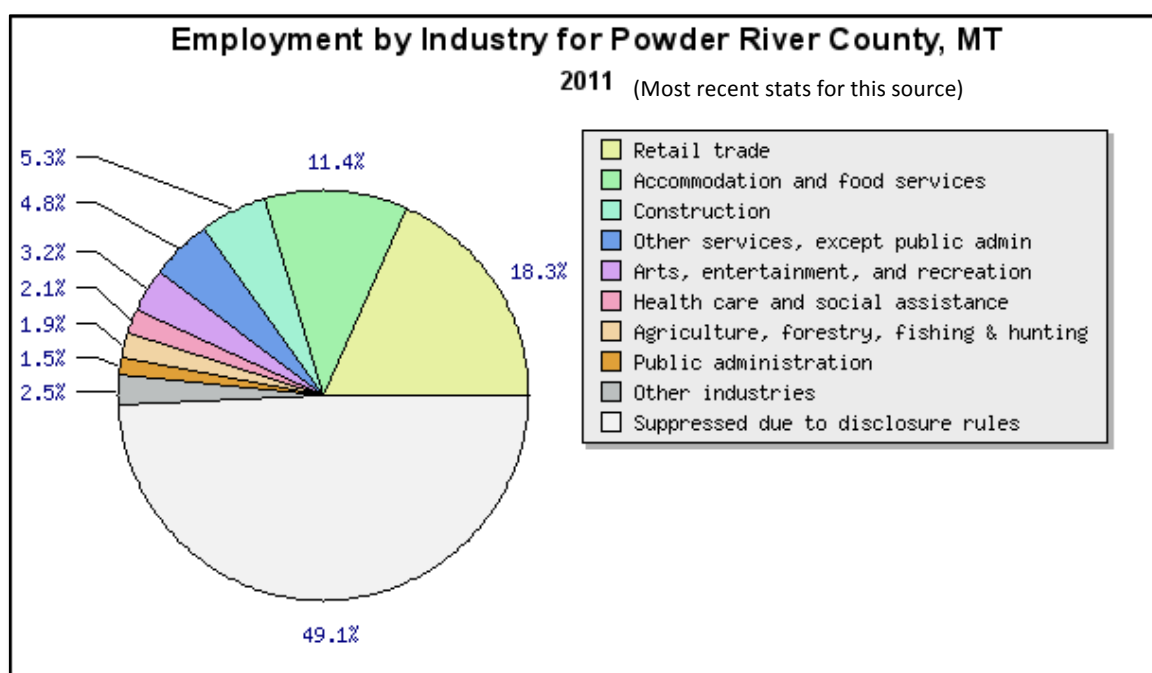
Economics and Business Trends

With few businesses in operation across the county besides agricultural operations, it is difficult to establish trends over time. Construction business activity has increased from 1 business in 2003 to 17 in 2015. Manufacturing decreased from 12 to 2 over the same period. Other employers appear steady.

Private Employment By Ind. 2015 (Annual) for Powder River County

Industry	No. of Bus.	Avg. Emp.	Ann. Wage per Job	
Animal Production	7	36	\$22,253	Abc
Construction of Buildings	5	13	\$18,709	Abc
Heavy and Civil Engineer..	10	15	\$36,979	Abc
Specialty Trade Contract..	6	6	\$28,924	Abc
Total, All Industries	84	328	\$26,378	Abc

<http://www.census.gov>



http://economics.toolbox.mit.edu/images/employment_county.php?region_id=1&sfips=30&cfips=30075

Economics (contd.)

Although not listed in the charts above (which only consider private industry), local government is a major source of employment supplying over half of the local jobs beyond the Broadus business community. At present, the average annual wage per job in Powder River County continues to be one of the lowest in the State of Montana. With agriculture being the primary source of income, wage earnings are a poor reflection of individual earnings since many of these operators are self-employed and do not report income in the form of wages.

Currently, the county's economy is primarily dependent on agriculture. Cattle and dryland hay are the primary commodities, which is likely to continue into the foreseeable future. Powder River County has followed the national trend of farms and ranches becoming larger which leaves fewer people available to support the area businesses.

Natural Resources

Powder River is a county rich in natural resources. Coal, oil, coal bed methane gas, and prairies filled with high protein grass and a variety of wildlife species make this county a hotbed for development controversy, as well as a likely candidate for product export. Recent years have seen some stronger interest in oil exploration and drilling. The primary limiting factor to this export is the controversial atmosphere surrounding natural resource extraction. The railroad that would have to be built in order to transport the coal out of the region threatens private property rights. Water quality is a concern. Land reclamation is paramount. Noise and traffic pollution as well as "people" pollution threaten what is a quiet, gentle, rural way of life for Powder River County citizens. However there is also a large support for the positive economic impacts of energy resource development.

The Otter Creek coal tract is a coal reserve estimated to be 1.3 billion tons, and has been considered for development. However given the public sentiment against coal as an energy source, the potential for a new mining operation does not appear to be on the near horizon.

Plans have been developed to construct a new carbon dioxide pipeline to aging oil fields in the Powder River Basin. The Belle Creek oil field is in this region and with the injection of the carbon dioxide, it is estimated that it will increase oil production by as much as 30 million barrels of oil that otherwise could not be produced. A third natural resource is coal bed methane. This resource has not been pursued actively in the State of Montana like it has been in Wyoming. While it is a viable natural resource to extract and market, it is doubtful that it will happen in the near future in Powder River County on a wide scale basis.

Powder River County also contains large tracts of US Forest Service and Bureau of Land Management managed properties. Livestock grazing, and to a lesser extent energy development, occur on these federal holdings. Thus many of the county's agricultural operations and associated businesses are heavily impacted by policy changes over which they have little control.

POWDER RIVER COUNTY

Infrastructure & Public Services

During the 1970's, Powder River County experienced an oil boom. During this time span, improvements were made to the high school and a multi-purpose fair barn building, a nursing home and the courthouse were all constructed. With the drop in crude oil prices in the 1980's, oil production decreased dramatically and the county experienced a drop in population. The high county taxable value in 1979 of nearly \$80 million has dropped by 95% to its current value of just over \$4 million. From 2000 to 2004, the taxable value dropped over 20%. This declining tax revenue trend continues through present, though at a slower rate. The county government strains to provide services and support infrastructure built during the boom.

Some areas of the Broadus sewer system are over 40 years old and need repair or replacement. The problem has been identified, however limited resources and tax revenue has hindered further solutions to the problem. Basic infrastructure repair and maintenance is a major challenge for this county. Additional needs include numerous sites that have been placed on the Leaking Underground Storage Tanks (LUST) register. Owners are unable to sell these sites and many of them are in prime retail locations.

A new landfill was constructed between 2005 and 2010. Additionally, the airport was re-located to a new site just outside of town. While the airport is missing some essential services such as a Fixed Base Operator, a hangar for airplane storage/repair and a wildlife protective fence, it does offer onsite fueling.

Services provided throughout the county are law and fire protection, a medical clinic and nursing home, park with basketball courts, a community center, senior center, pool, ball park, golf course, a County cemetery, library facilities, road maintenance, landfill facilities, and weed control. A Physicians Assistant, a Registered Nurse and technician staff the county supported medical clinic, with a County Health Nurse located in the basement. The Powder River Manor is a county owned nursing home with 39-beds. The Town of Broadus provides trash pick-up for residents and has some mandatory recycling to reduce this service's expenses. In addition to the Powder River County Sheriff Department, the Town of Broadus has one law enforcement officer. The Town and County share equipment and cooperate extensively on projects. Fire protection services are provided on a volunteer basis. The only secondary public school in Powder River County is in Broadus, with several small rural primary schools still operating.

Number of Schools by Level and Type

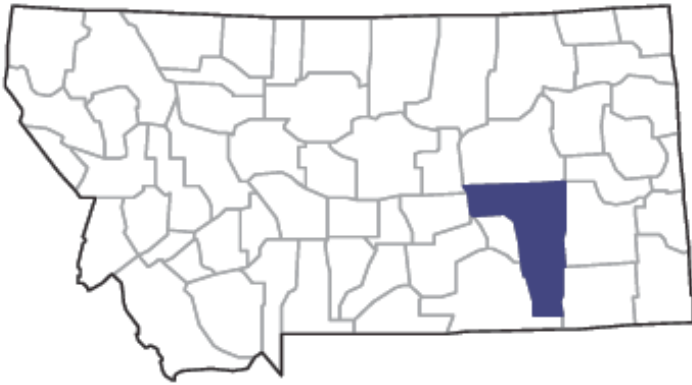
School Level	Total All Types	Regular school	Special education school	Vocational school	Other/alternative school
Total All Levels	6	6	0	0	0
Primary	4	4	0	0	0
Middle	1	1	0	0	0
High	1	1	0	0	0
Any other configuration	0	0	0	0	0

Powder River County, Montana had a total of 0 institutions of higher learning. There were 0 four year colleges, 0 community colleges, and 0 institutions offering less than a two-year degree.

http://smphff2.dsd.census.gov/TheDataWeb_HotReport/servlet/HotReportEngineServlet?reportid=01af76b9f7905d7b03d2c8277342e9a8&emailname=whazard@census.gov&filename=ed_comm_gen_v2.html

COUNTY PROFILES

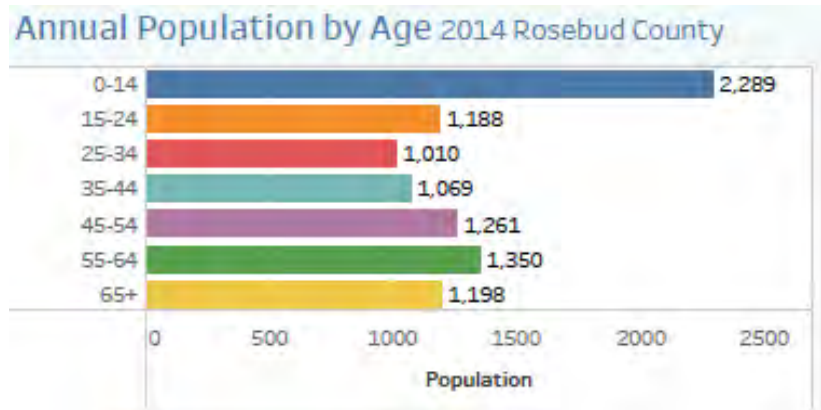
ROSEBUD COUNTY



ROSEBUD COUNTY

Population

Rosebud County is 5,000 square miles, and is the largest county in the district and third largest in the state. However highlighting its rural nature, there are 9,287 people in the whole county, down from 10,505 in 1990. Industries include ranching, farming, rail transportation, surface coal mining, power generation, and retail business. The County has two incorporated cities, Forsyth and Colstrip, and two small, unincorporated communities of Ashland and Lame Deer. Most of the Northern Cheyenne Reservation also lies within Rosebud County, making the county the most diverse in the region.



<http://www.census.gov>

With the largest ethnic population in the district, Rosebud County's population is comprised of 32% Native American and 64% Caucasian. The population has declined slightly over the years, but the county is still suspect to the big swings in the natural resource "Boom & Bust" cycles.

Colstrip

The largest incorporated city in Rosebud County is the **City of Colstrip**, population 2,311. The City was first established as a two-company town in the early 1920's. The nearby mine provided coal for steam locomotives for 34 years. In 1959, Montana Power Company purchased the Northern Pacific Railroad coal leases, mining equipment and the town site to meet the needs of its projected coal-fired electrical power plants. Still primarily a power generating and mining town, you will find the area uncharacteristic of the stereotypical strip mining community, it has received nationally recognized awards for planning and city engineering as well as environmental awards for land reclamation. Quality of life issues are a big part of Colstrip as it boasts numerous parks, a 9-hole golf course, very nice community center, free-use gym, and a trail system that connects the entire community. Castle Rock Lake, a water source for the City and the power plants, is another benefit to the community as it is the direct result of responsible energy development.

Local businesses include a bank, credit union, two hardware stores, two motels, a grocery store, casinos, floral shop, post office, library, restaurants and convenience stores. These businesses are supported by income from the power plant and coal mine as well as the agricultural production located in the area surrounding Colstrip, including the Northern Cheyenne Reservation.

ROSEBUD COUNTY

Forsyth

The second incorporated city and the seat of Rosebud County is the **City of Forsyth**, population 1,869. Founded in 1880 on the shore of the Yellowstone River, Forsyth was officially named in 1882 when the Northern Pacific Railroad and post office were built. Nicknamed “the City of Trees,” Forsyth is the largest commercial district in Rosebud County with a post office, two banks, several motels, numerous retail stores, restaurants, and services. The primary employers are the railroad, agriculture, government, the hospital and nursing home, the school district, retail and service businesses, with some residents traveling 36 miles south to Colstrip to work at the coal mine or power plants.

Located along the Yellowstone River, the community is surrounded by ranches and farms, irrigating the fields with water from the river. Like much of the region, agricultural receipts heavily impact local business owners.

Unincorporated Communities

The Cheyenne Indian Reservation was created in 1884 and encompassed **Ashland**. In 1886 the post office was established and the first schoolhouse was built in 1913. A flourmill dominated Ashland’s economy early on. However, by 1930 drought and insects destroyed the industry. The County currently provides all services to Ashland including road maintenance, fire and ambulance protection, and a landfill facility for trash disposal. Ashland borders the Custer National Forest, which provides recreational opportunities. This small-unincorporated community supports an approximate population of 500.

No longer a part of the Indian Reservation, Ashland serves as a commercial center for area ranchers and the Northern Cheyenne Indian Reservation. Agriculture remains a large part of the local economy. The commercial community of Ashland has a small business district of a bank, a convenience store, a grocery store, a motel, a hardware store, an electric cooperative, a post office, auto repair, a bed and breakfast, and a large assisted living facility. Local schools and a Catholic Church sponsored school, the St. Labre Mission, are the largest employers. The Ashland Ranger District for the Custer National Forest is located here. A sawmill, owned by the Northern Cheyenne Indian Tribe and leased to Fox Lumber, provides a decent number of jobs for local residents.

Without any healthcare provided locally except for the clinic on the reservation and the Assisted Living Heritage Acres, community members worked with the County to acquire funding from Coal Tax proceeds to build a medical clinic. \$305,170 was granted for this project in June of 1999.

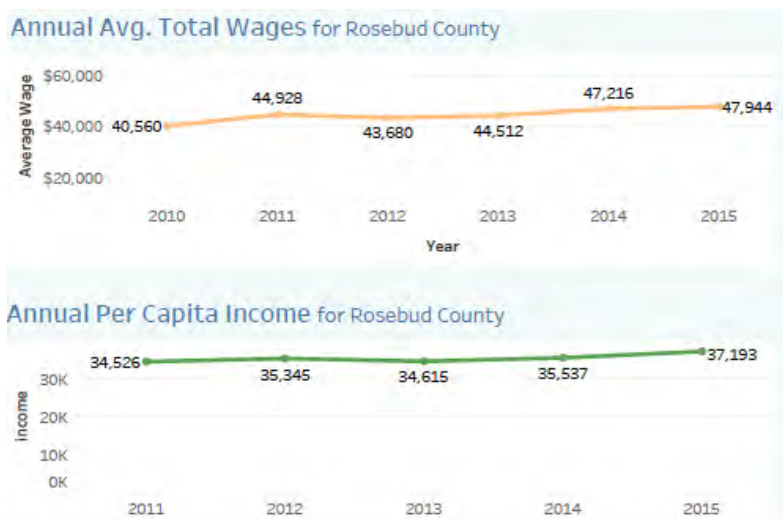
Lame Deer is within the Northern Cheyenne Indian Reservation. The Northern Cheyenne Reservation occupies land in both Rosebud and Big Horn Counties. After the Northern Cheyenne helped defeat General Armstrong Custer in 1876, they were pursued and detained in Oklahoma Indian Territory. On September 7, 1878 the Cheyenne escaped under the leadership of Dull Knife and Little Wolf to eventually return to the area. The 444,525-acre Reservation was established by executive order on November 26, 1884.

Although the county provides road maintenance and landfill facilities to the community of Lame Deer, the Tribal Government and Bureau of Indian Affairs provide law, fire, and healthcare. Chief Dull Knife College is located in Lame Deer, as well as elementary and high schools, Post Office, grocery store, convenience stores, a few restaurants and a small business incubator. The first week in January 2000, First Interstate Bank opened the first branch bank in Lame Deer to service residents. The Tribal offices, the Bureau of Indian Affairs, a Boys and Girls Club, and Medical Center also provide services and employment to the community. Unemployment, poverty, crime and substance abuse are critical problems to the community.

ROSEBUD COUNTY

Unemployment and Income

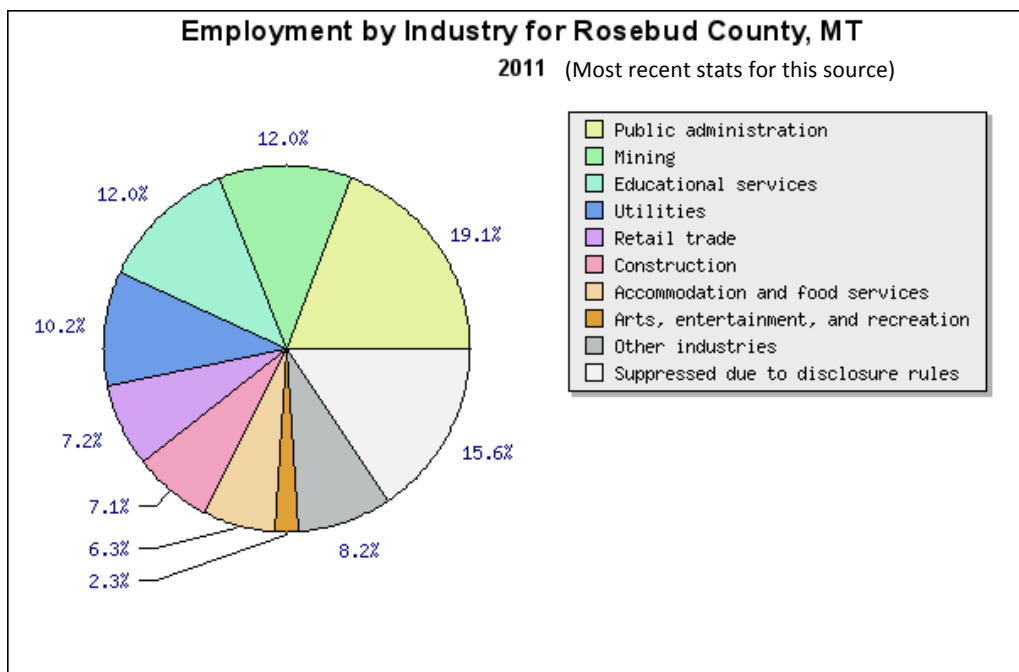
Unemployment has decreased from 7.0% to 4.4% over the last five years, but it still the highest in the district. Rosebud County's poverty level is the highest in the district at over 19%, over 4 percentage points higher than the state's. Clearly Rosebud County has the largest disparity of income among its residents, from the highly paid energy industry jobs in Colstrip to the depressed economic situation on the Reservation. Median Household Income has increased over the last 5 years from \$44,776 to \$51,159, and higher than the state's level of \$47,169.



<http://www.census.gov>

Economics and Business Trends

Rosebud County has suffered a declining economy over the last several decades. Primary businesses in the county have downsized. Intermittent, but persistent drought conditions in southeastern Montana have also impacted the county's major industries, natural resources and agriculture.



http://economictoolbox.mit.edu/images/employment_county.php?region_id=1&sfips=30&cfips=30087&rurality_flag=0

ROSEBUD COUNTY

Economics (contd.)

As seen on the chart on the previous page, employment is fairly well distributed across several industries in the County. This is a strength, particularly given the uncertain future of coal and the large number of employees working in the energy. Of the primary employers listed in the charts below, most are located in the incorporated communities. Thus, Forsyth and Colstrip have a stronger economic base than the much smaller towns of Ashland and Lame Deer.

Top Private Employers (Top 10) for Rosebud County 2015

Trade Name	Num Emp	Top 10
Colstrip Electric	50 to 99	■
Lame Deer Trading Post	20 to 49	■
North American Energy Services	100 to 249	■
PP & L of Montana	250 to 499	■
Prince Inc.	50 to 99	■
Rosebud Community Hospital	100 to 249	■
St. Labre Indian School	100 to 249	■
Town Pump	50 to 99	■
True Oil Company	20 to 49	■
Western Energy	250 to 499	■

Private Employment By Ind. 2015 (Annual) for Rosebud County

Industry	No. of Bus.	Avg. Emp.	Ann. Wage per Job	
Accommodation	6	46	\$10,819	.
Amusement, Gambling, ..	7	88	\$19,161	.
Animal Production	11	75	\$26,643	.
Building Material & Gard..	5	36	\$18,223	.
Credit Intermediation & ..	6	53	\$39,233	.
Food and Beverage Stor..	5	151	\$16,494	.
Food Services and Drinki..	22	156	\$10,921	.
Gasoline Stations	4	56	\$15,306	.
Motor Vehicle and Parts ..	5	30	\$33,198	.
Nursing and Residential ..	4	83	\$26,521	.
Religious, Grantmaking, ..	13	44	\$19,654	.
Social Assistance	7	71	\$15,715	.
Specialty Trade Contract..	13	256	\$75,304	.
Total, All Industries	207	2,686	\$52,780	.
Truck Transportation	3	8	\$39,331	.

<http://www.census.gov>

Colstrip is only 25 miles north of Lame Deer, and 45 miles away from Ashland, yet there are increasing disparities between the communities. Colstrip has a high tax-base that helps support the school system and other services. Lame Deer, where the Northern Cheyenne Reservation's headquarters are housed, has a high level of poverty. This town receives support from the Tribal Council and government, yet faces many economic challenges. It hosts a convenience store and a handful of other struggling businesses in its very small downtown district. Ashland has also struggled economically. After being closed for many years, Ashland Forest Products reopened following the catastrophic 2012 wildfire season, and has successfully salvaged much of the timber resource that was killed during that event. The mill maintains a fairly large comparative workforce within the community; however it is dependent on supply/demand fluctuations. Both towns are geographically isolated from any larger hubs and service centers. Improvement of these disparities will require better communication and coordination among the communities, which SEMDC works hard to facilitate.

Colstrip Generation Units 1 & 2

The proposed closing of Units 1 and 2 of the Colstrip power generation facility will have major impacts on the local and state economy. The **Colstrip Economic Diversification Strategy** was completed in May, 2017 to provide a planning and implementation process to mitigate the effects. In addition, a regional effort culminated in the **Coal Country Coalition Report** (March, 2017), which outlines strategies that can be executed across a much larger portion of the state to help address changes occurring in the global energy landscape. Summaries of these critical documents are included in the Appendices.

ROSEBUD COUNTY

Infrastructure & Services

The County has two airports, one outside of Forsyth, and another at Colstrip. Both airports have small jet capacity but do not receive commercial flights. Other services provided throughout the county are county cemeteries, two library facilities, two senior centers, two museums, fairgrounds, road maintenance, landfill facilities, weed control, rural fire protection, and a sheriff's office. The incorporated Cities of Forsyth and Colstrip provide road maintenance, water and sewer, animal control, and trash collection services to its residents. Forsyth also supports an indoor swimming pool. The Cities contract with the county for police protection and there is a volunteer fire department and ambulance service, supported by the city and county. A fully staffed hospital and nursing home, with three physicians on staff and two medical clinics in Forsyth, are available to serve all of Rosebud County. The County owns the hospital buildings and land. Operating revenues and private donations supports all other expenses. Recently, three private assisted living facilities were built in the communities of Ashland, Forsyth and Colstrip.

The county has a planning board and enlists the assistance of a full-time planner. Rosebud County has a history of combining efforts with Treasure County. Recent combined efforts have been made to perform rural addressing project to improve the 911 and emergency response services. The school system across the county is adequate and generally well supported by residents. With a declining and aging population base, managing student numbers is a constant struggle.

Number of Schools by Level and Type

School Level	Total All Types	Regular school	Special education school	Vocational school	Other/alternative school
Total All Levels	15	15	0	0	0
Primary	6	6	0	0	0
Middle	5	5	0	0	0
High	4	4	0	0	0
Any other configuration	0	0	0	0	0

Rosebud County, Montana had a total of **1** institution of higher learning. There were **0** four year colleges, **1** community college, and **0** institutions offering less than a two-year degree.

http://smpbff2.dsd.census.gov/TheDataWeb_HotReport/servlet/HotReportEngineServlet?reportid=01af76b9f7905d7b03d2c8277342e9a8&emailname=whazard@census.gov&filename=ed_comm_gen_v2.html

Natural Resources

The agricultural economy prominent in the county is dependent on nature and soil quality. The valley's irrigated farm producers depend on the high quality water transported to the area by the Yellowstone River and used for irrigation. Power generation at the large Colstrip coal – fired plants also need large amounts of water for the cooling process. Water is sent to Colstrip through two 30" pipes from the Yellowstone River over 30 miles away. Water quantity and quality are the most important economic factors impacting these two major industries in Rosebud County.

Weed control is a necessity to protect the grazing land for ranching. The county has a very active weed control program using a helicopter and global satellite positioning to locate weeds. Chemicals and some insects are used to control their spreading. As with all four (4) counties, chemical weed control does involve some threat to water and wildlife. The economic threat presented by weeds limits pollution to a minor concern for county residents. All weed districts adhere to the regulation of chemical usage.

ROSEBUD COUNTY

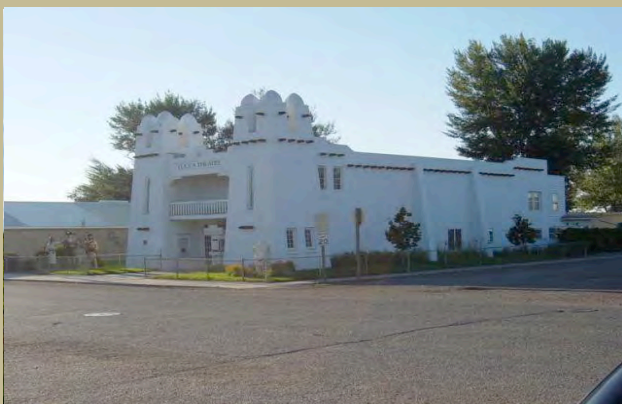
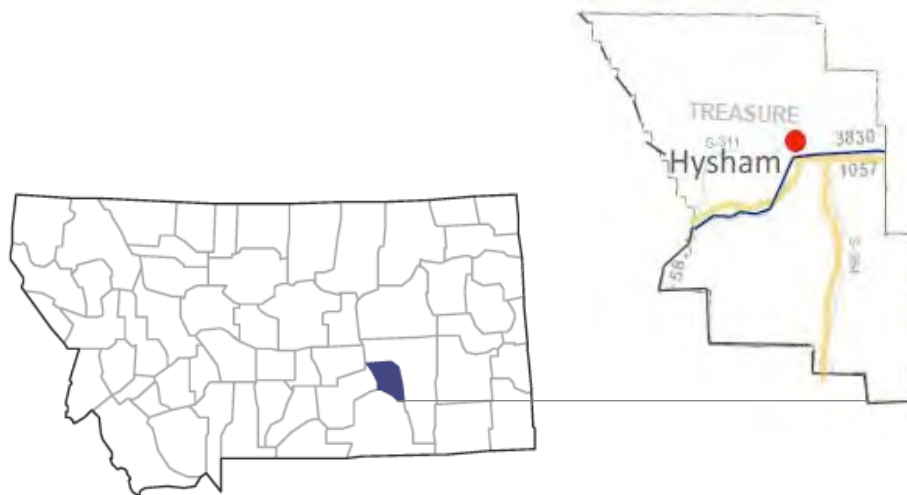
Surface coal mining is a major activity in the county and has an environmental effect. Western Energy has been very supportive and accountable concerning both its safety and reclamation records. They currently use GPS systems to inventory the native grasses prior to mining activity. The topsoil is saved and re-applied to the site once mining is completed. The reclaimed site is then re-planted with the inventoried native grasses and vegetation to make it better than before. Western Energy also uses GIS systems to map the contour of the landscape prior to mining activity. Once again, the reclaimed site is formed to the original contour after mining activity. Over the years many thousands of acres have been reclaimed and now serve as productive grazing land. Recognition and awards have been given to the Rosebud Mine site for its accomplishments in reclamation.

Montana has 25% of all of the country's coal reserves, seven to eight percent the world's supply of coal. The Rosebud Mine located adjacent to Colstrip and is the 2nd highest coal producer in the state. The Power Plant is the second largest coal fired plant complex in the western United States.

Due to environmental regulation of surface or "strip" mining, Western Energy has participated in land reclamation since the 1970's and has reclaimed over 7,000 acres (2004) of mined land by replacing soil to approximate the original condition and use. The company has won numerous nationally recognized awards for the reclamation efforts. Montana Power had to maintain an environmentally sound area during and after construction of the power plants. Emissions meet the 2000 federal Clean-Air Act standards, which is primary in maintaining the Class 1 air granted by the U.S. Environmental Protection Agency. Power is used in Montana and in western states as far away as California, and is on a power grid that reaches as far as New Mexico and Arizona.

COUNTY PROFILES

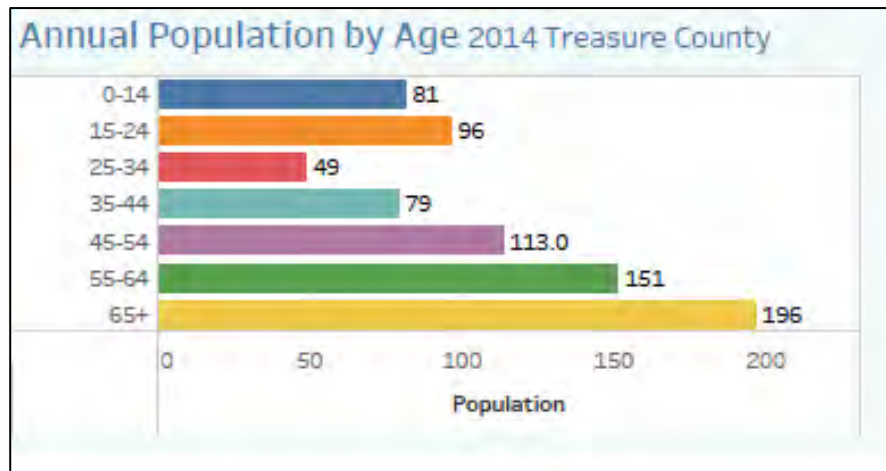
TREASURE COUNTY



TREASURE COUNTY

Population

Treasure County takes up less than 1,000 square miles and is home to 697 residents (down from 874 in 1990), smallest in the state for both criteria. The chart below depicts and aging population, much like the rest of Eastern Montana. The population is declining primarily due to younger people are leaving the county in search of economic opportunity elsewhere.



<http://www.census.gov>

The only community of any size in the County is Hysham population 301, located between the Yellowstone River and Interstate 94 and about halfway between Miles City and Billings. Surrounded by grain fields, pasture land, and rolling hills, Hysham was established as the county seat of Treasure County in 1919. The town is bordered just to the north by the Yellowstone River and to the south by beautiful rolling hills. Hysham has just about everything a visitor could need. This agricultural community spreads out in a panorama of green fields, pasture land and strips of grain.

Treasure County has some outstanding historic sites. Manuel Lisa built the first building, a fur trading post in Montana near the mouth of the Bighorn River in 1807. Fort Cass was the first fort built by the American Fur Company on the Yellowstone, just three miles below the mouth of the Bighorn. Fort Pease was a stockade constructed in 1875, near the mouth of the Bighorn, as a defense against a party of Sioux Indians and also as a trading post. Remnants of Fort Pease still stand on the original site. Other fort locations remain a mystery.

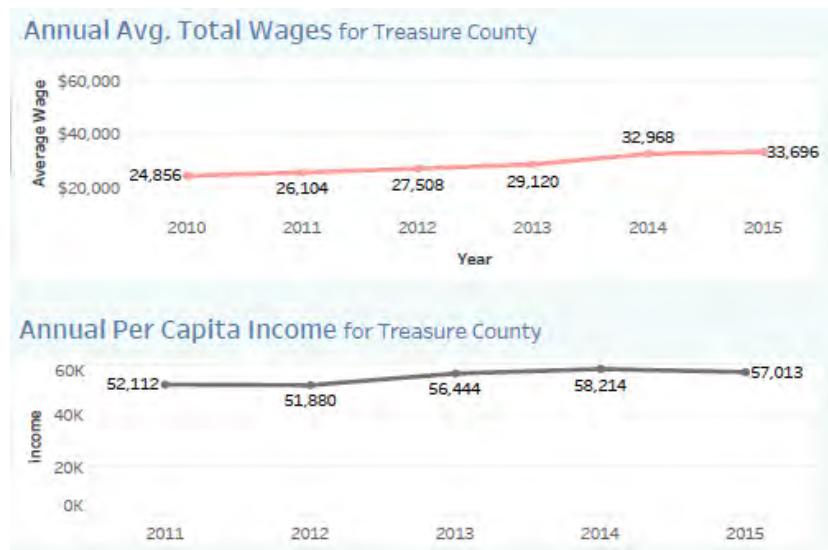
Treasure County has a museum on Hysham's main street. Tales of Treasure County, a history of the people and events of the area is sold at the museum. Across from the museum is the historic Yucca Theater. A concrete sculpture of a white buffalo is an item of historic and artistic interest that stands as a sentinel in front of the theater.

Historic sites such as the remnants of Fort Pease constructed in 1875 as a defense against Sioux Indians, it still stands on its original site. Conclusive evidence that palm trees and duckbill dinosaurs (edmontosaurus) existed at the same time was discovered several miles west of Hysham in 1994. The fossils have been excavated for study at the Museum of the Rockies in Bozeman, Montana.

TREASURE COUNTY

Unemployment and Income

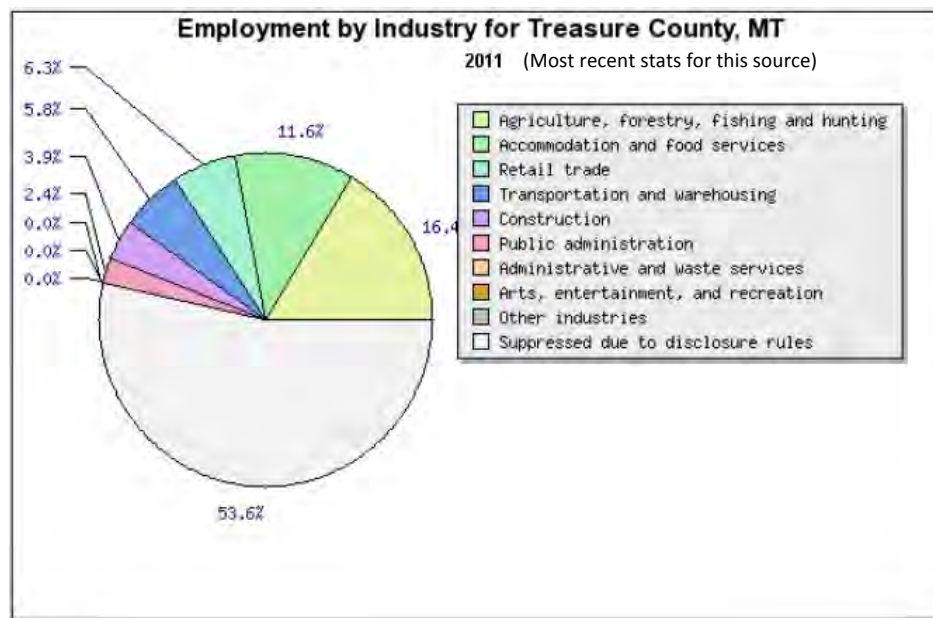
Unemployment is low at 4.2% and comparable to the state's rate of 4.1%, as is the poverty level at 12%. Median Household Income has increased over the last 5 years from \$37,969 to \$41,103, but still much lower than the state's level of \$47,169.



<http://www.census.gov>

Economics and Business Trends

Treasure County industries are farming and ranching. The local economy is highly dependent on commodity prices and weather – both circumstances much out of the control of any individual. Crops include sugar beets, corn, wheat, barley, and beans. The small business district has two restaurants, a hardware store, a bank, a few service businesses, and two convenience stores. A bed and breakfast provides a place to stay for hunters and the occasional tourist. A vet clinic, farm implement dealer and Simplot Elevator service are also thriving businesses in town.



http://economictoolbox.geog.psu.edu/snapshot.php?region_id=1&sfips=30&cfips=30103&rurality_flag=0&sfips1=00&cfips1=00000&return_page=select_county.php

TREASURE COUNTY

Infrastructure & Services

Services provided throughout the county are law and fire protection, a county cemetery, community center/senior center, swimming pool, road maintenance, landfill facilities, and weed control. The Town of Hysham contracts with the county for law enforcement and the Town and County share equipment and cooperate extensively on projects. The community also has a health board and works hard to maintain a health clinic with visiting doctors. Treasure County has a history of working cooperatively with Rosebud County to provide additional services.

Opinions expressed in Community meetings show dissatisfaction with roads. Many of the roads in the Town of Hysham, as well as in rural areas are gravel. Limited funding is understood as the main reason. Otherwise, residents are satisfied with services and proud of the quality of life in their community. Hysham recently replaced much of its water infrastructure, which has left local residents with very high rates to pay off the debt. Treasure County and the Town of Hysham both participate in Southeastern Montana Development Corporation with a County Commissioner and Town Council Member sitting on the Board of Directors.

The only public schools in Treasure County are in Hysham. What Treasure County residents lack in size they gain in community pride. There is strong support for the local schools, though numbers are low; and it is very difficult to maintain a feasible operating staff and budget.

Number of Schools by Level and Type

School Level	Total All Types	Regular school	Special education school	Vocational school	Other/alternative school
Total All Levels	3	3	0	0	0
Primary	1	1	0	0	0
Middle	1	1	0	0	0
High	1	1	0	0	0
Any other configuration	0	0	0	0	0

Treasure County, Montana had a total of **0** institutions of higher learning. There were **0** four year colleges, **0** community colleges, and **0** institutions offering less than a two-year degree.

http://smpbff2.dsd.census.gov/TheDataWeb_HotReport/servlet/HotReportEngineServlet?reportid=01af76b9f7905d7b03d2c8277342e9a8&emailname=whazard@census.gov&filename=ed_comm_gen_v2.html

Natural Resources

With the major industries in agriculture the predominant environmental issues are weather and soil quality. The Yellowstone River is used for irrigation and its water quality and amount of flow is a critical issue for this county. Weed control is a necessity to protect the grazing land for ranching. The County has a very active weed control program. Chemicals and some insects are used to control their spreading. As with all four counties, chemical weed control does involve some threat to water and wildlife. All weed districts adhere to the regulation of chemical usage.

VISION

“Where do we want to be?”

Vision Statement

Southeastern Montana Development Corporation (SEMDC) envisions a strong and networked coalition of communities and counties with diversified industries supporting thriving commercial centers and local entrepreneurs, while maintaining a traditional, rural, high quality lifestyle. Through local planning efforts, small business development, and community networking we hope to: heighten communication between communities and counties; promote economic diversification; maximize partnerships, relationships and networking; develop opportunities for housing and infrastructure needs; and ultimately help to strengthen, empower, and stimulate economic development initiatives. **While all of the strategic focus areas are not within the scope of SEMDC, the organization can still provide information attained in the town meeting processes to appropriate agencies and organizations.**

Strategic Focus Areas/Goals

The goals, objectives, and strategies outlined in this CEDS Document are derived from analyzing background socioeconomic data, community and town meetings, a project list developed by community members (please see Appendix B at the end of the document), and meetings with community leaders and experts in southeastern Montana. These are directly connected to the [Strategic Focus Areas/Goals](#), and will be followed by an [Action Plan](#) to organize and strategize the completion of each goal. While there is no statewide adopted economic development plan, the goals below are consistent with initiatives through the Governors’ Office of Economic Development and Montana Department of Commerce.

- 1 Encourage Economic Growth, Development, and Diversification
- 2 Support Responsible Natural Resource Development
- 3 Foster Opportunities and Support Entrepreneurship and Business Development
- 4 Promote the Investment in Public Infrastructure and Services
- 5 Support Additional Broadband Capacity, Access and Affordability Options
- 6 Enhance Communication and Networking Opportunities
- 7 Strengthen Marketing and the Web-Presence for Public and Private Sector Entities
- 8 Encourage the Improvement of Quality of Life Issues and Benefits

ACTION PLAN

“how do we get there?”

For this planning document and future review/discussion with the SEMDC Board of Directors, Staff and Stakeholders, the above eight (8) **Strategic Focus / Goals** will be simplified and restated as four **Strategic Efforts**. These **Strategic Efforts**, noted as section headings in the attached **Action Plan** (*“how do we get there?”*) are as follows:

- A) Regional Planning Efforts,**
- B) Technical and Financial Assistance to the Public Sector,**
- C) Technical and Financial Assistance to the Private Sector and**
- D) Partnership and Relationship Building Efforts**

The specific Objectives and Strategies organized under each of these Strategic Efforts are noted in the first two columns on the **Action Plan**.

The Action Plan is a way to organize, quantify, and evaluate the progress toward meeting the goals and objectives as they evolve over time. The chart depicted on the following pages outlines tasks to be completed. It then structures them by county, implementation plan, responsible parties, funding sources, expected results, performance measures, schedule, status, and evaluation indicators. Some of these have yet to be completed as projects unfold, but it is an important piece of this “road map” as it helps to develop priorities, accountability, progress, and evaluation in the planning progress.

Funding

Funding comes from various sources including but not limited to local governments/entities, local lending institutions, private sources in the form of cash and in-kind donations, grants from state and federal agencies, SEMDC funds and loans and others. For some projects it is difficult to identify where/when funds will come due to grant scheduling and timing of numerous funding sources. SEMDC assists with coordinating these efforts to help ensure projects keep moving forward and are completed in a timely fashion.

Strategy and Timeline

This Action Plan is a living document, constantly being updated. Some projects have already begun, some are ongoing, and new ideas are added at least on a quarterly basis. SEMDC works closely with project partners to develop a unique strategy and timeline. The projects are prioritized and implemented with progress reported regularly.

Expected Results and Performance Measures

Each project has its own expected results and performance measures. Some basic, common goals of the action items are to:

- Create and retain jobs
- Improve/develop infrastructure
- Enhance partnerships
- Enrich quality of life
- Maintain strategic focus and planning

All action items are evaluated upon completion; and if needed, follow-up items are added.

Scoring For the 2017 year: 0-Not Addressed Adequately 5 - Project began but not completed during the period .75 - Significant progress made toward completion of project 1 - Project completed											
EDA Implementation and Evaluation Report 1/1/17 through 12/31/17											
Regional Planning Efforts											
County	Objectives	Strategy	Responsible Parties	Funding Sources	Expected Results	Performance Measure	Schedule	Priority	Jobs Created	Status for 2017	Evaluation Indicators
Powder River	Continue to maintain and improve the SEMDC Comprehensive Economic Development Strategy (CEDS) by hosting annual public input "town meetings" within the District and communicate the input results and opportunities with the appropriate stakeholders throughout the year.	Broadus - Schedule town meeting in conjunction with Powder River Area Chamber of Commerce	District Staff	EDA, MT CRDC and SEMDC	Obtain valuable input for update of CEDS	Completion of Meeting, Analysis of Input, Update CEDS	Sept. & Oct. of each Year	High	TBD		
Custer		Miles City - Schedule town meeting in conjunction with Miles City Area Economic Development		EDA, MT CRDC and SEMDC	Obtain valuable input for update of CEDS	Completion of Meeting, Analysis of Input, Update CEDS	Sept. & Oct. of each Year	High	TBD		
Rosebud		Forsyth - Schedule town meeting in conjunction with Chamber of Commerce Colstrip - Schedule town meeting with assistance of key community leaders Lame Deer - Schedule town meeting with assistance of key community leaders Ashland - Schedule Town Meeting with assistance of key community leaders		EDA, MT CRDC and SEMDC	Obtain valuable input for update of CEDS	Completion of Meeting, Analysis of Input, Update CEDS	Sept. & Oct. of each Year	High	TBD		
Treasure		Hysham - Schedule town meeting in conjunction with assistance of key community leaders		EDA, MT CRDC and SEMDC	Obtain valuable input for update of CEDS	Completion of Meeting, Analysis of Input, Update CEDS	Sept. & Oct. of each Year	High	TBD		
All		Actively participate in numerous Coalitions: Eastern Montana Impact Coalition, Coal Country, Eastern Montana Brownfield's		Collaborate with other economic development groups in Eastern Montana to address rapid changes associated with natural resource development and other economic development challenges	District Staff	EDA, MT Dept of Commerce, Private Sector and SEMDC	Identify resources and strategically address identified needs	Development of strategic plan and identification of resources	On-Going		
All	Complete the planning process for submitting the Updated/Revised CEDS that will be due to EDA	Finalize the CEDS Document and provide reports and items necessary to meet EDA Requirements	District Staff	EDA and SEMDC	Completion of updated 5 year Comprehensive Economic Development Strategy for Custer, Treasure, Powder River and Rosebud Counties.	Final approval from EDA, printing of finished product and distribution	4th Quarter 2017	Medium	TBD		
Rosebud	Implementation of Colstrip Economic Diversification Strategy	Obtain funding for implementation of Colstrip Economic Diversification Strategy	District Staff	POWER, ACC, Coal Board, BSTF	Implement strategies of Economic Diversification Strategy	Begin implementation of Strategy and develop 3-5 year plan for implementation	3rd and 4th Quarters 2017	High	TBD		
Technical and Financial Assistance to the Public Sector											
County	Objectives	Strategy	Responsible Parties	Funding Sources	Expected Results	Performance Measure	Schedule	Priority	Jobs Created	Status for 2017	Evaluation Indicators
All	Continue to assist in determining the feasibility and financing of community infrastructure projects as identified in each community's growth plan, the SEMDC Infrastructure Needs List, the SEMDC CEDS and other planning documents to include state and federal financial assistance opportunities. Encourage development of CIP for each County and or Community	Assist in determining the feasibility and financing of community infrastructure projects as identified in each community's growth plan, the SEMDC Infrastructure Needs List, SEMDC CEDS and other planning documents.	District Staff, County Officials, City Officials, Private Sector	SEMDC, MT CTAP & Coal Board, plus Cities & Counties	Provide technical assistance and grant writing assistance to project	Coordination of Project, attendance at meetings, completion of grant applications	Quarterly	High	TBD		
All		Write, submit and receive a minimum of \$2 million of grants to be distributed between Powder River, Treasure, Rosebud and Custer counties	District Staff	SEMDC	Secure funding for \$2 million of projects between the 4 counties in the SEMDC region	Obtain at least \$2 million of grants between the 4 SEMDC counties	Annual	High	TBD		
Technical and Financial Assistance to the Private Sector											
County	Objectives	Strategy	Responsible Parties	Funding Sources	Expected Results	Performance Measure	Schedule	Priority	Jobs Created	Status for 2017	Evaluation Indicators
All	Continue to market the benefits of the numerous SEMDC Revolving Loan Fund opportunities to the lending community and identify funding strategies, develop loan packages and increase capital formation to create and retain jobs.	Schedule outreach with lenders, provide information to potential clients via website, email marketing, and other media.	District Staff	Funds generated by SEMDC (Loan Interest Income) and private sector partnerships	Hire a RLF Loan Officer and increase loan volume of SEMDC	Close three (3) loans in 2017.	On-Going	High	TBD		

All	Enhance communications and networking activities	Increase marketing efforts and awareness of Success Stories with general public	District Staff	SEMDC	SEMDC programs and / or available funding opportunities	Monthly submissions to media and posts on SEMDC Website	Monthly	Medium	TBD		
All	Support additional broadband capacity, access and affordability	Quantify current Broadband capacity within the District	District Staff and Industry	State, EDA / or Industry	Make results public as an incentive to improve capacity and opportunity	Completed Broadband Assessment Document	2017	High	TBD		
All	Actively participate in the 15 county Brownfield's Coalition by providing technical assistance and beneficial financing options to the private sector to assess and cleanup contaminated properties	Schedule outreach with lenders, provide information to potential clients via website, email marketing, and other media.	District Staff	Funds to be provided by SEMDC/Eastern Montana Brownfield's Revolving Loan Funds and EPA	Provide more options to owners of Brownfield's site to assess and potentially redevelop Brownfield's sites	Hold informational meetings in each county in the District; have information available on website	On-Going	Medium	TBD		
Partnership and Relationship Building Efforts											
County	Objectives	Strategy	Responsible Parties	Funding Sources	Expected Results	Performance Measure	Schedule	Priority	Jobs Created	Status for 2017	Evaluation Indicators
All	Promote and Support leadership and workforce development within the district.	Promote Leadership Montana program including local leadership programs, participation with the REAL Montana program, Indianpreneur program with Chief Dull Knife College.	District Staff	SEMDC	Expand leadership capacity within four county region	Document publicity for leadership program and nominate at least one person for Leadership Montana program	Annual	Medium	TBD		
All		Continue scholarship support of the Heavy Equipment course at Miles Community College and explore expansion of Energy Open Scholarship program	District Staff, Private Sector, MCC	SEMDC (Energy Open), MCC plus Private Sector	Expand job skills of workforce in district and increase available skilled employees	Award of Heavy Equipment scholarship	4th Quarter of each Year	Medium	TBD		
All	Be available to assist with regional mentoring opportunities with other EDA Districts and/or the Montana Economic Developers Association (MEDA) Resource Team Program	Contact both EDA and MEDA and advise them of availability for mentoring	District Staff	EDA and SEMDC	Expand leadership capacity through exposure to new ideas and by sharing experiences with other economic development professionals	Notify MEDA and EDA of availability for such opportunities and schedule/allow time for completion of task	On-Going	Medium	TBD		
Rosebud	Improve the working relationship between the Northern Cheyenne Tribal Government through better communication and SEMDC Board Director membership and participation including active and mutual participation in both public and private sector projects	Interact with representative from Northern Cheyenne tribe on regular basis	District Staff, SEMDC Board	SEMDC	Expanded relationship with Northern Cheyenne Tribal Government	Board Director assigned to SEMDC by NCT	2017	High	TBD		
All	Strengthen marketing and web presence for both public and private sector	Support and encourage bi-annual marketing workshops within the District	State and District Staff	TBA	Increase marketing and web use confidence within specific communities	Host or promote bi-annual workshops	2017	High	TBD		
All	Encourage the improvement of Quality of Life in all counties	Be aware of and share resources and funding opportunities within the District	District Staff	TBA	Increase completed projects as noted on the SEMDC Infrastructure Needs List	Track \$ coming into specific communities as per their requests	On-Going	Medium	TBD		
All	Actively prepare for and interact with candidates, legislators and other stakeholders concerning the 2017 State of Montana Legislature	Compile issues from the District and make legislators aware of them as well as stay abreast of legislation impacting our region and distribute information in regard to such legislation.	District Staff	SEMDC	Provide factual information to legislators for consideration in writing bills and voting on them.	Maintain open line of communication with area legislators and provide information as requested	On-Going	High	TBD		
Total	Continue to organize and promote the annual Energy Open Conference and Golf Tournament	Promote education and collaboration opportunities for responsible natural resource development	District Staff	SEMDC	Educate the public and create networking opportunities and relationships for responsible natural resource development	Promote and host the annual Energy Open Conference and Golf Tournament	8/17/17	High	TBD		

EVALUATION



“how are we doing?”

Evaluation Process

Southeastern Montana Development Corporation manages a growing number of programs for our member entities, programs that typically include public sector financing. Our policy is to assure compliance with the rules and regulations that govern these programs. Our organizational performance is continually evaluated by the numerous state and federal government agencies that have entrusted our District with performance responsibilities relative to the proper management of their specific programs. These evaluations include but are not limited to, performance and financial audits, regularly scheduled reporting obligations and frequent communication with the respective agencies.

Our District’s effectiveness is also evaluated on an ongoing basis by our Board of Directors, CEDS Committee and our Revolving Loan Fund Committee through communication by staff on the progress of current projects. Project updates occur through such means as our weekly staff meeting, Board of Director meetings, personal contacts, meetings of member entities, SEMDC’s website, “Town Meetings,” the Infrastructure Needs List, the EDA Annual Report and CEDS.

In the “Action Plan,” we outline various performance measures, expected results, responsible parties, priority level, status and evaluation indicators to review, help keep us on track, and evaluate progress. The status of activities and progress on objectives, including achievement of goals will be reviewed at each quarterly Board of Director’s meeting. The Executive Director’s work plan, which identifies progress on the individual goals set, will include a listing of the goals, objectives, and activities described in this document. Activity will be on-going, but the evaluation of progress will be made at the Board of Director’s meetings.

Evaluation Discussion Points

Before Evaluation	When Creating a Program	Once a Program is Underway	Finishing a Program
What is the goal/purpose of the evaluation?	What problem is the program attempting to address?	Does a program have clearly stated goals and objectives?	Did the project meet overall goal(s)?
Is it required?	What are the anticipated impacts of the program?	Is a program making progress toward these goals and objectives?	What components were the most effective?
Is it the right time to conduct an evaluation?	What are a program’s goals and objectives?	Are any activities or program approaches impeding progress toward achievement of goals?	What components were less effective?
What data and information are needed?	What would be considered a success?	Are activities being conducted according to a proposed time line?	What lessons learned have the potential to be replicated or transferred to other programs?
Who should design the evaluation?	Can success be measured?	Do improvements or adjustments need to be made in the program?	Were the results worth the cost?
Who should carry out the evaluation?	What arrangements have been made for data collection?		
Who is the audience for the evaluation?	Who are the people involved in a program/project?		
What are their expectations?	Are there people interested in a project that may not be involved?		
What type of evaluation should be conducted?	Have their concerns been addressed?		
How will the evaluation be used?	How long will the program last?		
	What is the budget for the program?		

<http://www.epa.gov/evaluate/faq.htm>

EVALUATION

Performance Measures

The following criteria will be used to measure our performance for the Economic Development District (EDD) with Southeastern Montana Development Corporation.

The level and frequency of participation by government, business and community leaders in projects, including Board & CEDS committee meetings.

The level at which we comply with all EDA Planning and Technical Assistance grant award and administrative conditions.

The level and frequency to which District staff interacts with communities within the region to provide assistance towards identified infrastructure deficiencies.

The level at which we meet the criteria established by of the Montana Department of Commerce's Certified Regional Development Corporation Program.

The level at which the SBDC program meets the annual counseling and training goals established jointly by the SBA, State of MT, Miles Comm. College, and SEMDC.

We expect our current performance measures to be modified for future CEDS annual reports and updates, it is a goal of SEMDC to expand present evaluation processes by establishing annual specific and measurable objectives to be met by staff members.

APPENDICES

Appendix A: Infrastructure Information

Appendix B: Notes from Community Meetings and SEMDC 2017 Scoreboards

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2017 INFRASTRUCTURE NEEDS LIST

CONDITION OF STRUCTURES - LATEST STATEWIDE DATA 2008

APPENDIX A - INFRASTRUCTURE NEEDS LIST

Infrastructure Needs List

Southeastern Montana Development Corporation
(End of June 2017)

Priority: **A** = 0-6 Months (Shovel Ready), **B** = 7-24 Months (Mid-Term), **C** = 24 + Months (Long-Term)

Location	Brief Project Description	Estimated Project Cost	Priority
Custer County	VA Hospital Feasibility Study	Total: \$ 54,000	A - Funded
Custer County	Fairgrounds Building	Total: \$ 75,000	B
Custer County	Flood Control Protection - Dikes	Total: \$ 45,000,000	B
Custer County	County Bridge Improvements	Total: \$ 750,000	B
Custer County	Tussler Bridge Project	Total: \$ 2,500,000	A
Custer County	Capital Improvement Plan (CIP)	Total: \$ 60,000	A - Funded
Custer County	911 Telecommunications Equip.	Total: \$ 105,000	A - Funded
Custer County	Co. Portion-Flood Study Match	Total: \$125,000	A
Custer County	Road Grader	Total: \$ 400,000	A - Funded
Custer County	Dozer	Total: \$ 300,000	B
Custer County	Transportation Dist. Operations	Total: \$ 111,000	A - Funded
Custer County	Transportation Dist. Equipment	Total: \$ 70,000	A
Rosebud County	Castle Rock Road Eng. & Pave	Total: \$ 3,500,000	B
Rosebud County	Ashland K-6 School Roof Repair	Total: \$ 1,013,000	A
Rosebud County	Rosebud School Water System	Total: \$ 174,000	A
Rosebud County	Ashland Fire / Community Center	Total: \$2,200,000	B
Rosebud County	Hospital Roof Repair	Total: \$210,000	B
Powder River County	Nursing Home – Remodeling	Total: \$1,400,000	DONE 2017
Powder River County	Ranch Creek Road Improvements	Total: \$8,000,000	B - Funded
Powder River Co.	Airport Hangers / Pilot Lounge	Total: \$ 350,000	C
Powder River Co.	Belle Creek Road Improvements	Total: \$1,212,206	B-Funded
Powder River Co.	Courthouse Window Replacement	Total: \$	C
Powder River Co.	Moorhead Bridge Engineering	Total: \$	B
Treasure County	Courthouse Roof Improvements	Total: \$200,000	B
Treasure County	Yucca Theater Building Imp.	Total: \$56,000	B
Treasure County	Loader	Total: \$	
Treasure County	Grader	Total: \$159,000	B
Treasure County	Hysham Irrigation District	Total: \$125,000	A - Funded
N. Cheyenne Res.	Sawmill Equip. Assessment (Fox)	Total: \$7,100	A - Funded
N. Cheyenne Res.	Saw Mill Building	Total: \$500,000	A
N. Cheyenne Res.	Lame Deer School Dist. Housing	Total: \$ 120,000	A - Funded
N. Cheyenne Res.	NC Utilities Equipment Upgrades	Total: \$ 170,300	A
SEMDC Counties	CEDS Planning Document	Total: \$5,000	DONE 2017
SEMDC Portion	Coal Country Coalition Study	Total: \$25,000	DONE 2017

Page 1 Un-Funded TOTAL: \$ 57,182,000

<u>Location</u>	<u>Brief Project Description</u>	<u>Estimated Project Cost</u>	<u>Priority</u>
Miles City	Storm Drainage Repairs - (4)	Total: \$1,875,000	C
Miles City	Airport Equip. /Planning Needs	Total: \$435,500	A
Miles City	Waste Water Treatment Plant Phase II	Total: \$6,200,000	A - Funded
Miles City	Waste Water Treatment Plant Phase III	Total: \$2,400,000	B
Miles City	Waste Water Treatment Plant Phase IV	Total: \$2,100,000	C
Miles City	Ambulance Purchase	Total: \$100,000	A - Funded
Miles City	2nd Water Line to Southgate Sub.	Total: \$ 2,000,000	C
Miles City	Cap Fac Plan / Survey Work Annex	Total: \$ 25,000	C
Miles City	2nd Dike Structure Assessment	Total: \$75,000	A
Miles City	Elementary School Fire Upgrades	Total: \$353,000	A
Miles City	High School Drainage & Roof Upgrades	Total: \$954,000	A
Miles City	Transportation Study w/ City	Total: \$25,000	DONE 2017
Hysham	Complete Street Paving / Sidewalks	Total: \$ 6,000,000	C
Hysham	Playground / Park Equipment	Total: \$ 30,000	A
Hysham	PER - Sewer Lift Station	Total: \$ 36,000	A
Broadus	Chlorine/Ammonia Water Treatment	Total: \$ 186,000	C
Broadus	Generator - Lagoon & Wells	Total: \$30,000	B
Broadus	Lagoon System-Equipment & Upgrade	Total: \$750,000	A
Colstrip	Business Development District	Total: \$25,000	B
Colstrip	Water Treat. Plant Improvements	Total: \$600,000	A - Funded
Colstrip	Waste Water Plant Improvements	Total: \$2,200,000	A - Funded
Colstrip	Lagoon Improvements	Total: \$4,000,000	C
Colstrip	Willow / Main Street Re-Surfacing	Total: \$ 1,200,000	A - Funded
Colstrip	Economic Diversification Strategy	Total: \$51,534	DONE 2017
Colstrip	Elementary School Renovation	Total: \$ 750,000	A
Colstrip	Back-Up Generators	Total: \$ 180,000	B
Colstrip	Radio Upgrades	Total: \$ 100,000	B
Colstrip	Water Tank - Zone 3	Total: \$ 2,200,000	B - Funded
Colstrip	Fire Truck Replacement	Total: \$ 270,000	DONE 2017
Colstrip	Lift Station (3) Projects - Phase II	Total: \$ 325,000	A - Funded
Forsyth	High School HVAC Project	Total: \$ 263,000	A
Forsyth	Dike Project	Total: \$	C
Forsyth	UV Sewer Treatment Project	Total: \$ 250,000	DONE 2017
Forsyth	Playground Equipment	Total: \$ 85,000	B
Forsyth	Fire Truck Purchase	Total: \$ 400,000	B

Page 2 Un-Funded TOTAL: \$ 23,052,500

Un-Funded Total: \$ 80,234,500

Funded Total: \$ 23,189,606

GRAND TOTAL: \$ 103,424,106

CURRENT

Priority Rankings Un-Funded

A: \$ 8,028,500 ("Shovel Ready" @ 0-6 months)

B: \$ 55,670,000 (7-24 months)

C: \$ 16,536,000 (24 + months)

SEMDC / County Rankings Un-Funded (Includes Cities and Towns within each County) Custer County: \$ 59,037,500 (Includes Flood Control Dikes @ \$45 million)

Rosebud County: **\$ 13,400,000**
Treasure County: **\$ 6,481,000**
Powder River County: **\$ 1,316,000**

(Includes the Northern Cheyenne Indian Reservation)

Project Type Rankings Un-Funded

1 - Water / Sewer: **\$ 13,551,000**
2 - Roads / Bridges / Paving: **\$ 12,750,000**
3 - Fire / Law Enforcement: **\$ 2,600,000**
4 - Schools: **\$ 3,333,000**
5 - Studies / Plans: **\$ 250,000**
6 - Medical / Health Care Facilities: **\$ 210,000**
7 - All Others: **\$ 47,540,500**

Note: \$45 Million Dike Replacement - Custer County

2010 Results

SEMDC / County Completions:

Custer County: **\$2,235,000 (3 projects)**

Rosebud County: **\$1,652,000 (10 projects)**

Powder River County: **\$65,000 (1 project)**

Treasure County: **\$813,800 (3 projects)**

TOTAL SEMDC COMPLETIONS: \$4,765,800 (17 projects)

2011 Results

Custer County: **\$000 (0 projects)**

Rosebud County: **\$8,073,000 (14 projects)**

Powder River County: **\$384,000 (2 projects)**

Treasure County: **\$000 (0 projects)**

TOTAL SEMDC COMPLETIONS: \$8,457,000 (16 projects)

2012 Results

Custer County: **\$700,000 (1 project)**

Rosebud County: **\$320,000 (4 projects)**

Powder River County: **\$ (0 projects)**

Treasure County: **\$0 (0 projects)**

TOTAL SEMDC COMPLETIONS: \$1,020,000 (5 projects)

2013 Results

Custer County: **\$ 530,000 (3 projects)**

Rosebud County: **\$ 7,015,000 (8 projects)**

Powder River County: **\$ 594,100 (6 projects)**

Treasure County: **\$0 (0 projects)**

TOTAL SEMDC COMPLETIONS: \$ 8,139,100 (17 projects)

2014 Results

Custer County: **\$5,883,000 (3 projects)**

Rosebud County: **\$5,506,000 (5 projects)**

Powder River County: **\$450,000 (1 project)**

Treasure County: **\$0 (0 projects)**

TOTAL SEMDC COMPLETIONS: \$11,839,000 (9 projects)

2015 Results

Custer County: **\$12,989,650 (8.25 projects)**

Rosebud County: **\$2,428,750 (5.25 projects)**

Powder River County: **\$528,750 (2.25 projects)**

Treasure County: **\$196,750 (2.25 projects)**

TOTAL SEMDC COMPLETIONS: \$16,143,900 (18 projects)

2016 Results (To Date)

Custer County: **\$ 2,080,000 (3 projects)**

Rosebud County: **\$ 1,915,000 (7 projects)**

Powder River County: **\$50,000 (1 project)**

Treasure County: **\$2,800,000 (2 projects)**

TOTAL SEMDC COMPLETIONS: \$6,845,000 (13 projects)

2017 Results (To Date)

Custer County: **\$32,500 (1.5 projects)**

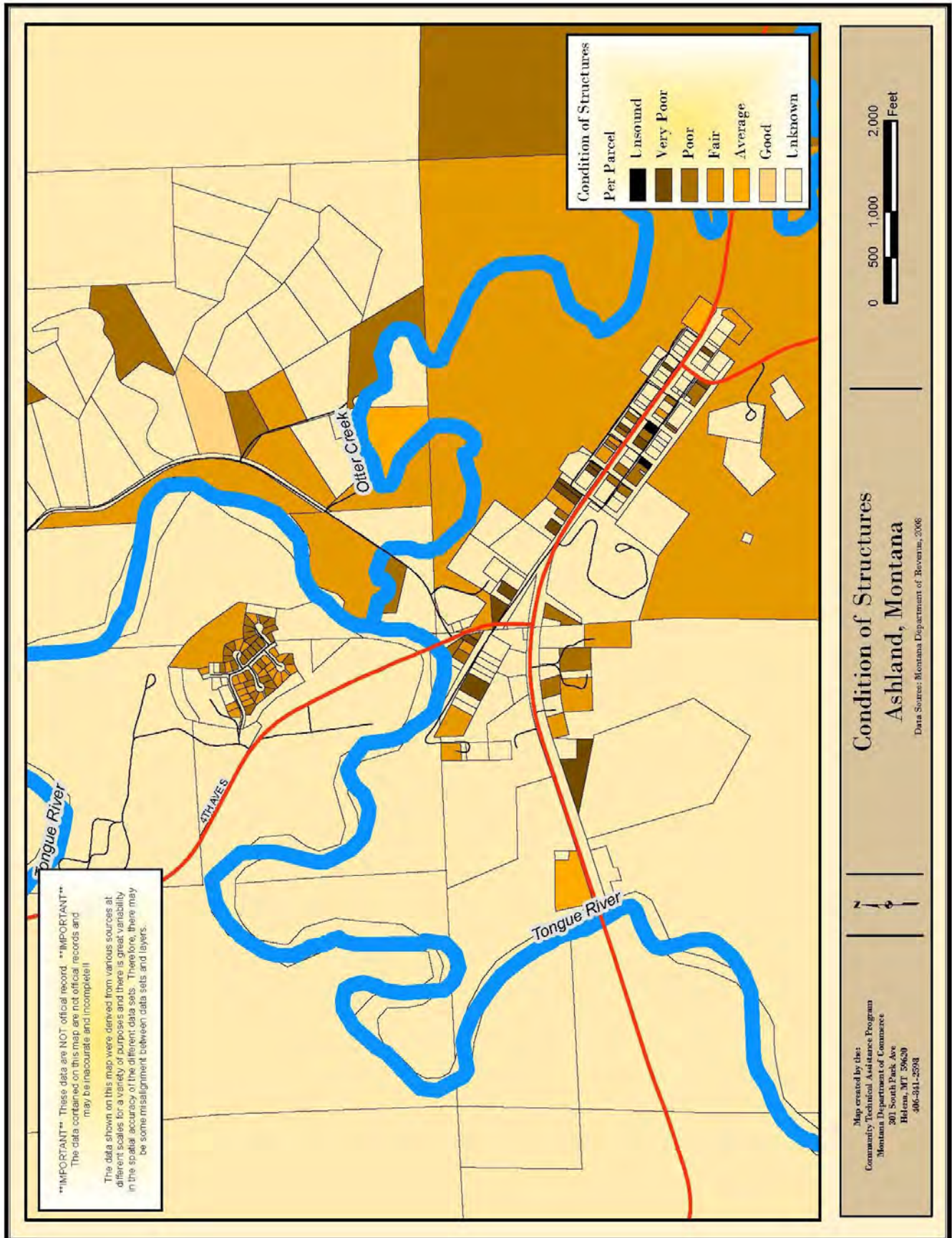
Rosebud County: **\$579,034 (3.5 projects)**

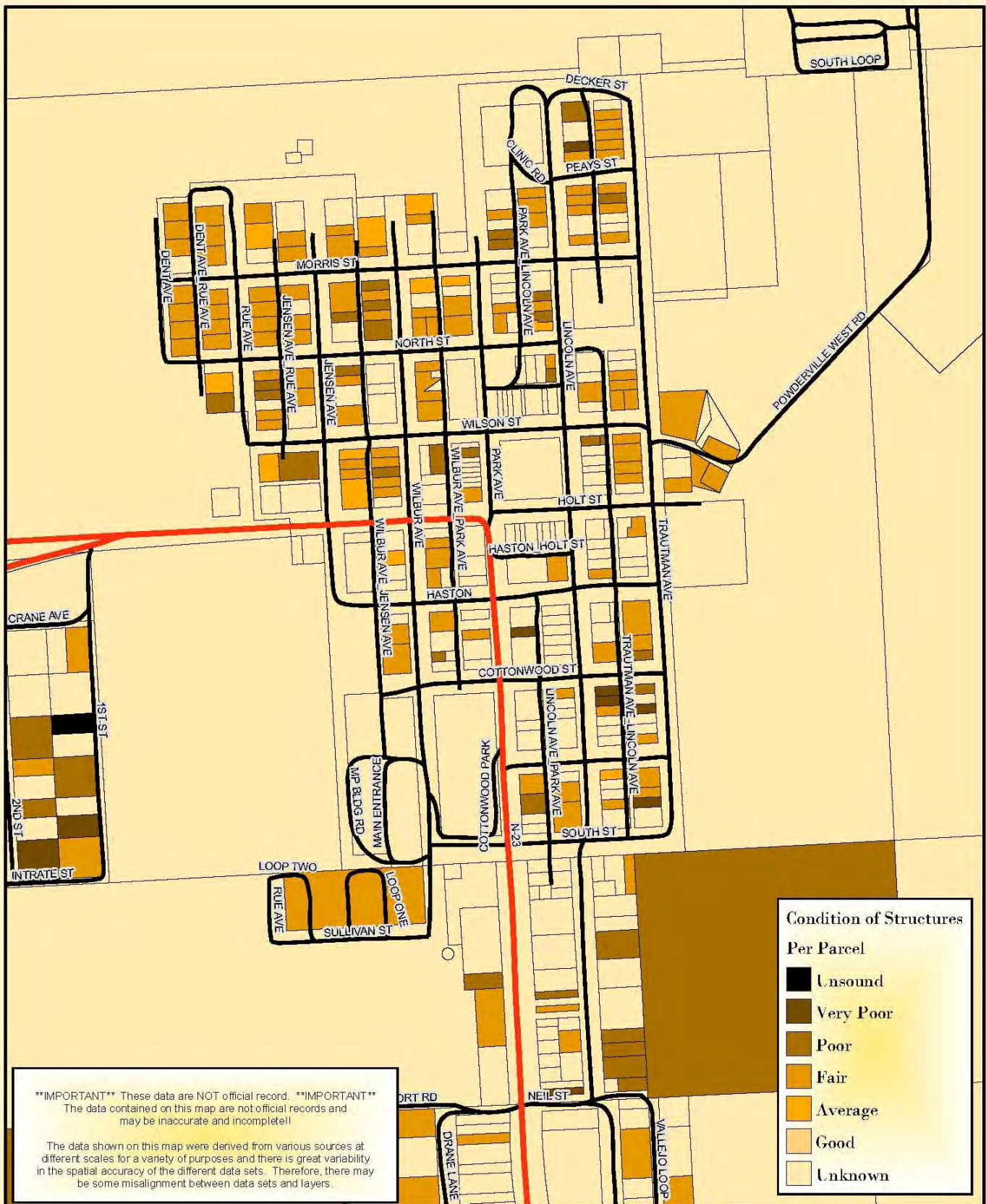
Powder River County: **\$1,407,500 (1.5 projects)**

Treasure County: **\$7,500 (.5 projects)**

TOTAL SEMDC REGIONAL COMPLETIONS: \$2,026,534 (7 projects)

APPENDIX A – CONDITIONS OF STRUCTURES





Condition of Structures Broadus, Montana

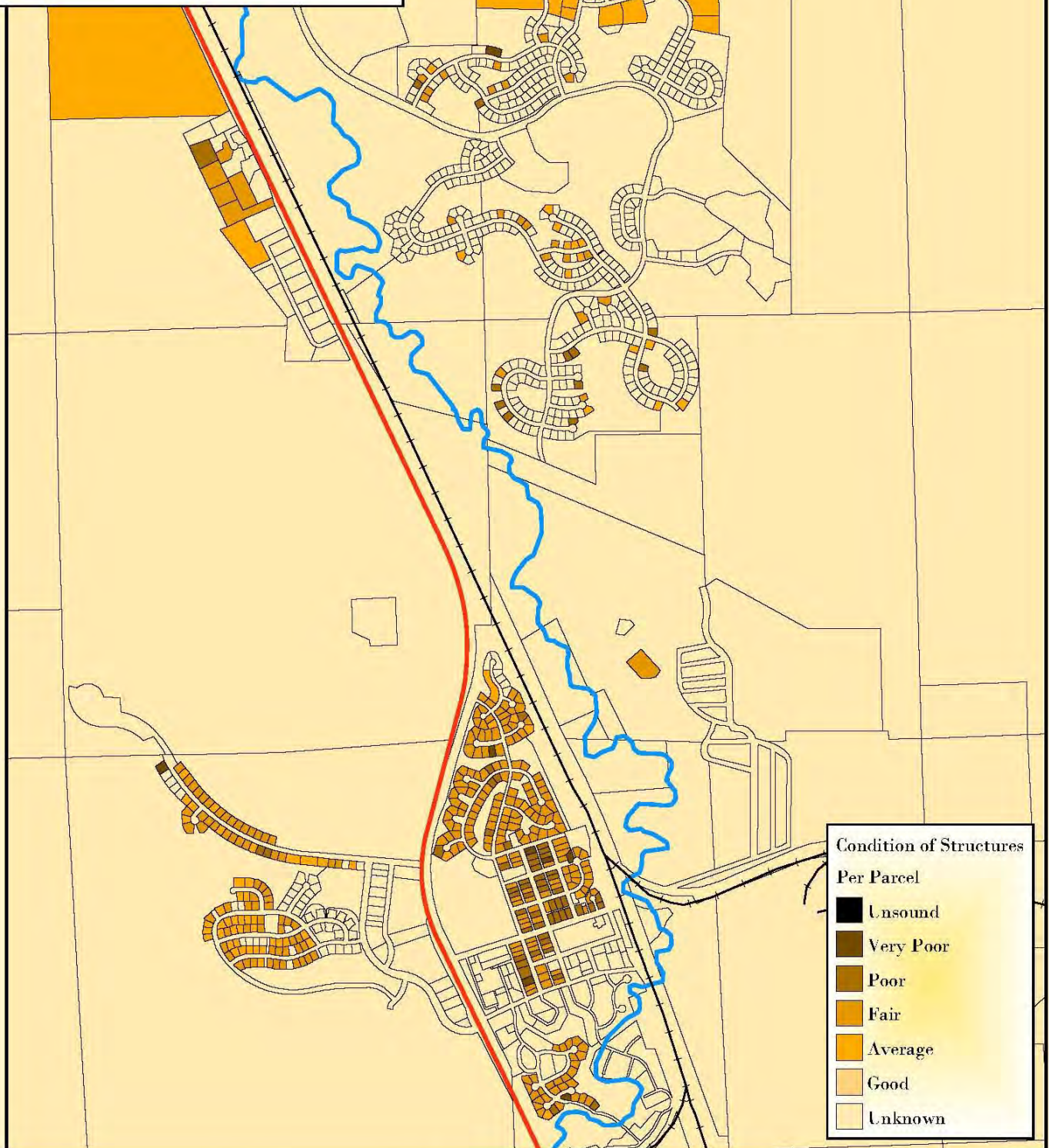
Data Source: Montana Department of Revenue, 2008

0 250 500 1,000
Feet

Map created by the:
Community Technical Assistance Program
Montana Department of Commerce
591 South Park Ave
Helena, MT 59608
406-841-2594

****IMPORTANT**** These data are NOT official record. ****IMPORTANT****
The data contained on this map are not official records and
may be inaccurate and incomplete!

The data shown on this map were derived from various sources at
different scales for a variety of purposes and there is great variability
in the spatial accuracy of the different data sets. Therefore, there may
be some misalignment between data sets and layers.

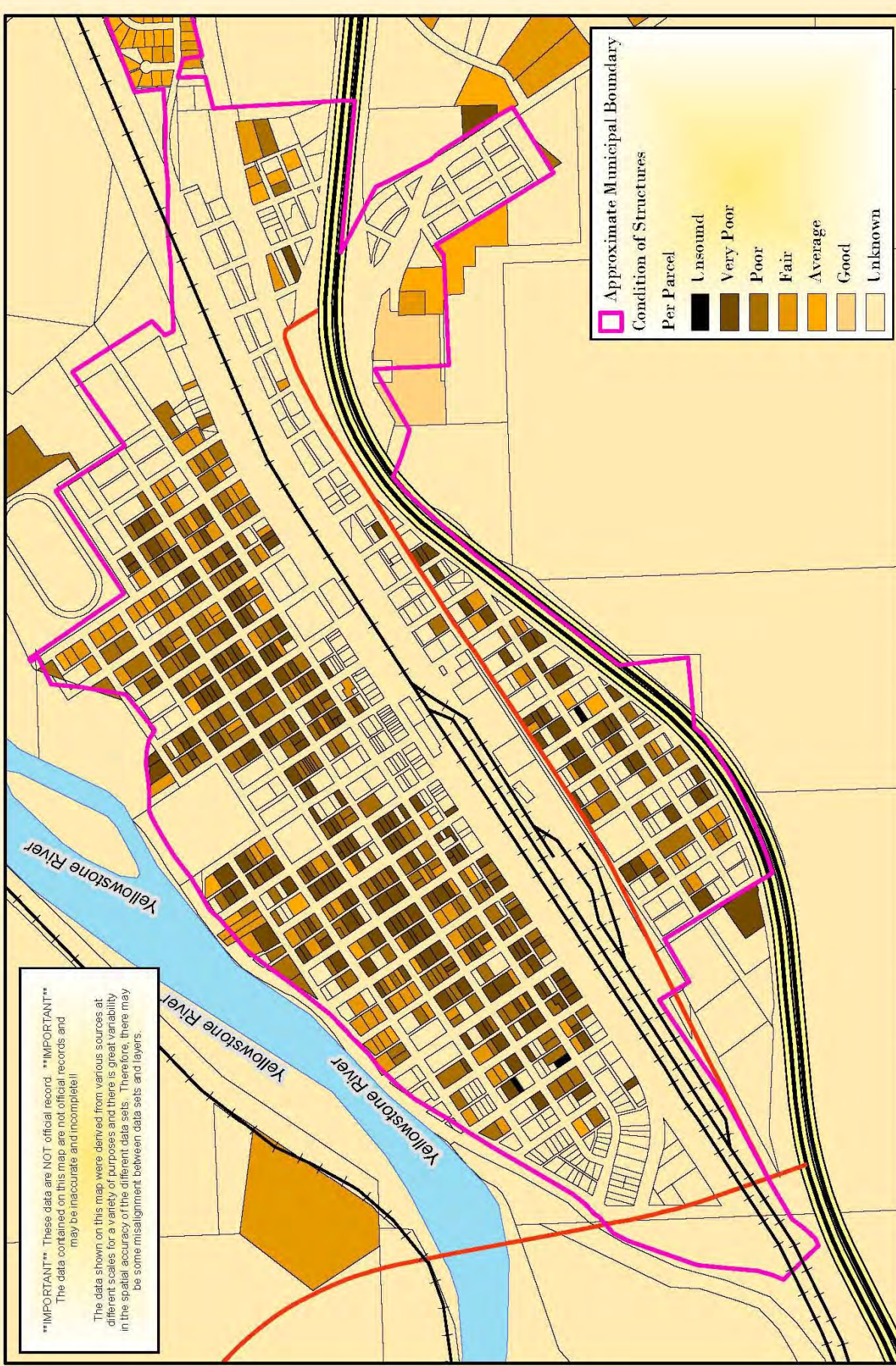


Condition of Structures Colstrip, Montana

Data Source: Montana Department of Revenue, 2008

0 500 1,000 2,000
Feet

Map created by the:
Community Technical Assistance Program
Montana Department of Commerce
301 South Park Ave
Helena, MT 59620
406-841-2598



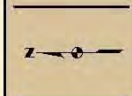
****IMPORTANT**** These data are NOT official record. ****IMPORTANT****
 The data contained on this map are not official records and
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 The data shown on this map were derived from various sources at
 different scales for a variety of purposes and there is great variability
 in the spatial accuracy of the different data sets. Therefore, there may
 be some misalignment between data sets and layers.

Approximate Municipal Boundary
 Condition of Structures
 Per Parcel

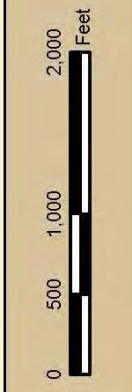
Unsound	Very Poor	Poor	Fair	Average	Good	Unknown
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Map created by the:
 Community Technical Assistance Program
 Montana Department of Commerce
 301 South Park Ave
 Helena, MT 59620
 406-441-2598



Condition of Structures Forsyth, Montana

Data Source: Montana Department of Revenue, 2008



****IMPORTANT**** These data are NOT official record. ****IMPORTANT****
The data contained on this map are not official records and
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The data shown on this map were derived from various sources at
different scales for a variety of purposes and there is great variability
in the spatial accuracy of the different data sets. Therefore, there may
be some misalignment between data sets and layers.

OLD HWY 10

ORCHARD ST

ALLEY

SPURLING ST

DIVISION ST

ELLIOT AVE

CLELLAND ST

RAPELLE AVE

GOODELL AVE

ALLEY

4TH AVE

ALLEY

ALLEY

RAPELLE AVE

5TH AVE

WAGNER ST

SUMMIT ST

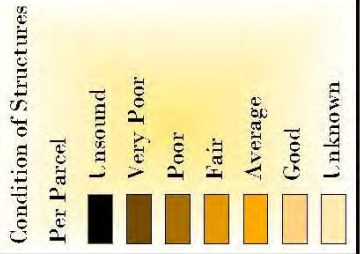
6TH AVE

ORCHARD ST

ALLEY

7TH AVE

MANNING LN



Map created by the:
Community Technical Assistance Program
Montana Department of Commerce
301 South Park Ave
Helena, MT 59620
406-341-2593

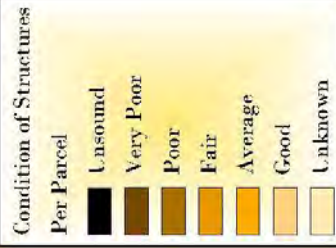
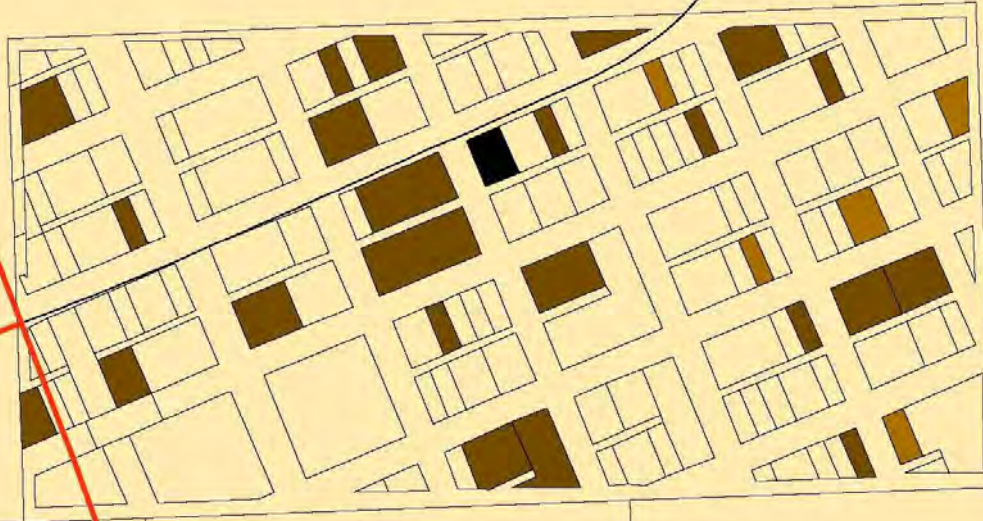
Condition of Structures Hysham, Montana

Data Source: Montana Department of Revenue, 2008



“IMPORTANT” These data are NOT official record. **“IMPORTANT”**
The data contained on this map are not official records and
may be inaccurate and incomplete!

The data shown on this map were derived from various sources at
different scales for a variety of purposes and there is great variability
in the spatial accuracy of the different data sets. Therefore, there may
be some misalignment between data sets and layers.

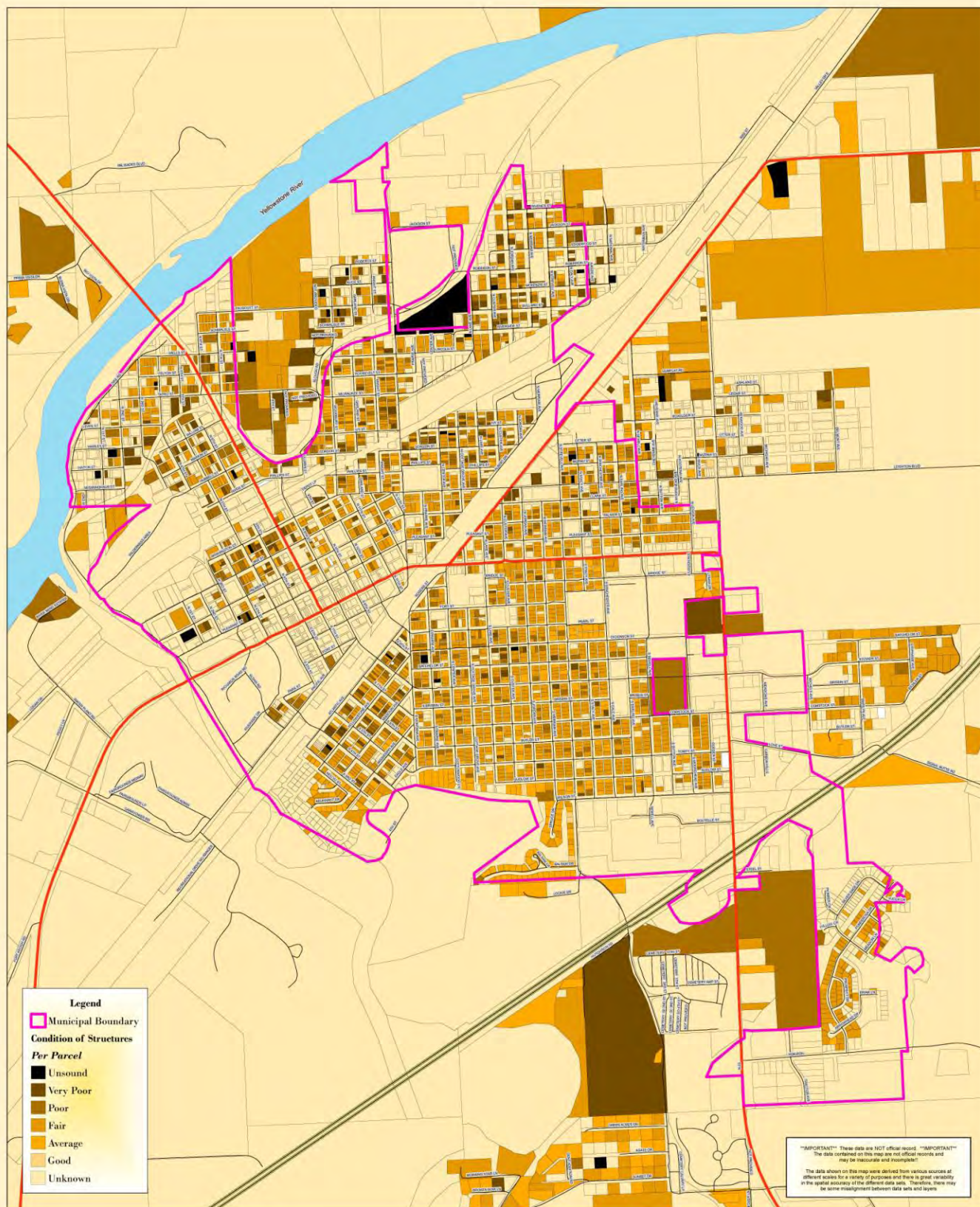


Map created by the:
Community Technical Assistance Program
Montana Department of Commerce
301 South Park Ave
Helena, MT 59620
406-841-2593

Condition of Structures Lame Deer, Montana

Data Source: Montana Department of Revenue, 2006





Condition of Structures Miles City, Montana

Source: Montana Department of Revenue, 2008

0 750 1,500 3,000
Feet

Map created by the
Community Technical Assistance Program
Montana Department of Commerce
301 South Park Ave
Helena, MT 59620
800-841-2598

2017 Community Meeting Recaps

- COLSTRIP
- ASHLAND
- BROADAS
- FORSYTH
- HYSHAM
- LAME DEER
- MILES CITY

2017 SEMDC Scoreboards

- CUSTER
- POWDER RIVER
- ROSEBUD
- TREASURE



2017 Community Meeting Recap for the City of Colstrip

This document is a summary of the 2017 CEDS community meetings. These meetings were designed to discuss local findings for the development of an Economic Diversification Strategy for Colstrip, for the five-year CEDS document created by SEMDC, and to get community feedback as to what the current state of the community is, how things have changed from last year, and what projects are priorities to be completed for the following year(s).

This year was especially important to host a community meeting because of the many pressures the community of Colstrip has endured in the “War on Coal”. While there continues to be natural resource development projects in the area, there are many impacts on communities in southeastern Montana, and the goal is to maximize positive impacts and mitigate negative ones. The more communities understand the impacts, proactively plan, and communicate within the community and region, the better the outcome will be.

This document summarizes the thoughts, ideas, and projects discussed at the community meeting.

Colstrip CEDS Meeting 2017

SWOT Analysis

Introduction

A SWOT (Strengths, Weaknesses, Opportunities & Threats) analysis is a simple tool to help groups, agencies and communities verbalize the internal (Strengths and Weaknesses) and external (Opportunities and Threats) factors impacting the functionality and success of an agency, collaborative group of participating agencies or community. It is one of the most commonly used business analysis and decision making tools and assists in building strengths, minimizing weaknesses, seizing opportunities and counteracting threats.

It is important to acknowledge that although a SWOT analysis is an excellent and low cost tool for understanding overall functionality, outlining dynamic, and identifying potential gaps in information and/or process, it is also limited in scope and application. A SWOT analysis is raw data. The corresponding SWOT report will not prioritize issues, provide solutions, offer alternatives, or outline tasks necessary to address any identified strengths, weaknesses, opportunities or threats. As a stand-alone summary report, it should be utilized within that context.

SWOT Participants

On December 14, 2016, KLJ facilitated a SWOT analysis meeting in Colstrip that engaged various Colstrip residents, community leaders and Southeastern Montana Economic Development Corporation (SEMDC) staff. Participating parties included:

- Government
 - Colstrip City Council
 - Rosebud County Commission
- Economic Development Organizations
 - Southeastern Montana Economic Development Corporation
- Industry Leadership/Business
 - Colstrip Power Plant
 - Westmoreland Coal Company
 - Colstrip United

SWOT Analysis Summary Table

Strengths	Weaknesses
<ul style="list-style-type: none"> • Welcoming community (low crime rates, good educational system, good community facilities and low cost of living) • Existing useable infrastructure (rail, water, transmission and gas lines) • Existing highly skilled workforce • Significant outdoor recreation access • Access to a variety of natural resources (water, wind, coal, agriculture) • Access to daily healthcare needs • Numerous and diverse home based businesses • County airport access • Diverse and unique tax districts/good tax base • Engaged city & county governments 	<ul style="list-style-type: none"> • Broadband/Internet issues (speed) • Not a traditional “main street” town (no downtown/few business fronts) • Not an interstate community: remote • Lack of urban amenities and a travel culture that doesn’t support local business • One horse town (economically): No diversity of business/employers • Diminishing real estate values • Lack of state/federal support • No solid retirement infrastructure (hospital, assisted living, etc...) • Water rights • Limited opportunities for growth (land is available but above market rates) • Lack of community vision/direction: Uncertainty
Opportunities	Threats
<ul style="list-style-type: none"> • Clean coal and other related technologies • New political players/drivers • Isabel Bills Learning Center Building • Existing infrastructure (rail, power and gas lines, water) • Access to natural resources (water, wind, coal, agricultural lands) and related diversified energy opportunities • Increased manufacturing opportunities • Workforce training opportunities (existing highly technical/trained workforce and on-the-job training opportunities) • Potential ongoing or one-time investment by current plant owners 	<ul style="list-style-type: none"> • Loss of residents and related loss of tax base, customers to local businesses and general quality of life • Aging workforce • Divesting of responsibility on the part of the Plant owners • Real estate value declining • Loss of electricity capacity when Units 1 and 2 are closed • Over-reaching environmental legislation • Low investment in research into clean coal and related technologies • Low natural gas prices • Negative media attention: Public perception of coal • Lack of water rights • Uncertainty of what’s next

Strengths

The following are those components and factors related to Colstrip as a whole and specifically economic indicators and development believed to be assets, performing well, and/or meeting expectations.

- Welcoming community atmosphere with great “perks,” low crime rates, exceptional educational system, good community facilities and low cost of living
- Close-knit community with genuine and caring people
- Colstrip Parks and Recreation District: Numerous parks and multi-modal transportation paths (bike paths) connecting parks, the lakes and the community as a whole): Community accessibility
- Existing power transmission lines
- Existing skilled workforce with diversified educational levels and types
- Access to water and potentially to water rights
- Excellent overall infrastructure both for the community (water, wastewater, streets, roads, sidewalks, parks, etc...) and related to the Plant (rail, power lines, gas lines, water, etc...)
- Solid and engaged City and County government officials
- Great town lay-out (family-friendly)
- Access to daily healthcare needs (no hospital, but an “advanced” clinic with numerous local services)
- Easy access to outdoor recreation (hunting, fishing, hiking, the lake in town etc...)
- Outside interest/attention to Colstrip and ensuring economic sustainability
- A variety of diverse home based businesses
- Strong tax base and established “unique” taxing districts to maintain community infrastructure/services
- Access to a variety of natural resources (water, wind, coal, agricultural)
- County airport (for access)

Strengths are defined as internal in that they are those factors within the control of the group members.

Weaknesses

The following are components and factors related to Colstrip as a whole and specifically economic indicators, believed to be a disadvantage, problem or current gap in services, data, communication or aspect of community functionality adversely impacting economic growth/development.

- The existing power transmission lines don’t go east (only west)
- Broadband/internet issues (speed issues)
- Not a traditional “main street” town: No active storefront business district (downtown)
- Remote location: Not an interstate community and some distance from urban area
- Diminishing home values
- Lack of resources to make significant changes

Weaknesses are defined as internal in that they are those factors within the control of the group members.

- Lack of community vision outside the Plant and Mine economic mentality: Untapped resources (great minds in the community not getting involved)
- Very few employers/employment opportunities outside the Plant and the mine (one horse town)
- Limited spaces for opening of new businesses/expansion of businesses
- Lack of “cultural” opportunities or urban amenities (retail, restaurant and services): Major purchases have to be done in the closest urban center (Billings)
- “New” community (only recently incorporated and not established)
- Unstable future
- Lack of support from national and sometimes state government
- No solid “retirement community” infrastructure (i.e. hospital, large/one-stop-shopping retail, assisted living)
- An established culture of travel (residents habitually travel to meet their needs and may or may not be supportive of local business even if it were there): No incentives for new business
- Water rights (the power plant currently owns the water rights and the community leases them)
- Limited area for community growth (difficult to purchase property in the surrounding area as prices are far above market value for the area)

Opportunities

The following are those components and factors related to Colstrip as a whole and specifically economic indicators and development believed to be potential opportunities to the economic development of the community. External opportunities include trends, technologies and funding that have the potential of benefitting the work being done.

Opportunities are defined as external in that they are those factors that are not necessarily in the control of the group providing the input.

- Investment by Plant owners in clean coal technology: Retrofitting Units 3 and 4
- New political drivers at play since the election in November
- Clean coal technology in general and its potential application in Colstrip
- Development of a public transportation system linking Colstrip to Billings and/or Miles City
- Empty school building (Isabel Bills Learning Center)
- Community belief in the ability to make a difference
- Access to coal (Westmoreland Mines)
- New technology could find a “start” in Colstrip
- Existing infrastructure (including Plant equipment, rail, water, gas lines and power transmission lines)
- Workforce training opportunities (existing mining, power plant and related skilled labor opportunities for on-the-job learning)
- Existing highly skilled workforce
- Colstrip as a retirement community/hub
- Diversified energy opportunities (Carbon capture, Geothermal, wind)
- Chances to add more technology into the existing power plant structure

- Colstrip as a leader in responsible and efficient energy production that would offer the opportunity for continued good paying jobs
- Increased manufacturing opportunities
- Opportunities to employ more people in diverse industry
- Retail “core” opportunities (to encourage people to visit and stay): Creation of a town square
- Colstrip’s community has a great “lay out” with opportunity for diversity and growth
- Harness current positive media attention
- Available land in close (and far) proximity to the existing community
- Build on access to recreation/tourism (i.e. creation of a recreational vehicle dealership)
- “Place making”- Take advantage of Colstrip as a “Prairie Oasis”
- Colstrip is a newly incorporated community giving it more flexibility and innovation than older, more established communities

Threats

The following are those components and factors related to Colstrip as a whole and specifically economic indicators and development believed to be a potential problem or barrier to the ongoing

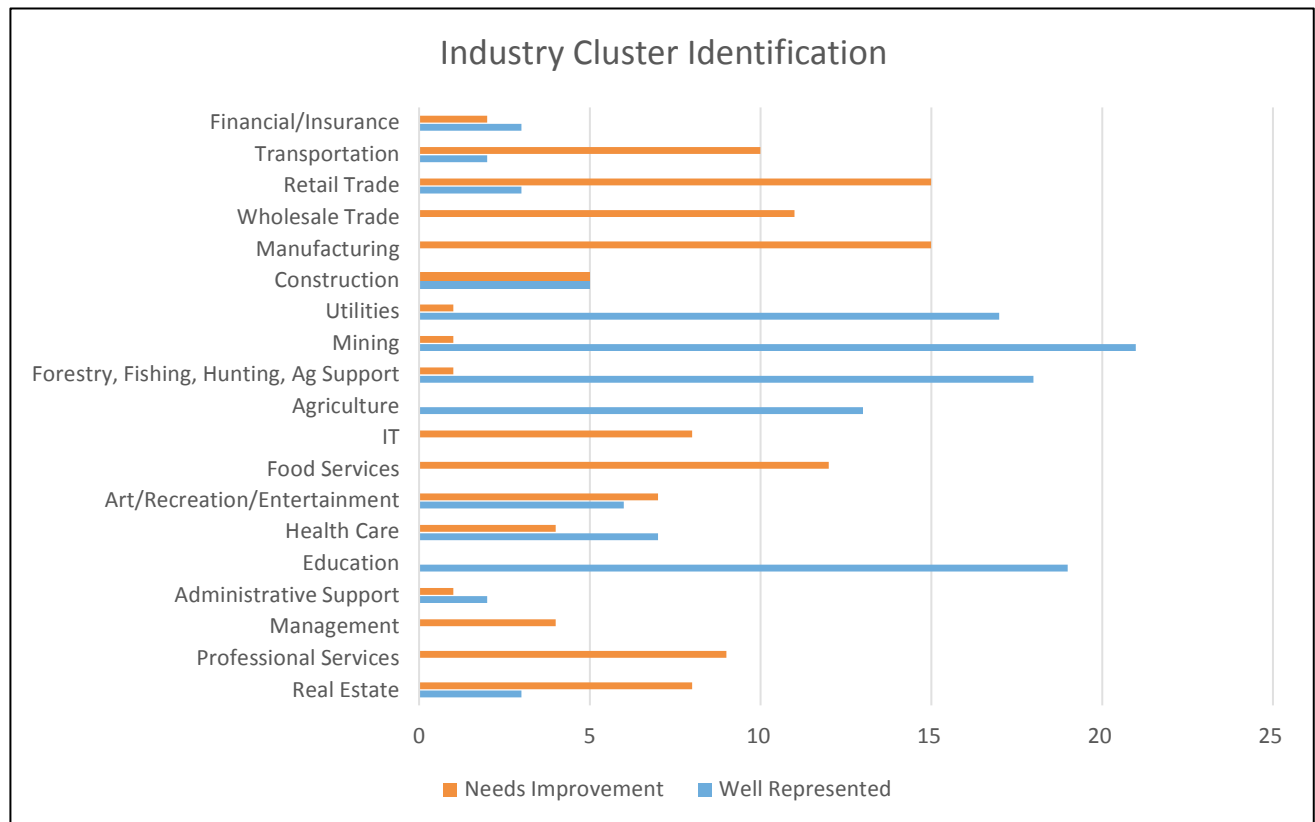
Threats are defined as external in that they are those factors that are not necessarily in the control of the group providing the input.

economic prosperity and/or growth of the community. External threats include trends, policies, or changes in funding that have the potential of becoming a barrier or hindering the ongoing functionality of the group/community and the work being done.

- Loss of residents/people in the community after the closure of Power Plant units 1 and 2: Related loss of tax base, customers to local businesses and general quality of life
- Aging workforce: High percentage of current Colstrip workforce nearing retirement
- Divesting of responsibility on the part of the Plant owners
- Inability to sell real estate when/if the Plant and/or mines close (Real estate value declines)
- Loss of electricity capacity when Units 1 and 2 are closed (What happens to the power grid?)
- Over-reaching environmental legislation: Government overreach in general
- Low investment in research into clean coal and related technologies
- Fracking (creating low natural gas prices)
- Negative media attention (as compared to very little positive media attention): Public perception of coal
- Water rights (Power plant currently owns water rights)
- Uncertainty of what’s next when Units 1 and 2 close and related uncertainty as to the exact plan for timing of the closure and “next steps.”

Economic Cluster Identification

Following the group SWOT analysis, participants were provided a list of economic industry clusters, as outlined by the Economic Development Administration in conjunction with guidelines for development of Community Economic Development Strategies (CEDS). Participants were provided “voting dots” and asked to use these to identify those economic industries they felt were well represented in Colstrip and also those industries they felt needed improvement. The following graph represents the results of that analysis:



Strategic Visioning & Project Ideas for Consideration

On December 15, 2016, a second meeting was held. This second meeting was by invitation only and included some of the same participants from the previous evening's meeting as well as new participants representing key city, county, state and federal government, business and leadership roles. The purpose of the second meeting was to review previously identified SWOT information as well as economic industry clusters and to utilize this information to begin formulating potential strategic initiatives and related projects.

Participants were divided into small groups, told to select five (5) of the identified industry clusters and begin formulating potential project ideas. Participants were allowed to select whatever industries they desired to discuss and explore without concern for whether or not that industry had previously been identified as "well represented" or "needs improvement." They were given a set amount of time for each cluster they selected and specifically instructed to only concern themselves with possibilities and not logistics. In the purest application, participants were asked to utilize their "5 year old" thinking and alleviate phrases such as "we can't," or "this would work except..." The second night's meeting yielded the outcomes outlined in the following section.

Identified Economic Clusters and Related Projects

The chart below documents the strategic ideas or suggested projects, categorized by economic cluster. To the left of each idea/project, are the votes garnered for each concept. The voting was done as an initial ranking tool to capture the general direction of the meeting participants.

IDENTIFIED ECONOMIC CLUSTER	VOTES GARNERED
<u>Professional Services</u>	
Office Space	None
Lawyers	None
Engineering & Environmental (professionals already in the community)	(2)
Look at (and fill) regional needs	None
<u>Education</u>	
Research Development (partnership with Miles Community College)	(2)
Isabel Bills Learning Center Building - Utilize as an emergency medical tech training center	(7)
Military/Explosives training center	(1)
Create a local college based in trades/union crafts/IT	(11)
<u>Health Care</u>	
Expand Occupational Health Services	(1)
Create/expand retirement community opportunities	
• Including establishing/expanding assisted living & senior housing	(13)
Highlight parks & recreation and outdoor lifestyle the community offers	(2)
Maintain/Stabilize the clinic tax district	None
<u>Art/Recreation/Entertainment</u>	
Build/Establish a campground	(6)
Trophy Farms (Elk/Deer)	(5)

II

Broadband development (consistent access & speed)	(9)
Fiber Optic Line Development (line already exists, just need development)	(8)
Internet Based Business development and corresponding maintenance (computer techs)	(3)
Server farm	(5)

Agriculture

Agricultural Support Services (Tractors and related equipment)	(7)
No till cover crops (alfalfa/Cattle Grazing)	(1)
Christmas Tree farm	(1)
Terra-forming and permaculture	(1)
Raspberry farms	(1)
Marijuana production/grow	(1)
Develop/grow pulse crops	(6)

Mining

Reclamation	
Positive marketing of products already sustaining the community (coal/power)	(7)
Recycling tires from the mine/plant as road construction materials	(4)
Enhancement of earth moving technology	None
Upgrading current facilities (Activated Carbon/Coal Repurposing and/or Syncow Site)	(1)
Environmental Enhancement services	(1)
Coal Research & Development Utilization	(6)
Conversion of coal into petroleum products	(7)

Utilities

Water (ensuring rights, access and affordability)	(4)
Continued infrastructure investment	None
Take advantage of capacity opportunities (transmission lines)	(3)
Conversion of Coal to natural gas (LP Amina)	(16)
Wind farms	(2)
Geothermal	(3)

Construction

Enhanced Highway Construction capacity/work crews/construction company center	(19)
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Manufacturing

Microbrewery utilizing CO2	None
Develop and utilize CO2 Carbon Capture technology	(19)
Land Reclamation experiment (requiring regulatory buy-in)	(2)
Use of the Isabel Bills Learning Center as a manufacturing site	(1)
Take advantage of rail transport opportunities	(2)
Hydrogen Fuel development/manufacturing	(7)
Aircraft manufacturing center	None
Steel manufacturing (value added)	(1)
Manufacturing/distribution of military laser weaponry	(1)
Use of fly ash for manufacturing of bricks/building materials	None
Sugar beet factory/processing	(6)

Retail Trade

Main Street Development (Isabel Bills as a service center)/Commercial kitchen None

Financial/Insurance

Financial Planners None

There were no suggestions offered in Real Estate, Management, Administrative Support, Food Services, Forestry, Fishing, Hunting, Ag Support, Wholesale Trade or Transportation

Identified Priority Projects



- Professional Services
- Education
- Health Care
- Recreation
- IT
- Agriculture
- Mining
- Utilities
- Construction
- Manufacturing



2017 Community Meeting Recap for Ashland

This document is a summary of the 2017 CEDS community meetings. These meetings were designed to discuss local findings for the five-year CEDS document being created by SEMDC, and to get community feedback as to what the current state of the community is, how things have changed from last year, and what projects are priorities to be completed for the following year(s).

For several years, Ashland has been at the center of many natural resource development projects currently going on, expanding, and those that are proposed to begin in the next few years. There will be many impacts on communities in southeastern Montana, and the goal is to maximize positive impacts and mitigate negative ones. The more communities understand the impacts, proactively plan, and communicate within the community and region, the better the outcome will be.

This document summarizes the thoughts, ideas, and projects discussed at the community meeting.

Ashland Assessment and CEDS Update Community Meeting 2017

Group Discussion

Rather than perform a typical Strengths, Weaknesses, Opportunities, and Threats assessments, SEMDC led the group through the exercise by having them first examine the results of last years' meeting and then adding or modifying the information already developed. The lists below are what the group as a whole developed.

Strengths

US and private forest land	St. Labre
Tourism & Educational opportunities	Heritage Living Center
Health Clinic and mental health services	Doctor Coverage At Clinic
Outdoor recreation	Current Demographics and income levels help in getting grants
TRECO	EMS Service
Transportation corridor	Lodging, fuel, food
Food Service	Agriculture
Natural Resources	Very Basic Services Offered
Hunting Opportunities	Saw Mill Business Operating
Biomass Opportunities	Saw Mill Site
US Forest Service Complex	Agriculture
Law Enforcement Satellite Site	Very Basic Services Offered
Improved Cell Phone Service – pretty good coverage	Relatively diverse, stable business community although limited in types of services

Concerns

Housing (all types)	Housing/Rentals
Emergency services current and future/Need physician at medical clinic	Employment Opportunities slim now and concerned with more people moving in
Land and buildings for new businesses/development is limited	Infrastructure - water / electricity / sewer
Limited Services/Supplies	Limited schooling -no capacity and space
Radical Environmental Groups	Basic services – limited with construction
Lack of sidewalks	Costs associated with upkeep etc. of roads and infrastructure development
Stability of eating establishments	Limited air Transportation
Impact of recent fires on forest	Competition for current jobs when higher pay jobs
Clearance to log on Federal Land	Floodplain issues – Otter Creek/Tongue River
Environmental Rules/Regulations	Workforce availability/hard to attract law enforcement
Child Care	Lack of Public High School in the Community
Limited EMS Staffing/Major Highway	Labor Force competition/lack of workers

Working Groups

In this second activity, the group was asked to discuss projects that would assist in addressing some of the weaknesses or needs in the community. At the end of the identification of meaningful projects, the group was given three stickers and asked to vote for specific projects. They were allowed to place their stickers as they chose with one sticker by three various projects or all their stickers by a particular project.

Economy/Housing

Assistance to Ashland Forest Products

Kiln evaluation at existing mill site to assist with drying wood products and thereby expanding product line. Consider assistance with BSTF for purchase of equipment association with new green wood line expansion. Biomass opportunities at existing mill. Potential for EDA funding for a building if mill is able to expand (on cooperation with Northern Cheyenne).

Quality of Life

Park

Playing areas for children or greenspace areas are desired. Consider assisting with Civic Group to be a champion for these types of projects.

Speed Limit Signs

The west end of town continues to have difficulty with Hwy 212 traffic being too fast and the dangerous curve near Rabbit Town. Need speed limit signs to begin earlier and consider more warnings for the curve at the bottom of the hill.

Services and Infrastructure

Ashland Public School

This school is in bad repair. Roof has been in for a Quality Schools Project for several years. Has not received funding due to legislative actions. Also, school is limited in being able to complete grants through DOI to receive needed funding. Potential boiler replacement.

Sidewalk and Lighting Project

There are few sidewalks and very little lighting along the main thoroughfare through Ashland and this also happens to be a busy US Highway with a great deal of traffic. Many residents walk to their destinations in this community and don't have vehicles to drive.

Public Water Analysis

The infrastructure in town is in need of repair.



2017 Community Meeting Recap for the Town of Broadus

This document is a summary of the 2017 CEDS community meetings. These meetings were designed to discuss local findings for the five-year CEDS document created by SEMDC, and to get community feedback as to what the current state of the community is, how things have changed from last year or what has been completed, and what projects are priorities for the coming year(s).

This year was especially important to host a community meeting because of the many changes in natural resource development projects. There will be many impacts on communities in southeastern Montana, and the goal is to maximize positive impacts and mitigate negative ones. The more communities understand the impacts, proactively plan, and communicate within the community and region, the better the outcomes will be.

This document summarizes the thoughts, ideas, and projects discussed at the community meeting. It also summarizes some of the findings from the survey that was passed out at the meetings

Broadus CEDS Meeting 2017

Group Discussion

The first activity in this community meeting was to review previous meeting recaps and record strengths and weaknesses of the community. This was a way to open up discussion, and begin looking at the various aspects that enhance or hinder this community. This community continues to be affected by natural resource development from oil development at Belle Creek, many are employed in coal producing communities, but further development for coal in Powder River county has little chance of ever happening.

Strengths

Eating establishments	Nurse Practitioner
Expanded physical therapy services	Financial institution located in town
Newer airport	Variety of churches
Wildlife fence	Fairground Facilities
Airport Cardtroll for Fueling	Golf course
Many natural resources	Pool
Ag-based economy	Belle Creek Oil Field
Clean air/water/etc.	Some access to the arts
Largest Coal Deposit in the World	Recycling
Nursing home (provides about 52 jobs)	Public transportation for all
Strong Ethics	Retail
Good schools and great school staff	Crossroads on highways 59 and 212
Volunteerism is strong	Town square/New Sidewalks
Land available if maximized	Abundant wildlife
Denbury company	Chiropractor Visiting One Day Per Week
Massage Therapy Services	Community Foundation
New Lodging Options/Community Conference Room	Grocery Store
Clinic/Staff	Floodplain remapping completed/Decreased properties in floodplain
Outdoor Recreation	Electricians
Agricultural Economy	Strong Local Core Businesses
Library	Physical Therapy Services
Pharmacy	Funeral Home
Three veterinarians	Contractors

Concerns

Aging Infrastructure	Trying to be everything to everybody
Primary Businesses OK/Secondary businesses decreasing	Lack of handicapped access (clinic)
Great school staff, but worried about how to replace them with quality staff when they leave/retire	Would like to see an increase in population
Difficult to keep/find quality people to work	Knowledge about broadband and internet access capabilities
"Brain drain"	Difficult to find recreation
Passive feeling towards the planning for energy developments	Difficult and costly to hook water and sewer to lots
Lack of "service-based" workers	Limited lots for development
Lack of service type workers to existing competition from other employers	Lack of diverse job opportunities and higher wage jobs
Predator Concerns/Affecting Ag and Hunting	Several Brownfields sites/inability to resolve
Lack of services/recreation/quality housing	Staffing \$\$ for Visitor Center/Lack of promotion for tourism and Warrior Trail
Ambulance/EMT Services and Staff	Stability of Eating Establishments
Cell Phone Service/Coverage	FEMA Flood Insurance Changes (subsidies)
Changes to EPA Water Regs	No Doctor In The Entire County
EMS Staffing/Volunteers/Training	Nursing Home Facility (Costs?)
Future of Ambulance Service	Inflow and Infiltration in Sewage Lagoon, needed upgrades, aging water system
Cell Service difficult in Broadus	Preschool needs
Small Pool for Labor Force	Costs for Road Maintenance
Cost of Utilities (Electric)	Large Amount of Houses on Market
Lack of Brand Inspectors to serve Large Ag Sector	Land that is available does not have water/sewer services
Lack of opportunities for college graduates/no jobs to return to	Mental Health Services/Availability at School Addition services
Highway Signage	No local bank that does housing loans
SRS money changes to County	Dependent on Federal \$ and oil revenues
Assisted living options for lower income persons	Ag based economy
Little promotion of vocational training or entrepreneurialism	Walking trail structure in town lacking
Old houses/buildings	No job development

Working Groups

In this second activity, we asked the group to discuss important potential projects keeping in mind Housing, the Economy, Quality of Life, and Essential Services/Infrastructure. After the projects were discussed, we came back as a group to review each issue. Each person was given three stickers which they would use to vote on certain projects they deemed

more important. They could put all three stickers on one project, or one sticker on each project. This prioritization of projects provides SEMDC and the community an idea of what the priorities are.

Economy/Housing

Historical Museum

Continue to encourage the operation of the historical museum. It creates an attraction to assist with people stopping and taking in our community.

Proposed Economy/Housing Projects Receiving Votes

None

Quality of Life

Trail System

Create a trail system to encourage exercise programs, better health and mental clarity for residents.

Mental Health/Chemical Addiction Services

Establish more access to mental health and in particular information about chemical addiction services.

Gazebo/Pavilion

Work with governmental entities to encourage the development of a gazebo/pavilion structure that could be utilized for special events.

Proposed Quality of Life Projects Receiving Votes

Trail System – 5 Votes

Pavilion – 1 Vote

Mental Health/Addiction – 2 Votes

Services and Infrastructure

Rural Address Book

Develop a rural address book for use by emergency personnel as well as others that may need it.

Lagoon/Sewer System Upgrades

The City of Broadus is facing some mandates they must comply with which may take some upgrades to the sewage lagoons as well as the sewer system.

Senior Housing and Housing Rehabilitation Project

Work with CDBG Housing to establish a senior and rehabilitation project for lower income homes.

Storage Structure for Fire Dept Trucks

New storage structures are needed to house fire trucks and keep them in good repair.

Proposed Services/Infrastructure Projects Receiving Votes

Lagoon System – 1 Vote

Senior Housing/Rehab – 2 Votes

Fire Truck Storage – 1 Vote

2017 Community Meeting Recap for the City of Forsyth

This document is a summary of the 2017 CEDS community meetings. These meetings were designed to discuss local findings to create a five-year CEDS document and to get community feedback as to what the current state of the community is, how things have changed from last year, and what projects are priorities to be completed for the following year(s).

While this year has been relatively quiet, there have been pressures in the region due to the slowdown in natural resource development that is taking place in the Bakken and the threats to local employment created by the impending threat of Units 1 and 2 shutting down at Colstrip. SEMDC projects there will be many impacts on communities in southeastern Montana, and the goal is to maximize positive impacts and mitigate negative ones. The more communities understand the impacts, proactively plan, and communicate within the community and region, the better the outcome will be.

This document summarizes the thoughts, ideas, and projects discussed at the community meeting.

Forsyth CEDS Meeting 2017

Group Discussion

Rather than perform a typical Strengths, Weaknesses, Opportunities, and Threats assessments, SEMDC led the group through the exercise by having them first examine the results of last years' meeting and then adding or modifying the information already developed. The lists below are what the group as a whole developed.

Strengths

Library	Extension Service/MSU
Communication / Broadband (coop)	Chamber of Commerce
New Town Administration	Planner and grant writer
One Montana Urban/Rural Exchange	Adult basic ed. and community based ed.
Hospital, good medical, and tele-health	County seat
County Health Plan in the process	Suicide training
Public Transportation started up	Community Newspaper
Emergency service radios are all digital	Community Attitudes/School Sports
Low Cost of Living	Movie Theater
Fairgrounds	Community Foundation
Community Service Groups	County Health Plan
County Growth Plan Adopted	Suicide Prevention Training
Radio station in community	Historical Tourism Possibilities
Watts Murals	Natural Resource Development Services
Fairgrounds Facility and Improvements	Quigley Shoot
Potential for Wind Farm	Available Housing/Buildings
Location/Transportation	Senior Center
Established Businesses	10 Churches
Grocery/Pharmacy	Nursing Home
Assisted Living	Clinic
Large Veteran Population	Veteran Services
Recreation Area and Parks	Golf
Airport	Archery Course
Museum	Courthouse
Shooting Range	Proximity to Yellowstone River
Great People	Hospitality
Lodging	Duck Days/Octoberfest
Proximity to MCC Ag Advancement Center	County Fair
Parks	Good School/Sports Programs
Bowling Alley	Recent Sidewalk Improvements
UV System Installed (sewer)	Car Dealership
Riverview Villa	Utility Cooperative in Community
Financial Institutions (2)	Pool
Prince Construction	Innovate Montana Roadshow

Concerns

Utility concerns/Urban versus rural – costs associated with mandates and density	Downturn in Ag Economy
Availability of Labor in both Service Sector and in Skilled Trades	Threat of BNSF Railroad Changes
Homeless Children	Housing – assisted living and workforce
Coal Future uncertain	Difficulty getting grants and diminishing pool of money
Fish ladder improvements	Lack of skilled trades and services / plumbing etc.
Federal deficit reduction lack of \$\$	No bus service
Streets	Large Corporate Interest in the Community
Lack of ag processing facilities locally	Limited local food accessibility
Recertification of dike	Main Street business district suffering
Lack of qualified childcare/pre-schools	Inability to get water out of town/pools there
Aging population	Building Abatements
Junked Cars	Nursing Home \$\$
Recruitment of employees/labor force	Quality of Life Issues
Hospice Care	No rental car availability locally
Lack Business Promotion/more local business	Coal Board \$\$ Availability
Pool	Mental Health Services
Affordable Housing	Future for BNSF Employees if train is rerouted
Recycling Drop Offs	Medical Professionals
Computer Tech Support	Future of Power Plants
No recreation center	Fed & State \$\$ decreasing
Need to actively maintain websites representing community	Empty Lots/Run down Housing
High number of houses for sale	Rosebud School future
Fluctuations in Fed/State Hwy \$\$ (Prince)	No walking path
Perception of drugs in community	Social services not local (satellite service)

Working Groups

In this second activity, the group was asked to discuss projects that would assist in addressing some of the weaknesses or needs in the community. At the end of the identification of meaningful projects, the group was given three stickers and asked to vote for specific projects. They were allowed to place their stickers as they chose with one sticker by three various projects or all their stickers by a particular project.

Economy and Housing

Marketing Hometown America

Emphasize marketing of Forsyth to bring home youth and provide job opportunities for younger persons.

Tourism Sign Project

Placement of signs throughout County to direct traffic off interstate and take tourists across and throughout the County to see historical sites.

Market Recreational Sites

Establish signage, improve facilities, improve boat launch, promote Quigley event

Entrepreneurial Training

Better Together!! Business mentor program and quarterly training programs.

Processing Center for Independent Banks

Establish a processing center to serve independent banks throughout the region.

Projects for Economy/Housing receiving votes

Entrepreneurial Training – 14 Votes

Market Hometown America – 2 Votes

Processing Center – 5 Votes

Quality of Life

Park Improvements

Purchase and install new playground equipment in parks, remodel bathroom at Riverside Park

Healthy Activities

Establish a recreational center and a mentoring program similar to Big Brothers and Sisters to connect youth with strong role models.

Drug Court/DUI Court

Establish a drug/dui court program in Rosebud County to assist persons with dependency problems to overcome them.

Community Leadership

Establish a leadership training program to expand leadership capacity in the community.

Projects for Quality of Life receiving votes

Healthy Activities – 6 Votes

Drug/DUI Court – 3 Votes

Community Leadership – 1 Vote

Services and Infrastructure

Levee Project

Work with federal agencies to obtain recertification on existing levee structure.

Rosebud County and Forsyth CIP

Both governmental entities would like to pursue the development of CIP documents to categorize and prioritize infrastructure, required maintenance and replacement schedules. This will assist with many items including budgeting and planning.

Hospital Roof

The hospital roof is in need of replacement.

City Fire Truck

A more modern and up to date fire truck is needed by the City of Forsyth to provide adequate fire protection.

Wind Farm

Roads, an off loading site and electric lines will need to be developed if the proposed wind farm comes to fruition.

Projects for Services and Infrastructure receiving votes

Levee project – 1 Vote

CIP Projects – 3 Votes

Wind Farm – 1 Vote



2017 Community Meeting Recap for the Town of Hysham

This document is a summary of the 2017 CEDS community meetings. These meetings were designed to develop the five-year CEDS document created by SEMDC, and to get community feedback as to what the current state of the community is, how things have changed from last year, and what projects are priorities to be completed for the following year(s).

This year was especially important to host a community meeting because of the many changes within the natural resource development arena. There could be many impacts on communities in southeastern Montana, and the goal is to maximize positive impacts and mitigate negative ones. The more communities understand the impacts, proactively plan, and communicate within the community and region, the better the outcome will be.

This document summarizes the thoughts, ideas, and projects discussed at the community meeting. It also summarizes some of the findings from the survey that was passed out at the meetings

Hysham CEDS Meeting 2017

Group Discussion

Rather than perform a typical Strengths, Weaknesses, Opportunities, and Threats assessments, SEMDC led the group through the exercise by having them first examine the results of last years' meeting and then adding or modifying the information already developed. The lists below are what the group as a whole developed.

Strengths

Safe / Quiet Community	Interstate close
Planning Board	Hardwired Internet for homes (small scale)
Hunting / Recreational	River
Hysham CIP	Good irrigation systems
Two bars, four churches	Implement dealer
Museum / culture	Electrical / Co-op
Growth Plan / County	Potential bedroom community (of Billings / Miles City / Otter Creek)
Active senior Community	Strong moral / ethic as a work community
Strong agriculture base	Highly educated agriculture workers
Beautiful historic buildings	EMS (Fire / Ambulance)
Local Financial Institution	Paved airport
Access to Rosebud Library	Doctor visits once a week
Vet Clinic	Summer Farmers Market
Strong Volunteerism	Transportation for public / seniors
Trade Expo	School website
Community Spirit "Holidays in Hysham"	New water tower/improved mains & hydrants
Available land for expansion/development	Community Support and fundraising for pool
Railroad Spur/2 New Railroad Sidings	Downtown Building – possibilities
Vacant Lots Available	Street Fest Event
4 th of July Event	Senior Activities
Junque Store	Chamber of Commerce
County Seat	Law Enforcement
Island Access	Hunting/Fishing
UPS Service	Community Foundation
Pool (Free)	Antique Store
Greenhouses (2)	Junque Store
Town/River Access with facilities	Shooting Range
Nail/Hair/Exercise Location	Fun Run/Splash Dash
Chamber of Commerce	Food Bank
Community Facebook Page	Education attainment level in community
Paved runway at airport	

Concerns

Housing (existed housing is limited)	Somewhat land locked
Lack of Natural Gas – Cost of Business Development	Obtaining/Retaining Teachers
Will we be proactive with potential expand in local natural resource development? Lack of proactive planning zoning	No grocery store
Competitive advantage is a challenge	Lack of Highway Signage
How to capitalize on Natural Resource Development - how to be a success story?	Lack of diversification
Keeping local land Agriculture	The community can be perceived as exclusive
Difficult to get basic services with small population	Diversified Agriculture – Apathy
Lack of skilled trades, electrician, plumber	Lack of senior living services/facility
School Enrollment Down	FSA Office Now closed
Limited housing rental/Low income only	Maturing Population
Lack of Restaurants	Internet Connectivity
Population Down	Recruitment Challenges
Lack of Skilled Trades	Lack of Lodging
Age increasing – lack of availability of services (pharmacy / groceries – basic) will be a factor for people looking to move here	People shopping behaviors (if it were local...will people buy local?)
Lack of Local Businesses	Newspaper
Schools – lack of families with school aged children	“Gendered work” difficult for women to find work
Lack of agriculture workers / support – larger machinery / fewer employees	School Kids not in Public School
Technology impacting jobs	City services – water, sewer, etc., high costs
Lack of general store – clothing, etc.	Price of utilities
Street Condition	Old Vacant Buildings
High Electricity Cost	Public Rest Rooms
Planning board limits development	Lack of childcare/women can’t work
Lack of natural resource development	BLM delays in permitting Area F

Working Groups

In this second activity, the group was asked to discuss projects that would assist in addressing some of the weaknesses or needs in the community. At the end of the identification of meaningful projects, the group was given three stickers and asked to vote for specific projects. They were allowed to place their stickers as they chose with one sticker by three various projects or all their stickers by a particular project.

Economy

Grocery Store Co-op

There is a lack of basic services (such as a grocery store) in this community. The community members at the meeting expressed understanding that a small population is often unable to create the demand necessary for certain services. However this too is an aging community where it will become more and more difficult for people to leave town to be able to access basic things like fruits and vegetables. Significant interest in forming a cooperative to provide a necessary and basic service within the community.

Highway Signage Project

Develop more effective signage to let people know of what is available in Hysham. Signs at the rest area could assist with this measure.

Proposed Economic Projects (That received votes)

Grocery Store Cooperative – 6
Highway Signage - 1

Housing, Quality of Life, Services and Infrastructure

Playground Equipment

Several groups are working to upgrade playground equipment at school.

Wastewater Improvements

A preliminary engineering report is necessary to assess the improvements needed for the wastewater system.

Housing Options

Investigate possibility of decreasing existing low income housing and allow it to be utilized for moderate income as well. Few rentals available

Stormwater Drainage

Stormwater drainage is needed within the town. This has been placed secondary to the wastewater system improvements necessary at this time.

Proposed Housing, Quality of Life, Services and Infrastructure Projects receiving votes

Housing Options - 1



2017 Community Meeting Recap for the Town of **Lame Deer**

Photo: Jen Price

This document is a summary of the 2017 CEDS community meetings. These meetings were designed to discuss local findings to incorporate into the five-year CEDS document created by SEMDC, and to get community feedback as to what the current state of the community is, how things have changed from last year, and what projects are priorities to be completed for the following year(s).

The reviews this year focused more on infrastructure needs and building skills for small businesses.

This document summarizes the thoughts, ideas, and projects discussed at the community meeting.

Developed by:
Southeastern Montana
Development Corporation (SEMDC)
www.semdc.org
406.748.2990

Lame Deer CEDS Meeting 2017

Group Discussion

Rather than perform a typical Strengths, Weaknesses, Opportunities, and Threats assessments, SEMDC led the group through the exercise by having them first examine the results of last years' meeting and then adding or modifying the information already developed. The lists below are what the group as a whole developed.

Strengths

Chief Dull Knife College	Improved Sidewalks and street names / signs/Beautification project
Street Lights	UCC Codes (financing, liens) established/Court Law & Order Codes
Beauty	Rodeo Grounds
Local Artists	July 4th Pow-Wow
Improvement in School District	Flower Grinder/Depot/Bakery/Cash Store
Family Culture	Timber and Coal Resources
Financial Institution	Community Pride
Transit system for all – Rez Runner	Water line - Lame Deer to Muddy Cluster
Northern Cheyenne Tribal Housing Authority	Younger generation is interested in seeing change and improvements
Medical Facility/Addiction Recovery Center	Casino and Restaurant (provides jobs)
Blooming entrepreneurial spirit (Various Funding and CDL College)	Boys and girls club
Thirty five units for seniors/those in need of housing	Laundry Mat
Non Profits/Community and Youth	Young community (demographics)
Elder Commission Feeding Program	Sawmill operating at tribal owned site in Ashland
Natural Resources – Water Rights and Mineral Rights	Land Resources (445,000 acres trust land) Bear Butte, Thunder Child
Northern Cheyenne Development Corporation	Business Opportunities
Peoples Partnership for Community Development	Train youth at CDKC and Tribal Housing Authority
Tongue River water rights	Transfer Station Completed
Thrift Store	Gas Station - Depot
Curbside Garbage Pick Up	History/Archeology
Mini Mall/Business Incubator	Market Tongue River Land

Cell Towers Added	Basic Services (Grocery and Hardware)
Two Car Service/Repair Centers	

Concerns

Dependent on Federal \$\$	Isolation
Vacant houses and land (blight)	Lack of proactive groups/actions
Livestock in the roads (new policies enacted however)	Lack of preventative health care
Lack of housing	Obstacles in getting a loan on the reservation
Lack of available spaces to rent for businesses that need water	With a small close knit community, it is difficult to bounce back when tragedy / deaths occur
Bully culture in schools	High dropout rate
Suicide rate	Drug and alcoholism problem (especially prescription drugs)
Shortage of Police/Inconsistent Funding	Lack of suicide prevention
Low percentage of people with Drivers License/can't access services or work	Lack of services and media/communication source
Lack of media for communication	Lack of money in budget for econ. dev.
Lack of Lodging	Inability to attract private capital
Lack of marketing of water rights	Lack of marketing mineral rights
Proximity to Billings – hard for businesses	Water quality
Lack of Council Involvement	Isolation adds to transportation expense
Labor training/ready workforce, life skills	Train young people and they leave
Storage is an issue (Distribution)	Negative Outside Business Perceptions
Challenges for establishing additional water systems	Lack of jobs for all ages of persons
True private sector lacking jobs	Cultural restrictions – keep way they are
Lack of Public Safety	No way to fund road maintenance
Lack of Follow Through on Projects	Lack of Community Center or place for Public Meetings

Working Groups

In this second activity, the group was asked to discuss projects that would assist in addressing some of the weaknesses or needs in the community. At the end of the identification of meaningful projects, the group was given three stickers and asked to vote for specific projects. They were allowed to place their stickers as they chose with one sticker by three various projects or all their stickers by a particular project.

Economy, Housing, Quality of Life, Services and Infrastructure

Community Center

Having a community center or “meeting place” was brought out by residents. It was noted that most available buildings have been utilized for offices of some type and that there is no place for meetings in the community.

Roundabout

Utilize the proposed roundabout in Hwy 212 to create beauty for the community and slow traffic. Will also improve sidewalks, storm drains, etc.

MEDA Town Assessment

There was substantial enthusiasm to hold a town meeting assessment for Lane Deer. This would involve outside experts to assess and offer information on strategies and projects to address critical projects to the residents of Lane Deer.

Small Businesses

Continue to work with small businesses to develop entrepreneurs and business skills in the population. Establish a local trading/flea market for vendors to sell their goods.

Infrastructure

Continue to repair water lines that are very old. Upgrades needed for Sewer Lagoon. Seems to be inflow/infiltration problem in Lane Deer sewer system. Fire hydrants outdated and need repair.

Social Reform Services

Establish a private or non-profit counseling service to assist with social reform issues such as obtaining a drivers license, getting a GED, finding housing, etc.



2017 Community Meeting Recap for Miles City

This document is a summary of the 2017 CEDS community meetings. These meetings were designed to discuss local findings and incorporate them into a five-year CEDS document created by SEMDC, and to get community feedback as to what the current state of the community is, how things have changed from last year, and what projects are priorities to be completed for the following year(s).

This year was especially important to host a community meeting because of the impacts from the decline in natural resource development has had on the community. There will be many impacts on communities in southeastern Montana, and the goal is to maximize positive impacts and mitigate negative ones. The decrease in Bakken activity over the last two years as well as the impending threat to coal have drawn some negative impacts recently. The more communities understand the impacts, proactively plan, and communicate within the community and region, the better the outcomes will be.

This document summarizes the thoughts, ideas, and projects discussed at the community meeting.

Miles City CEDS Meeting 2017

Group Discussion

Rather than perform a typical Strengths, Weaknesses, Opportunities, and Threats assessments, SEMDC led the group through the exercise by having them first examine the results of last years' meeting and then adding or modifying the information already developed. The lists below are what the group as a whole developed.

Strengths

Medical Hub	Economic Diversity
Financial Hub/Banking Community	Food / Restaurant options
County Seat	Education Hub
Transportation (rail / hwy /crossroads)	WAPA
Schools: Community College (education offered pre-k through – college)	Clean air / Attractive / Healthy Living
Strong Ag economy, ag clusters, and Natural Resource Base	Good quality of Life
Fort Keogh	Rivers and plenty of outdoor recreation
Good paying jobs through Gov't	Some Land growth potential
Largest Hospital from between Billings and Dickinson	Culture / symphony / art center / range riders
Events – Bucking horse sale/car show	Farmers Market
Good, caring, hardworking people	Great telecommunications – IT and fiber are great
Strong volunteerism	Active Leadership community
Strong Historical / Pre. Community	Strong Sports supports
Grain terminal	Economic Development Center
Good roads and access	Increase in Truck Traffic
Auto parts / Ag Support	3 car dealerships – more variety
Hotel that can host small conventions	VA Facility
Improved City/County relations	Improved relations between Miles City and Custer County
Strong Church Community	Events Facility/Agri Sports Complex
Strong Chamber of Commerce, established popular events	Trucking services expanded
Government Service Center	Legislative representation
Additional retail stores/specialty stores	Critical Care Facility/Air Transport Service for emergency situations
Eastern Montana Industries	Business Diversity
Food Bank/Soup Kitchen	Council on Aging/Aging Hub
Law Enforcement/Fire Protection	New generation of business professionals
Potential and promise in our region	Upgrade of Broadus Interchange in works

Retail Development Growth	Potential Opportunity For Downtown Development
Quantity/Quality of Non Profits	Leadership Miles City Program
State Employees Medical Clinic Added	Airport Improvements – Runway, Hangars
Community Health Center	VA Facility
Housing Diversity	Community Vision and Proactive Attitude
Professional Services	Town and Country Club
CCMC Flood Control Project	Strong Western Cultural Heritage
Daily Newspaper – Radio Stations	Good working relationships between groups and businesses
New Detention Center	New Construction Group in Town
Hospital – offer services from birth to hospice	Access to National Corporations in community
Water/Sewer Capacity study completed	Strategically located between Wright, WY and Sidney, MT for locating oil service industry businesses
Growing retail hub	Rocks Program
Affordable housing projects	MCC Heavy Equipment program
MCC workforce training programs	Historic buildings and funding to maintain them
Stockman Bank Hub	Low crime rate
Cell Phone coverage	Active service groups (civic groups)
Livestock Sales Barn - New	Lodging – just the right amount of rooms
Tourism into community	Interstate Proximity
New Community Foundation	Regional Employers (Private and Public)
Active Youth Groups	Malt Festival
Shoe Store	Livestock Pavilion Complex at Fairgrounds
City adopted Long Range Transportation Plan	Ag Advancement Center built
Milestown Group and Improvements they have done	AHEC Center
West End Improvement Efforts	Live Music Events
Parks	

Concerns

Labor Pool Limited – All Sectors	Parking concerns downtown
Lack of Cell Phone service outside of town	Water/sewer infrastructure needs upgrade, difficult to meet regulations /mandates
Lack of activities for the entire family when they are not at work or school	Need for downtown development and diversity
Downtown Development	Lack of available rail offloading
Lack of measure of success tool	Lack of clinical site to accommodate MCC
Concern with annexation	Workforce development not funded by the University system at present yet is in high demand.

Increased rail traffic creates need for additional overpass, quiet zones and safe crossings.	Money generated in eastern MT going to western MT
Southgate Subdivision has only one exit in and out with numerous homes located there. May be safety issue.	Lack of workforce – unemployment low - cannibalize each other for labor
Concern that the money will leave as older generation leaves	Single Family moderately priced homes in limited supply
Low Income Housing availability	Demand on Emergency services and security would increase with more population
DNRC/water rights	EPA/Water Quality mandates
Bakken economic traffic decreasing; employment opportunities also down	Lack air service
Flood plain insurance costs	Increase in truck Traffic, impacts on roads
Doctor/Healthcare recruitment difficult	Increase rail traffic
FEMA flood insurance increase	Lack of marketing effort to bring back younger generation
Ag commodity prices low for grain crops	Industry Growth impacting infrastructure
Lack of Public Transportation	Flooding in underpass
No Grocery Store on North Side	School Special Education Staff recruitment difficult
No taxi cabs after 9pm	Transportation for disabled limited
More and more potential employees unable to pass drug tests	Loss of Colstrip
Prevailing wage rates have increased to compete with oil jobs	Website updates – County
MDU Electric rates increasing	Federal government budgets are decreasing
Proximity to Interstate	Difficult to attract/recruit new people and hard to retain them
low wages	not much entertainment for younger children
no public transportation service	lack of economic/community development funding

Working Groups

In this second activity, the group was asked to discuss projects that would assist in addressing some of the weaknesses or needs in the community. At the end of the identification of meaningful projects, the group was given three stickers and asked to vote for specific projects. They were allowed to place their stickers as they chose with one sticker by three various projects or all their stickers by a particular project.

Economy

West End Development/Annexation

Consider selling lots owned by City to business owners in West end area and pursue developing an improved appearance for that exit.

Gavilon

Assist Gavilon with any needed information to evaluate the possibility of putting in a new grain elevator in Miles City.

Proposed Economic Projects (Those receiving votes)

Gavilon - 3 Votes

Housing

Assisted Living Housing

Potential to expand assisted living services offered by Holy Rosary.

Proposed Housing Projects (Those receiving votes)

Quality of Life

Success Measuring Tool

Establish a mechanism to measure success rate of community and economic development actions

Market Miles City as Destination for Outdoor Sports

Miles City has many types of outdoor sports to offer year round. Market the area to outdoor sportsman as a destination.

Marketing of Miles City (Tourism, Entrepreneurs, Businesses, potential young residents)

More effort to market Miles City to potential businesses, entrepreneurs and potential young residents. Continue to market tourism.

Proposed Quality of Life Projects (Those receiving votes)

Marketing of Miles City – 11 Votes

Market Miles City as Outdoor Sports Destination – 5 Votes

Services and Infrastructure

CCMC Flood Control Project

Miles City continues to struggle with matters associated with the existing levee which is not certified, and the floodplain. Section 205 funding has been obtained and a steering committee with sub committees continues to pursue this project with the first phase being a feasibility study to be conducted by the Corp of Engineers.

Public Transportation

Currently no public transportation options exist. Taxis are available for transportation options. Commissioners looking at applying for a public transportation grant to establish this option.

VA Study

Custer County has the opportunity to take over the VA Facility and utilize it or liquidate it. They would like to conduct a feasibility study to evaluate the options this may provide them.

Sewer extension to west end industrial park and north side, Increase capacity in sewer main

Extend sewer services to the existing lots in the industrial park on the west end of Miles City, extend sewer to the north side and increase the capacity in a sewer main in a specific area of town.

Airport Improvement Project

Phase I has been completed and a Preliminary Engineering Report needs to be completed for the next Phase of the project.

Agri Energy Innovation Center

MCC seeks to investigate establishing a Agri Energy Innovation Center which will be able to offer increase education possibilities in renewable energy as well as agriculture.

School Buildings Upkeep and Maintenance

The public schools are old structures and many components as well as the physical structures are in need of upgrades and repairs. Includes MCC infrastructure also.

Tussler Bridge

Tussler bridge is in need of significant repair. Commissioners are seeking funding to accomplish this project.

Capital Improvement Plans – Miles City/Custer County

Capital improvement plans are needed for both governmental entities. This will identify infrastructure items owned by each entity, assist with planning, budgeting, and maintenance schedules.

Obtain increased funding for community and economic development to increase capacity

Funding for community and economic development is scarce. Increase available funds to allow or additional capacity to provide services for community and economic development

Proposed Services and Infrastructure Projects (Those receiving votes)

School Buildings – 4 Votes

Public Transportation – 1 Vote

Agri Energy Innovation Center – 2 Votes

Funding for Community/Economic Development – 4 Votes

CCMC Flood Control – 7 Votes

VA Study – 6 Votes

CIP – 2 Votes

Tussler Bridge – 3 Votes

SouthEastern Montana Development 2002-2017 Economic Impact Scoreboard June 2017

Custer County Economic Activity	Current Fiscal Year	2002 - 2017 15.5 Years Cumulative
Jobs Created and Retained	5.5	239
New Businesses and Expansions	5	69
Workshops/Attendees	2 / 25	37 / 424
Grant Awards (2010 to Present)	408,195	\$7,394,096
Loans Distributed (2010 to Present)	\$173,250	\$1,326,468
Investment Project Funding	\$989,750	\$12,839,077
Total Economic Impact	\$1,571,195	\$21,559,641

Industries:

Retail	Health Care
Public Infrastructure	Accommodation and Food Services
Services	Construction
Manufacturing	Value-Added AG
Education / Training	

A) <u>Total Economic Impact (2002-2017):</u>	\$21,559,641
B) <u>Average Total Economic Impact / Year:</u> ($\$21,559,641 / 15.5 \text{ Years}$)	\$1,390,945
C) <u>Average Annual Contributions (2002-2017):</u> (Includes all Parties - County, City, Private, etc)	\$7,833
D) <u>Average Dollar Impact / Year:</u> ($\$1,390,945 / \$7,833$)	\$178
E) <u>\$1 Invested with SEMDC was Leveraged:</u> (Average Annual Leverage since 2002)	178 Times

SouthEastern Montana Development 2002-2017 Economic Impact Scoreboard June 2017

Powder River County Economic Activity	Current Fiscal Year	2002 - 2017 15.5 Years Cumulative
Jobs Created and Retained	0	34.5
New Businesses and Expansions	0	9
Workshops/Attendees	1 / 6	13 / 128
Grant Awards (2010 to Present)	\$1,246,772	\$9,457,226
Loans Distributed (2010 to Present)	\$0	\$180,000
Investment Project Funding	\$0	\$1,634,841
Total Economic Impact	\$1,246,772	\$11,272,067

Industries:

Retail
Entertainment
Services
Automotive

Health Care
Accommodation and Food Services
Value-Added AG
Public Infrastructure

-
- A) Total Economic Impact (2002-2017):** \$11,272,067
- B) Average Total Economic Impact / Year:** \$727,230
(\$11,272,067 / 15.5 Years)
- C) Average Annual Contributions (2002-2017):** \$2,255
(Includes all Parties - County, City, Private, etc)
- D) Average Dollar Impact / Year:** \$323
(\$727,230 / \$2,255)
- E) \$1 Invested with SEMDC was Leveraged:** **323 Times**
(Average Annual Leverage since 2002)

SouthEastern Montana Development 2002-2017 Economic Impact Scoreboard June 2017

Rosebud County Economic Activity	Current Fiscal Year	2002 - 2017 15.5 Years Cumulative
Jobs Created and Retained	6	170.5
New Businesses and Expansions	7	64
Workshops/Attendees	6 / 144	67 / 614
Grant Awards (2010 to Present)	\$148,776	\$1,605,244
Loans Distributed (2010 to Present)	\$0	\$646,361
Investment Projects (Private Sector)		35
Investment Project Funding	\$116,000	8,196,373
Total Economic Impact	\$264,776	\$10,596,754

Industries:

Retail	Health Care
Entertainment	Accommodation and Food Services
Service	Construction
Logging / Wood Products	Childcare
Automotive	Value-Added AG

A) <u>Total Economic Impact (2002-2017):</u>	\$10,596,754
B) <u>Average Total Economic Impact / Year:</u> ($\$10,596,754 / 15.5 \text{ Years}$)	\$683,662
C) <u>Average Annual Contributions (2002-2017):</u> (Includes all Parties - County, City, Private, etc)	\$14,784
D) <u>Average Dollar Impact / Year:</u> ($\$683,662 / \$14,784$)	\$47
E) <u>\$1 Invested with SEMDC was Leveraged:</u> (Average Annual Leverage since 2002)	<u>47 Times</u>

SouthEastern Montana Development 2014-2017 Economic Impact Scoreboard June 2017

Economic Activity	Treasure County
--------------------------	------------------------

Jobs Created and Retained	0
New Businesses and Expansions	0
Workshops/Attendees	3 / 28
Grant Awards (2010 to Present)	\$314,883
Loans Distributed (2010 to Present)	\$0
Investment Project Funding	\$0
Total Funding	\$314,883

Industries:

- Retail
- Accommodation and Food Services
- Public Infrastructure and Safety

A) <u>Total Project Funding (2014-2017):</u>	\$314,883
B) <u>Average Total Project Funding / Year:</u> (\$314,883 / 3 Years)	\$104,961
C) <u>Average Annual Contributions (2014-2017):</u> (Includes all Parties - County, Town, Private, etc)	\$1,826
D) <u>Average Dollar Impact / Year:</u> (\$104,961 / \$1,826)	\$58
E) <u>\$1 Invested with SEMDC is Leveraged</u>	58 Times

APPENDIX C – RECENT CRITICAL PLANNING EFFORTS

SEMD CDS - DISASTER RECOVERY STRATEGY

EXECUTIVE SUMMARY: COLSTRIP DIVERSIFICATION STRATEGY (APRIL, 2017)

EXECUTIVE SUMMARY: COAL COUNTRY COALITION REPORT (MARCH, 2017)

Disaster and Economic Recovery and Resiliency Strategy

Southeastern Montana Development Corporation (SEMDC)

2016

Montana Code Annotated (MCA) 10-3-103 defines the following:

(3) "Disaster" means the occurrence or imminent threat of widespread or severe damage, injury, or loss of life or property resulting from any natural or artificial cause, including tornadoes, windstorms, snowstorms, wind-driven water, high water, floods, wave action, earthquakes, landslides, mudslides, volcanic action, fires, explosions, air or water contamination requiring emergency action to avert danger or damage, blight, droughts, infestations, riots, sabotage, hostile military or paramilitary action, disruption of state services, accidents involving radiation byproducts or other hazardous materials, outbreak of disease, bioterrorism, or incidents involving weapons of mass destruction.

(7) "Emergency" means the imminent threat of a disaster causing immediate peril to life or property that timely action can avert or minimize.

In the event of a disaster, the Southeastern Montana Development Corporation (**SEMDC**), in conjunction with its regional partners, is prepared to facilitate planning and recovery efforts as outlined in the following strategy document. However, this brief strategy is in no way intended to undermine or replace existing federal, state, or local disaster plans. This document simply establishes the District's role in both pre- and post-disaster planning and recovery.

Phase I: Pre-disaster Preparedness

SEMDC supports and encourages its communities to:

- Engage in pre-disaster recovery and mitigation planning
- Regularly assess the community's risks and vulnerabilities
- Inventory and organize the community's recovery resources
- Engage in business continuity planning
- Ensure resources are available for the elderly and those with special needs
- Identify shelters
- Identify recovery partners, as well as the type of assistance and resources they can provide
- Establish a timeline for recovery activities (immediate, short-term, intermediate, and long-term)
- Develop and disseminate a community evacuation plan
- Establish a communication chain
- Engage the community's residents in the planning and recovery process

Regional Risks and Vulnerabilities

The region is vulnerable to a wide variety of disasters including, but not limited to, fires, flooding, dam failure, drought and extreme heat, freeze events and extreme cold, earthquakes, hazardous materials, landslides, tornadoes, vector-borne diseases, volcanic fallout, violence, and terrorism.



Recovery and Mitigation: SEMDC Regional Challenges

Small population dispersed over a large area
Lack of comprehensive services
Isolation/lack of access
Limited options for transmitting information
Possibility for widespread interruption of services
High percentage of stationary, at-risk population (elderly)
Lack of economic diversity, loss of “one” may mean loss of “all”
Limited transit options
Limited incomes
Few liquid assets, significant amount of money tied up in land and equipment
Vulnerable infrastructure, including historic sites and structures
Heavy reliance on imported materials and food

Recovery and Mitigation Planning

Without being prepared for the complexity of redevelopment in a compressed timeframe following a major disaster, local officials may struggle with recovery decisions and miss opportunities for public participation in reshaping the community’s future. To become more disaster-resilient, local governments should plan for what must happen after rescue and recovery operations are completed in order to return the community to normal or perhaps rebuild an even better community. Through a Post-Disaster Redevelopment Plan (PDRP or Plan), local governments can collaboratively create a long-term recovery and redevelopment strategy in pursuit of a sustainable community.

Plans identify policies, operational strategies, as well as roles and responsibilities for implementation that will guide decisions affecting long-term recovery and redevelopment of the community after a disaster. They emphasize seizing opportunities for hazard mitigation and community improvement consistent with the goals of local and regional comprehensive plans, with full participation from the area’s citizens.

There are Three (3) Principal Benefits to having a well-developed Plan:

1) Faster and More Efficient Recovery

Without a comprehensive, long-term recovery plan, ad hoc efforts in the aftermath of a significant disaster will delay the return of community stability. Creating a process to make smart post-disaster decisions and prepare for long-term recovery requirements enables a community to do more than react, prompting post-disaster action rather than time-consuming debate. By identifying appropriate planning mechanisms, financial assistance, and agency roles and responsibilities beforehand, a community begins the road to recovery more quickly. Being able to show efficient and effective use of taxpayer dollars after a disaster is incredibly important for the public’s perception of the recovery.

2) Opportunity to Build Back Better

A disaster, while tragic, can also create opportunities to fix past mistakes or leap forward with plans for community improvements. In the immediate aftermath of a disaster, local officials are under significant pressure to restore the community to its pre-disaster condition. Without a guiding vision, short-term decisions may inadvertently restrict long-term, sustainable redevelopment and overlook opportunities to surpass the status quo. A Post-Disaster Redevelopment Plan strengthens the recovery process, and communities benefit from assessing their risk levels and crafting a long-term redevelopment plan under “blue skies.” Local officials and the public can thoughtfully analyze and debate issues, linking redevelopment goals with other important community plans. Careful thought and planning achieves a more sustainable and resilient outcome than decisions made under emergency circumstances, compromised budgets, and political pressures.

3) Local Control over Recovery

Developing a PDRP provides local government officials, residents, and businesses the opportunity to determine long-term redevelopment goals and develop policies and procedures that will guide redevelopment before well-intended outside agencies and non-government organizations rush to aid the community. While outside resources are needed and welcomed in a major or catastrophic disaster, a locally developed Plan will best channel those resources to effectively meet the community's specific needs and goals. A Post-Disaster Redevelopment Plan will show outside agencies and donors that the community is prepared to play an active role in the recovery process and promote its capabilities to wisely use donated and loaned resources. There will always be rules and, occasionally, strings attached to external sources of funding, but a community that has researched the allowable uses of federal and state assistance can better work within their boundaries in an effort to fund projects that further local and regional redevelopment goals.

CAN A DISASTER PROVIDE OPPORTUNITY TO ADVANCE YOUR COMMUNITY'S VISION?

All of the communities within the SEMDC service region have participated in this comprehensive planning process. A PDRP can identify disaster scenarios in which opportunities may be present to advance already-stated visions for these communities in a compressed timeframe.

Opportunities to Consider During Post-Disaster Redevelopment

- Disaster-resilient land use patterns
- Hazard mitigation construction techniques
- Energy-efficient buildings
- Healthy community design
- Affordable or workforce housing
- Alternative transportation networks
- Environmental preservation and habitat restoration
- Sustainable industry recruitment

Tornadoes, wildfires, floods, and other disasters do not confine themselves to jurisdictional boundaries. Displaced residents, compromised infrastructure, changes in economic conditions, hazardous materials contamination, and degradation of sensitive environments are some of the impacts that can affect an entire region after a major disaster. When recovery is slow, neighboring communities also experience these impacts for an extended period of time.

A PDRP is designed to be used in any disaster, regardless of type, as long as the damage will require long-term redevelopment efforts. It is an all-hazards plan addressing disasters identified in each county's Local Mitigation Strategy (LMS) and each community's Emergency Operations Plan (EOP). As an economic development organization serving Custer, Powder River, Rosebud and Treasure Counties, SEMDC will respond accordingly, utilizing the resources and information outlined in the region's CEDS document. Therefore, counties are encouraged to incorporate PDRP strategies into their disaster planning documents.

Disaster Phases and Redevelopment

Disaster management is typically viewed as a cycle with overlapping phases: 1) pre-disaster mitigation and emergency management preparedness; 2) emergency response; 3) short-term recovery; and 4) long-term recovery and redevelopment.

1) Pre-Disaster Phase – Mitigation and recovery planning occurs during the pre-disaster phase (unless a community is struck by a disaster before planning is complete). Once a mitigation and recovery plan is adopted, preparatory activities should be implemented on an on-going basis during normal operations, which are sometimes referred to as "blue skies." Plans should be tested prior to a disaster event, so that all stakeholders with a post-disaster implementation role are familiar with their responsibilities.

2) Emergency Response Phase – Emergency response activities are specifically addressed in a municipality's EOP and include immediate actions to save lives, protect property, and meet basic human needs. This is the shortest phase of the cycle, lasting only a few days in minor disaster conditions.

3) Short-Term Recovery Phase – The role of any plan during the short-term recovery phase is to begin organizing for long-term redevelopment activities and guiding short-term recovery decisions that may have long-term implications (e.g., placement of temporary housing or debris sites). Short-term recovery operations are addressed in EOPs, but a recovery plan can provide direction for transitioning to long-term redevelopment during this phase. The short-term recovery phase begins as the emergency response phase is winding down and will continue until critical services are restored. The duration of the short-term recovery phase depends on the severity of the disaster and the level of community preparedness.

4) Long-Term Recovery and Redevelopment Phase – A recovery plan is used most during this phase. Long-term recovery and redevelopment includes efforts to reconstruct and enhance the built environment, as well as recover the economy, environment, and social systems. This phase begins as short-term recovery activities are accomplished and can last from a couple years for a minor disaster to five or more years for a major or catastrophic disaster.

Interaction with Other Plans

The objective of this “Disaster and Economic Recovery and Resiliency Strategy” is to guide the redevelopment decision-making process following a disaster in a manner consistent with local comprehensive plans (especially Future Land Use maps, where applicable), Local Mitigation Strategies, Emergency Operation Plans, and other relevant plans or codes such as land development regulations. Each of these plans, and potentially others, has pre-existing policies or procedures that affect post-disaster redevelopment. For instance, local comprehensive plans include many policies that determine where and to what extent redevelopment can occur. Ultimately, SEMDC will help its counties and communities access the information and resources necessary for making post-disaster redevelopment decisions.



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Phase II: Post-disaster Planning and Implementation

Disaster Assessment

In the days and weeks following a disaster, SEMDC will be available to assist counties and communities:

- Assess the nature and magnitude of the disaster
- Assess the impact on both local and regional economies (business, industry sectors, labor market, etc.)
- Assess the impact on transportation and public infrastructure
- Assess the impact on housing, schools, and health care facilities

Develop and/or Implement Recovery Timeline

Based on the results of the disaster assessment, SEMDC will help regional partners and community leaders move forward with:

- Listing and prioritizing recovery activities to be performed
- Identifying resources (federal, state, local, and private sector) needed for each activity
- Determining the level and type of assistance needed
- Identifying roles and responsibilities
- Determining the timeframe for each recovery activity (immediate, short-term, intermediate, or long-term)
- Establishing recovery benchmarks

Implementing the Recovery Plan (long-term recovery)

In order to accomplish recovery activities quantified as part of long-term recovery, SEMDC is capable of:

- Identifying business, economic, and entrepreneurial rebuild initiatives
- Identifying and utilizing workforce initiatives to employ workers and rebuild the local economy
- Applying for funds from federal, state, and local programs
- Developing management plans to ensure the most effective use of funds

Prioritizing Areas to Focus Redevelopment

Limited time, funds, and materials are going to make simultaneous redevelopment of all damaged areas difficult. Communities may want to encourage redevelopment in areas that correspond to their vision for the future and those less vulnerable to disasters by prioritizing and incentivizing development in these areas. The best way to build resiliency to disasters is to direct future development to safe locations, while minimizing or mitigating highly vulnerable types of development in hazardous areas. After a disaster, targeted sustainable redevelopment areas can provide immediate opportunities for redevelopment since they will have sustained less damage and can be prioritized for infrastructure restoration and expedited permitting. Allowing for rapid redevelopment in safe areas intended for increased future development will minimize vulnerable redevelopment and/or allow time to plan the sustainable reconstruction of areas severely impacted by the disaster. Designated priority recovery and redevelopment areas can also be used to locate temporary post-disaster facilities more efficiently that are consistent with future land uses.

Historic Preservation and Restoration

The loss of historic resources due to a disaster can have a major impact on the community. Some losses may be unavoidable, but others could occur accidentally during recovery operations if procedures are not in place to watch for these concerns. Historic structures are particularly vulnerable to damage due to their age, and repair of these structures must meet certain requirements to maintain their character and historic designation. There may also be funding opportunities before or after a disaster for implementing mitigation measures to prevent further damage to historic resources. Engaging state and local historic preservation organizations in the planning and implementation process can ensure that the unique considerations involved with preserving and restoring historic structures and archeological sites are included in a community's recovery plan.

Reducing Disaster Vulnerability through Land Use and Development Regulations

The best practice for post-disaster redevelopment is to restrict rebuilding in hazardous locations and require mitigation where vulnerable redevelopment cannot be precluded. While this plan of action would ensure optimal community resiliency to disasters, it may be very difficult to achieve and may not be a good choice for the first action to be tackled when implementing any recovery plan. However, with careful consideration of the legal implications concerning property rights and extensive public outreach, there are many regulatory tools for increasing disaster resiliency that may be a possibility for the region, especially if pursued during the post-disaster "window of opportunity" for future reductions in disaster vulnerability. Potential regulatory methods could include reduced intensity or density of use, special permit requirements, increased setbacks from hazard sources (e.g., a waterway or building, etc.), hazard-specific site design requirements, and/or increased structural mitigation requirements. These methods could be implemented through policies instituting lower damage thresholds requiring nonconforming uses/structures to meet current standards (in certain zones or throughout the jurisdiction), zoning overlay districts, post-disaster specific land development codes, and/or special assessment districts to fund mitigation projects that benefit more than one property.

ECONOMIC REDEVELOPMENT

The ability of a local economy to rebound after a disaster dictates the success of the community's long-term recovery. The return of jobs, tourism, capital investments, and other indicators of economic health are dependent upon housing recovery, infrastructure restoration, environmental restoration, and social service provision. The involvement of the private sector in the post-disaster planning process is imperative for determining the priorities and actions that will be beneficial to restoring the local economy. Consideration must be given to the different obstacles that could potentially hinder economic recovery, such as those that small businesses will face, decisions large employers will have to make about whether to relocate, opportunities for sustainable diversification of the economic base, and job training and workforce recruitment needed to meet altered market conditions after a major disaster.

Resumption and Retention of Major Employers

Rapid resumption of existing major employers is key to a community's economic recovery after a disaster, especially as employment provides a reason for most residents to return and rebuild quickly. Typically, the major employers in the region are already going to have business continuity plans and will not need the basic disaster preparedness education necessary for smaller businesses. These companies are often able to work with local governments as partners in planning for post-disaster redevelopment and provide insight as to what government assistance they will need to ensure rapid resumption. Major employers may also have the means to assist in actions to support workforce retention if included in the planning process. While large company recovery assistance will vary, typically businesses located in hazardous areas or older structures may need assistance to reopen or relocate, temporarily or permanently, within the area.

If businesses do not feel a sense of connection to the community or fear that recovery will not be successful, there is a chance that they will relocate their company elsewhere after a disaster. This is especially the case for corporate headquarters and industries that are not location-dependent or whose location choice is tied to quality of life factors. Mitigation and recovery plans provide the private sector with confidence in the community's ability to continue providing the market environment necessary for conducting business. Some factors that may aid the retention of major employers include a high level of communication before and after a disaster about post-disaster redevelopment goals and expectations and/or incentives to ensure retention, if necessary.

Small Business Assistance

A "small business" is often perceived as a family-owned business that provides services solely to the local community. Small businesses comprise the majority of businesses in the SEMDC region. Small businesses are more likely than large businesses to either never reopen after a major disaster or fail shortly after reopening. Several factors may be involved in these failures, including the extent of damage to a community, timing of reopening, and lack of financial reserves.

Short periods without cash flow can be damaging, and small businesses often find restrictions and loan arrangements overwhelming. The region's SBDC Director and Loan Officer will be on-hand to help guide businesses through the redevelopment process. SEMDC also has access to a certain RLF funds that may be available to businesses during post-disaster redevelopment. SEMDC also has established and capitalized a Small Business Disaster Loan Program to assist with these challenges. Loans are typically based on the pre-event business and tax returns of the firm and require extensive collateralization. Post-disaster market changes, however, may mean the company isn't able to do as well as it did pre-disaster, and the loan, even at below-market interest rates, sometimes becomes a burden to the long-term survivability of the business.

Workforce Retention

While trying to retain existing businesses, efforts must also address retaining the workforce that supports those businesses. Actions such as ensuring that schools reopen and childcare is available, allowing temporary on-site housing for employees, and communication of a community's post-disaster plan can assist in getting employees back to jobs as soon as the businesses have reopened.

After a disaster, the market for certain businesses may decrease or be eliminated due to financial troubles or customer demand changes. However, other industries may provide employment opportunities, such as the construction industry, which will boom temporarily due to rebuilding needs. Workforce training programs are important to provide residents with appropriate skill sets to fill newly available positions due to recovery efforts and to adjust workforce skills to other industries that may take a more permanent hold in the community due to post-disaster business recruitment efforts. Providing locals with first preference for temporary recovery work is important for keeping workers from moving out of the area.

Physical Economic Redevelopment Projects

In some circumstances, opportunities may arise after a disaster to move forward with planned physical economic development projects or to create new projects that take advantage of post-disaster funding, available land, or public will. Economic development projects that are disaster-resilient and fill a need in the community after a disaster should be a priority for post-disaster funding. In addition, the community can prioritize projects that incorporate energy efficiency and other “green” building design considerations. Business districts can be prime locations to focus post-disaster redevelopment projects since these districts offer financial tools or incentives, such as tax increment financing, reductions on impact fees, and state tax incentives. Economic leaders can also consider ways to expand these business districts and leverage funding that would be available through disaster programs from several federal agencies, including the Community Development Block Grant program and Economic Development Administration disaster assistance program.

Opportunities to Sustainably Restore Economic Vitality

Retaining existing businesses is the first priority after a disaster; however, post-disaster redevelopment may also present an opportunity for businesses to assess their long-term applicability in the local market and take advantage of any changes in demographics or business incentives that may occur due to disaster impacts and an influx in outside funding to the area. For instance, a business that was already struggling before the disaster may need to rethink its business plan and use the disaster as an entrepreneurial impetus unless it happens to be engaged in one of the few economic activities that benefit from a disaster, such as the development industry.

Inevitably, some large and small businesses that bear the brunt of significant damage or indirect losses are going to fail or choose to relocate after a major disaster. This can affect the unemployment rate of the county if new businesses do not replace those that relocate. Ideally, a community would have a diverse spectrum of businesses so that if one industry sector is severely impacted by a disaster, the majority of the workforce will not be affected. Unfortunately, the SEMDC region struggles with a lack of economic diversity, which means that in the event of a disaster the loss of one business could mean the loss of all the local benefits provided by that employer/industry. Efforts to diversify the local economy with industries that are less vulnerable to disasters should be integrated into ongoing economic development activities. Industries targeted for attraction and incentive programs after a disaster should be those that will provide a more disaster-resilient and sustainable economy for the community and are appropriate for the post-disaster circumstances.

INFRASTRUCTURE AND PUBLIC FACILITIES

Restoration of infrastructure and critical public facilities after a disaster is a prerequisite for recovery – one that is addressed in local government and private utility and infrastructure companies’ emergency response and short-term recovery plans. There are long-term redevelopment considerations for infrastructure restoration, however, that must be weighed in conjunction with land use, environment, housing, and economic redevelopment issues.

Taking advantage of opportunities to upgrade, mitigate, or even relocate infrastructure or public facilities after a disaster is critical. Advanced planning allows a community to make deliberate decisions about redevelopment that it may otherwise have had less opportunity to do during the post-disaster rush to rebuild. Decisions about infrastructure reconstruction will influence private redevelopment decisions, and using disaster repairs as an opportunity to include hazard mitigation allows a local government to lead by example.

There are many agencies, jurisdictions, and stakeholders involved in providing infrastructure, public facilities, and utility services. Before and after a disaster, these private and public entities need to establish communication and coordination procedures to ensure that long-term recovery and redevelopment occurs in an efficient and organized manner. Each agency or company should have its own recovery plan; however, if any opportunities for directing redevelopment are to be pursued then coordination and communication are critical.

Types of Infrastructure and Public Facilities to Address in Post-disaster Redevelopment Planning

A community's infrastructure is made up of a number of different systems and structures, each of which should be considered carefully:

- *Transportation systems* – The repair of roads, bridges, railroads, airports, and public transit is essential to establishing normal operations within a community. The repair of these and other types of infrastructure is often necessary for other redevelopment efforts to take place. Post-disaster redevelopment can be used as an opportunity to modify, improve, and add to existing transportation networks. Incorporating hazard mitigation into the repair and reconstruction of transportation facilities can ensure that when disaster strikes again, the infrastructure is better able to handle the impacts.
- *Potable water, sewer, and stormwater systems* – Damage to potable water, sewer, and stormwater infrastructure can weaken a community's ability to recover. Like with other infrastructure, the community can take the opportunity to include hazard mitigation or other improvements during repairs. In cases of severe damage to infrastructure in highly hazardous locations, relocation could be considered. These opportunities may be missed if pre-planning is not conducted.
- *Power, natural gas, and telecommunications* – Recovery from a disaster cannot begin until major utilities, especially electricity, are restored.
- *Public facilities* – Rebuilding after a disaster provides an opportunity to mitigate future hazard impacts and build back a more resilient community. Public facilities, such as schools, libraries, and government offices must be rebuilt to current building codes. However, above-code hazard mitigation may also be a good investment, and post-disaster funding sources may allow these expenditures. Some public facilities in highly hazardous areas could potentially be targeted for relocation during pre-disaster planning.
- *Parks and recreation facilities* – While parks and recreation facilities are typically not a priority for recovery, they are important for regaining quality of life as part of long-term redevelopment. Park properties also are often used in staging recovery efforts, such as temporary vegetative debris storage.

Financing Infrastructure and Public Facilities Repair

When a community starts to make decisions about which structures to relocate after a disaster or which mitigation projects it should invest in pre-disaster, they should consider funding availability. Knowing where to prioritize spending requires some basic knowledge of what is covered under insurance policies, which projects will be eligible for federal reimbursement through the Public Assistance Program, which projects can be funded through grant programs, and what financial reserves can be targeted for grant matching funds or local investment. When a community begins to address its infrastructure issues as part of the initial planning process or as a pre-disaster implementation action, it can launch an assessment of county or municipal insurance policies to determine which facilities are covered and for what extent of damage. They can then use this assessment to make decisions about increasing coverage or financing repairs to uninsured structures. They can also determine whether mitigation enhancements would be covered under current policies and Public Assistance or whether additional funding would be needed.

Public Assistance: Improved and Alternate Projects

Occasionally an Applicant may determine that improvements should be made while restoring a damaged facility; or even that the public would not be best served by restoring a damaged facility or its function at all. FEMA refers to these projects respectively as improved and alternate. All requests for these projects must be approved prior to construction.

Possible Alternate Projects

- Repair or expansion of other public facilities;
- Construction of new public facilities;
- Purchase of capital equipment; and

- Funding of hazard mitigation measures in the area affected by the disaster.

Possible Improved Projects

- Relocation of public facilities;
- Using improved materials;
- Expanding capacity, and
- Rebuilding to higher codes and standards

CONCLUSION

In the event of a disaster, SEMDC is committed to:

- Providing local officials, business leaders, and other community partners with access to regional demographic, economic, and hazard vulnerability data
- Developing technical expertise and economic analysis tools for conducting initial disaster assessments and long-term economic impact analysis
- Establishing collaborative relationships with local government officials and non-government organizations that may provide data, funding, technical expertise, and other resources essential to intermediate and long-term economic recovery following a disaster event
- Offering grant writing expertise and technical assistance to regional and local entities, both for pre-disaster resiliency initiatives as well as post-disaster recovery efforts
- Establishing familiarity with traditional economic and community recovery funding sources, including resources for business development assistance programs, such as EDA's Revolving Loan Fund (RLF) programs as well as private, nonprofit, and philanthropic resources
- Providing technical support to impacted businesses
- Encouraging concepts and principles of economic resiliency strategies into the existing planning and development plans and activities within the region
- Leveraging assets
- Offering a neutral forum to convene diverse stakeholders and facilitate discussion and planning initiatives around the issues of economic resiliency preparedness and recovery

a) A majority of this Disaster and Economic Recovery and Resiliency Strategy was given permission to be used by the Eastern Plains Economic Development Corporation, Terry, Montana.

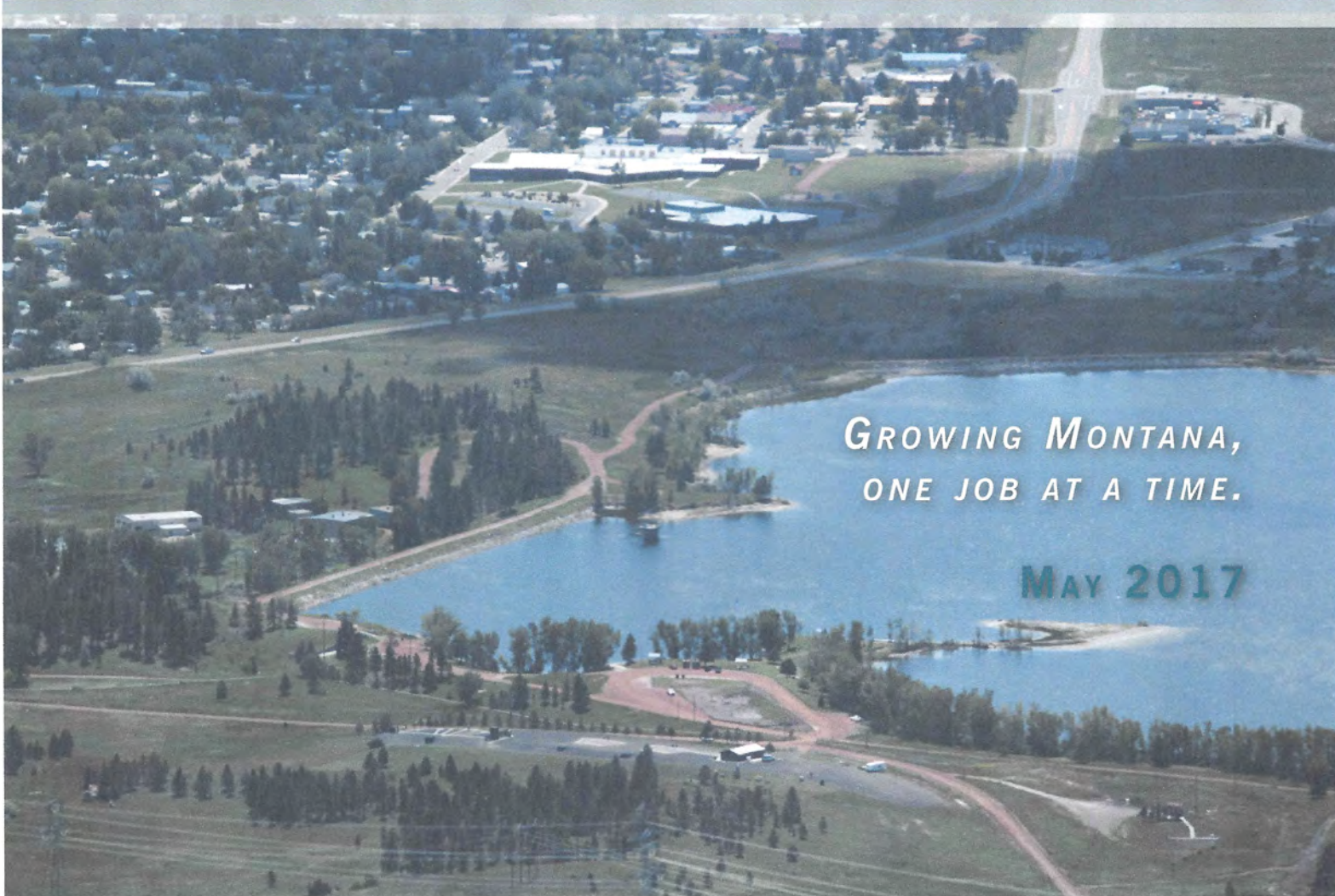


Tomorrow's Town ... Today!

COLSTRIP ECONOMIC DIVERSIFICATION STRATEGY

GROWING MONTANA,
ONE JOB AT A TIME.

MAY 2017



COLSTRIP ECONOMIC DIVERSIFICATION STRATEGY: SUMMARY

BACKGROUND AND CURRENT

CONDITION: Colstrip is a community of approximately 2,300 residents located in Rosebud County. Established by the Northern Pacific Railway in 1924 as a company town to provide coal for their steam locomotives, Colstrip has been an incorporated city since 1998, contributing significantly to the economic health of the State of Montana.

The Colstrip Power Plant was constructed beginning in the mid-1970s and consists of four separate coal-fired generating units, collectively owned by Puget Sound Energy, Talen Energy, Portland General Electric, Avista Corporation, PacifiCorp, and NorthWestern Energy. Units 1 and 2 were built in the mid-1970s with Units 3 and 4 following in the mid-1980s. Collectively the Colstrip Power Plant, the 38 MW Rosebud Power Plant (just north of Colstrip) and the Rosebud Coal Mine, operated by Westmoreland Coal Company (which supplies coal directly to both plants), directly employ over 800 employees. This does not include the hundreds of temporary plant workers hired during scheduled annual maintenance events.

In July of 2016, Puget Sound Energy and Talen Energy reached an agreement with the Sierra Club and the Montana Environmental Information Center to shut down Units 1 and 2 by the year 2022. Even before this announcement, however, the community identified a need in their Comprehensive Economic Development Strategy (CEDS) to conduct a diversification and marketing study in hopes of stabilizing the local economic base. In response, Southeastern Economic Development Corporation (SEMDC) wrote and received grants from the Montana Coal Board, Montana Big Sky Economic Development Trust Fund, and the Economic Development Administration to hire a consultant to conduct this work. In November 2016, a consultant was selected and work began.



The Colstrip Economic Diversification Strategy has been a cooperative effort of businesses, civic organizations and the public to outline economic development projects and goals that will diversify and strengthen the community of Colstrip. Through the six-month study and public engagement process, multiple concepts rose to the surface as opportunities to bring balance to Colstrip's economic drivers, while staying true to the core industries of coal mining and power generation that have built Colstrip into the vibrant community it is today. What follows is a summary of the goals identified in this process, but we encourage you to review the entire Colstrip Economic Diversification Strategy which can be found at www.semdc.org.

SUMMARY OF GOALS: The coal-driven energy generation market may be challenged in Colstrip, but it is important to keep in mind the outstanding infrastructure that will remain even after the closure of Units 1 and 2, and may be utilized to drive and direct diversification opportunities. From 500KV power lines to core industrial site infrastructure and a highly skilled labor force, Colstrip is filled with unique elements positioned to drive economic diversification beyond the traditional coal-driven energy generation market. Colstrip also has an extremely high quality of life with miles of trails, outstanding schools, a well-developed park system, medical clinic, recreational lake adjacent to town and much more. To be effective, the strategies must be visionary enough to provide a strong foundation

and flexible enough to evolve over time as circumstances change and opportunities arise.

The Strategy document is designed to serve as a roadmap to empower Colstrip to establish goals and objectives, develop and implement an action plan, and utilize resources efficiently and effectively. *There is no silver bullet* when it comes to economic diversification. Diversification occurs through several ventures coming together to provide support and balance to one another. *The Plan is a “living document”* and is designed to be reviewed and updated regularly to meet the ever-changing needs of the community.

The following are the identified goals recommended to capitalize on existing and potential resources in the Colstrip area in an effort to diversify the economy and address economic sustainability and growth.

- **GOAL 1:** Leverage existing industry expertise to drive development around coal, energy, and renewable technology
- **GOAL 2:** Support technology and entrepreneurship development to build long-term diversification opportunities for the Colstrip economy
- **GOAL 3:** Build a unique manufacturing ecosystem to capitalize on existing industrial sites and infrastructure while creating sustainable, high-paying positions
- **GOAL 4:** Diversify jobs through the re-deployment of existing human resources to supply high-skill, high-wage jobs that offset the potential loss of positions from the closure of Colstrip Units 1 and 2
- **GOAL 5:** Develop and market Colstrip's exceptional agricultural and outdoor recreation opportunities into new business
- **GOAL 6:** Focus on quality of life initiatives to enhance Colstrip's culture and economic attractiveness for the full life-cycle of residents



NEXT STEPS: Plans are only as good as the actions they produce. Too often, communities invest significant time, money and resources into plans that get filed away and never used. The Colstrip Economic Diversification Plan contains an accountability matrix designed to help communities identify priority short and long-term goals and tasks and then assign leaders and work groups to champion those. In addition, the matrix provides measurable outcomes and a timeline to ensure people doing the work can see progress and hold each other accountable for outcomes in a timely manner. Finally, this tool aids city, county, and state officials as well as economic development staff in monitoring the progress of those initiatives in which they have made investments. SEMDC along with their community partners, will be utilizing this accountability matrix to move forward in identifying initial priorities and garnering community leaders to begin this critical work.

ACKNOWLEDGMENTS AND DISCLAIMER

The Colstrip Economic Diversification Strategy was funded by grant awards from the United States Economic Development Administration, Montana Department of Commerce Montana Coal Board, and the Big Sky Economic Development Trust Fund. The diversification of Colstrip's economy is supported by these entities, but the findings and strategies outlined in this report are not necessarily the views of the funding agencies.

For more information, please contact Jim Atchison at SEMDC, 406 748 2990 or jatchison@semdc.org.

Prepared by Tamerica Management with
Competitive Solutions and the Trent Lott National Center

THE CHANGING COAL INDUSTRY: REGIONAL ECONOMIC IMPACTS – WORKFORCE ANALYSIS – TRANSITION STRATEGIES

March 2017



Prepared for the Montana Coal Country Coalition,
a Regional Partnership for Economic Diversity in Coal Country

EXECUTIVE SUMMARY

Six Issues Driving the MT Coal Impact Study

- Regional impact of closure of Colstrip Units 1-2
- Loss of Severance and Gross Proceeds tax revenue
- Economic impacts affecting many communities throughout region
- Need for replacement source of reliable and affordable power for MT process industries
- Workforce challenges from industry downsizing
- Need for enhanced regional competitiveness outside of mining

The transition strategy in this document for the Montana coal industry was compiled through a rigorous process of economic research, combined with input from stakeholders in Montana. The primary research began with a series of confidential interviews with key stakeholders and executives in the coal industry. The research process included an estimation of the economic and fiscal impacts of the coal industry on the 15 counties in Coal Country. That research confirmed that the coal industry is challenged by shifts in the domestic market and by environmental regulations issued by the EPA in the last eight years. The industry will decline in employment and tax collections over 2016 levels due to the closure of Colstrip units one and two.

Additional declines are possible, depending on whether the Montana coal industry increases export shipments and whether Colstrip units three and four close. The decline in employment in the region could range from 800-4,300 jobs, depending on the success of the transition strategies outlined in this document. Montana mines are more vulnerable to shifts in the domestic market since they are the marginal producers of Western Coal. Wyoming mines produce one-third more coal per worker hour than Montana mines (EIA Annual Coal Report 2015). In addition, severance and gross proceeds tax rates in Montana are double the tax rates that Wyoming mines pay. Since gross proceeds and severance taxes are the largest component of operating costs (exceeding payroll costs), Montana mines will be the first to close and the last to reopen when demand declines.

These nine transition strategies incorporate the research conducted by the Trent Lott Center for Economic Development on the retraining requirements from downsizing of the coal cluster. The Trent Lott study looked at simultaneous downsizings in coal mining, electricity generation, and wholesaling of mining and construction equipment. Most of the dislocated workers will find employment opportunities in pipeline construction, heavy construction, and transportation, albeit at reduced wages. For the ten percent of workers that lack employment opportunities in Coal Country, the region has significant numbers of job openings in refining and manufacturing that are highly compatible with skills gained in the coal cluster, provided these workers receive retraining.

The nine strategies in this final plan were selected by stakeholders as the priority strategies for transition in a series of three workshops on February 8-9, 2017 in Roundup, Billings, and Crow Agency. In addition, this plan addresses the barriers that stakeholders identified as most important for achievement of the strategies. The actions and background sections of the nine strategies were developed using the consultants' more than 75 years of experience in economic development and workforce development.

The transition strategies for coal are organized around four goals. **The first goal is to maintain shipments, employment and tax revenues from coal production.** The initial strategy in this goal is to develop a statewide consensus on the future of coal and electric power in Montana, including a statewide strategy that provides electric power for process industry throughout the state. Process industries in Montana, such as refining and mining, are vulnerable to higher prices and lower reliability of electric power if Colstrip units 3-4 close, because Montana will become a net importer of power from California, Oregon and Washington State.

The second goal is to provide incentives for Montana companies and inventors to commercialize technologies that lower carbon emissions while raising the thermal efficiency of coal-fired generators. A dedicated fund that earmarks gross proceeds and severance taxes is the strategy for achieving this goal.

The third goal is to diversify the economies of communities in Coal Country. This goal requires that Montana improve its business climate relative to those in surrounding states. The goal also includes a strategy of expanding access to broadband internet service in Montana. Montana is ranked 50th of the states in terms of broadband internet access by citizens and businesses.

The final goal is to reorganize the statewide training system in Montana. Montana is 41st of the 50 states in state funding for post-secondary training in community colleges and vocational schools. The graying workforce in Montana and the growing educational requirements for entry-level jobs mandates that the state provide more permanent funds to train workers. Acute skill shortages are anticipated throughout the United States in the next decade and Montana is less prepared than most states to meet the challenge.

The future of the Montana coal industry is not pre-determined. The transition strategies in this document provide tools for insuring that the coal industry has broader markets and stable employment in the future. The execution of the strategies in this document will result in a stronger economy in Coal Country and throughout the State of Montana.

Transition Strategies for Coal Country

1. Montana develops a statewide strategy for coal and electric power
2. Montana increases coal exports via Pacific Coast ports
3. The Western Coal Coalition influences EPA to modify or eliminate the Clean Power Plan
4. MT develops grant programs to commercialize technologies that reduce carbon emissions
5. Montana improves the business climate for mining and non-mining companies

6. Billings, Roundup, Colstrip, and Crow Nation, Hardin develop formal strategies for economic development
7. Montana invests in infrastructure that extends high speed internet broadband service to the majority of residents
8. Montana revamps its statewide training system
9. Montana retrain laid-off coal miners