

BIG SKY  
**ECONOMIC**  
DEVELOPMENT

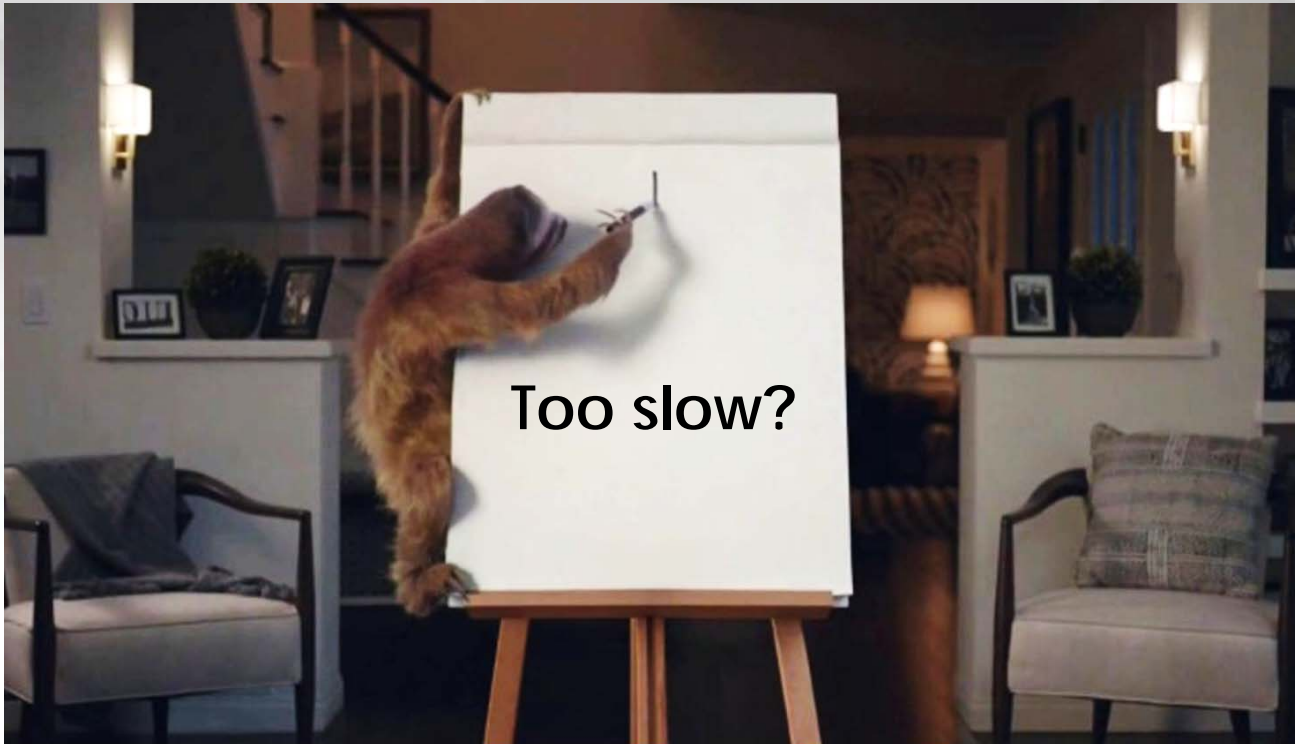


**ECONOMIC**  
**PULSE**

**2018**  
SPRING

# 2018 Economic Pulse Report:

- Economic Data
- Community Investments

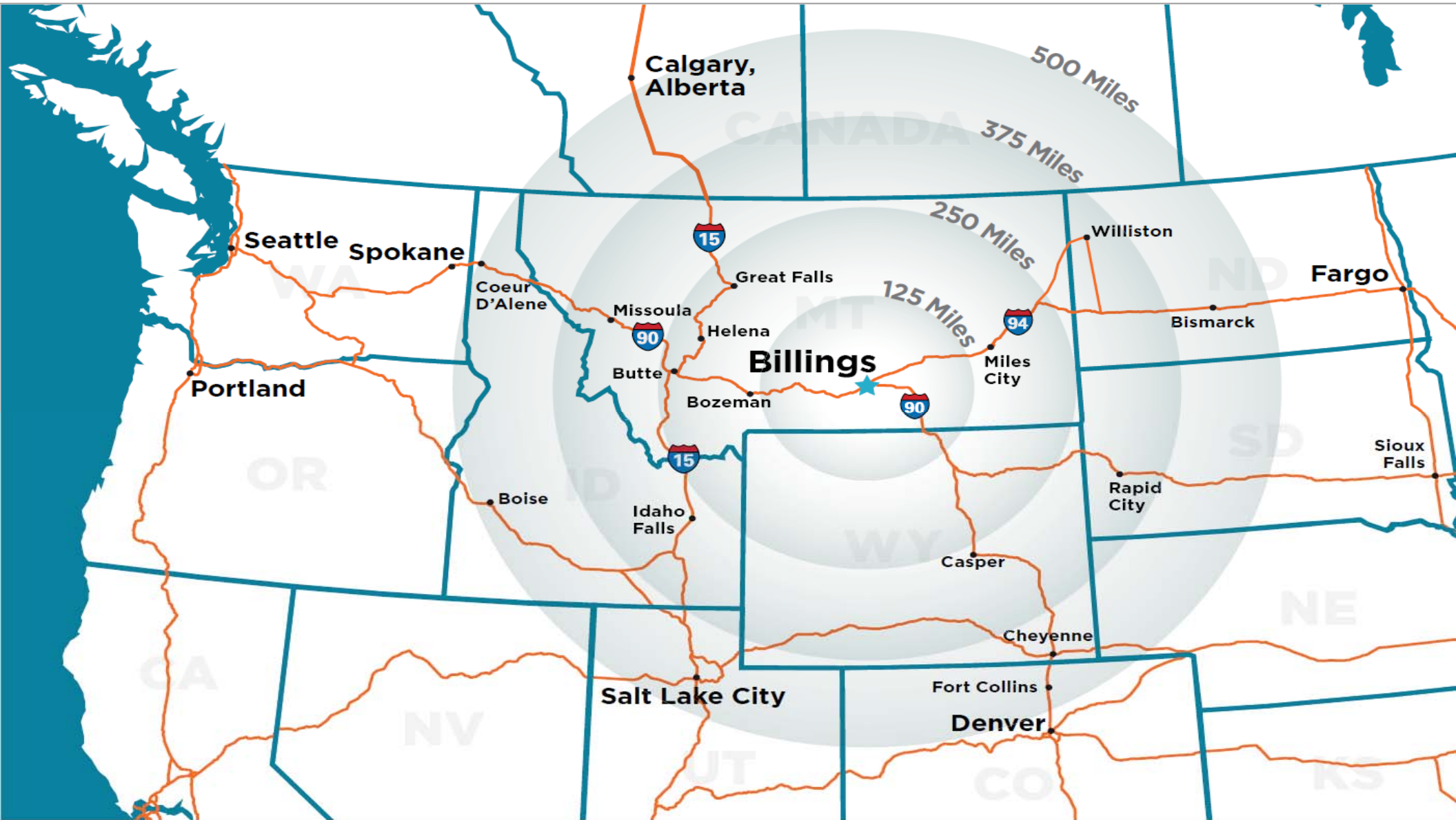


Slow and steady doesn't win the race anymore!

# ECONOMIC PULSE

The logo for 'Economic Pulse' features the word 'ECONOMIC' in orange uppercase letters above a horizontal orange line. Below this line, the word 'PULSE' is written in black uppercase letters. The 'PULSE' text is partially overlaid by a white bar chart with four bars of increasing height. A pulse line, colored orange and white, starts from the right side of the bar chart, dips, rises to a peak, dips again, and then rises to a second peak.





## KEEPING A 500-MILE PERSPECTIVE

## REGIONAL PEER COMMUNITIES



### BILLINGS

MSA Population: **169,736**  
Largest city in Montana

Major Colleges/Universities:  
Montana State University Billings/  
City College  
4,401 Students

Rocky Mountain College  
1,035 Students



### BISMARCK

MSA Population: **131,547**  
2nd largest city in North Dakota

Major Colleges/Universities:  
University of Mary  
3,160 Students

Bismarck State College  
4,078 Students



### BOISE

MSA Population: **690,214**  
Largest city in Idaho

Major Colleges/Universities:  
Boise State University  
24,154 Students



### BOZEMAN

μSA Population: **104,502**  
4th largest city in Montana

Major Colleges/Universities:  
Montana State University  
16,703 Students



### CASPER

MSA Population: **81,039**  
2nd largest city in Wyoming

Major Colleges/Universities:  
Casper College  
4,648 Students



### CHEYENNE

MSA Population: **98,136**  
Largest city in Wyoming

Major Colleges/Universities:  
Laramie County Community College  
6,099 Students



### FORT COLLINS

MSA Population: **339,993**  
Fourth largest city in Colorado

Major Colleges/Universities:  
Colorado State University  
33,413 Students



### GREAT FALLS

MSA Population: **81,755**  
3rd largest city in Montana

Major Colleges/Universities:  
University of Providence  
1,074 Students  
Great Falls College MSU  
1,875 Students



### MISSOULA

MSA Population: **116,130**  
2nd largest city in Montana

Major Colleges/Universities:  
University of Montana  
11,865 Students



### RAPID CITY

MSA Population: **143,367**  
2nd largest city in South Dakota

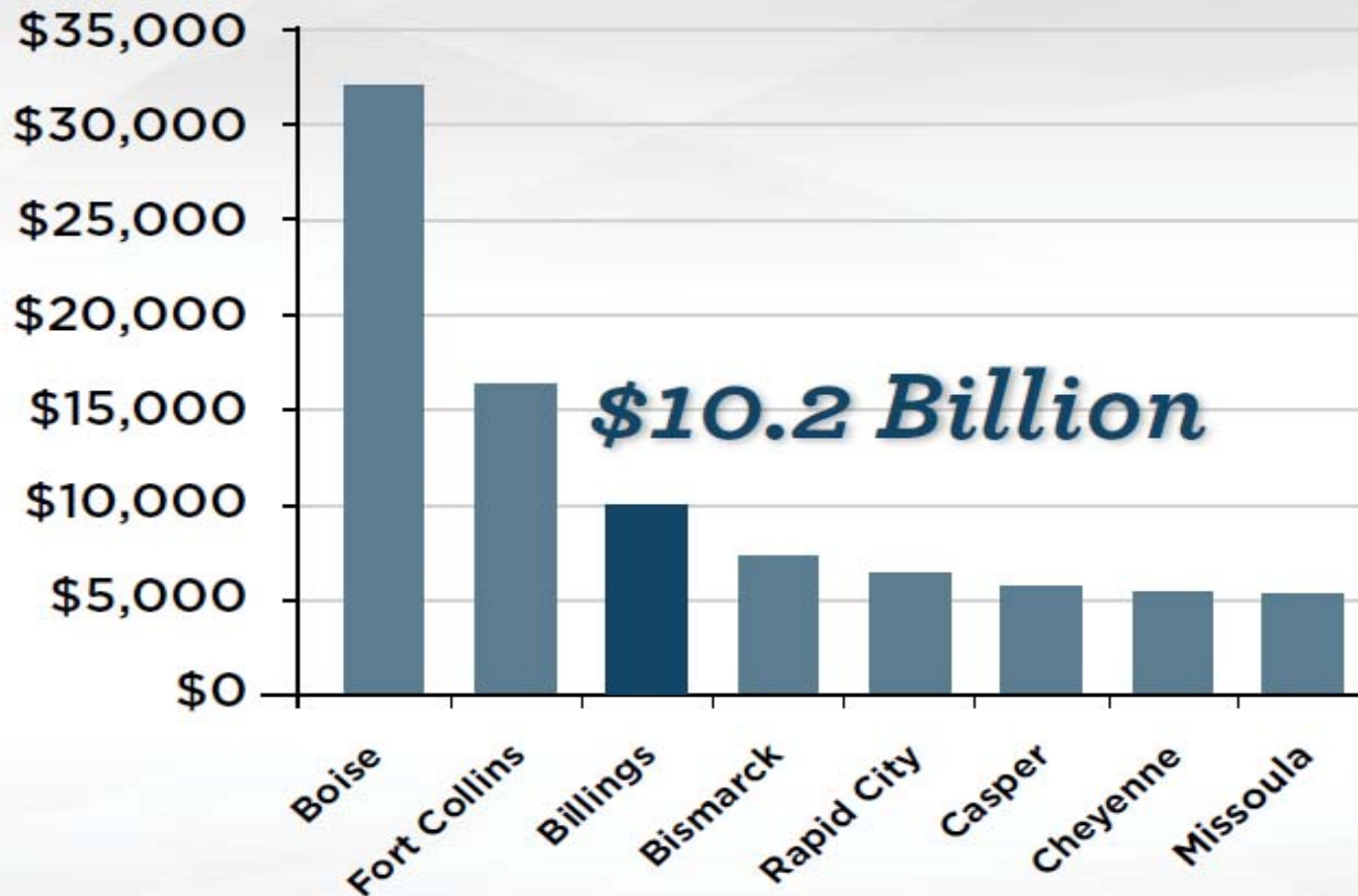
Major Colleges/Universities:  
South Dakota School of Mines  
and Technology  
2,485 Students  
Black Hills State University  
4,244 Students



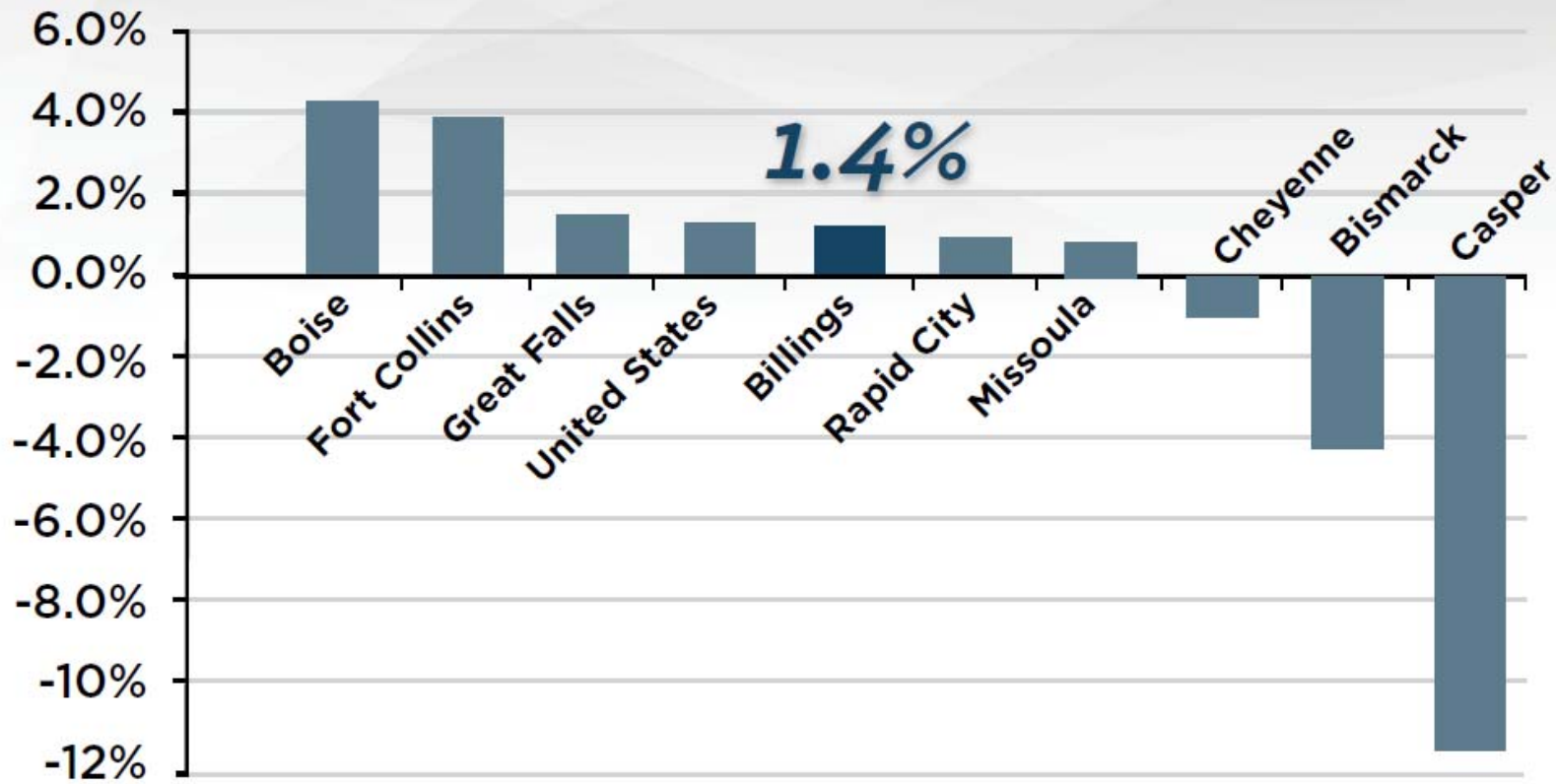
### THE PURPOSE OF ECONOMIC PULSE IS TO:

- Follow economic trends in Billings and our peer communities
- Keep a 500-mile perspective of our regional competitiveness for private investment and talent attraction
- Identify future opportunities and challenges for our community

## GDP, Millions of 2017 Dollars



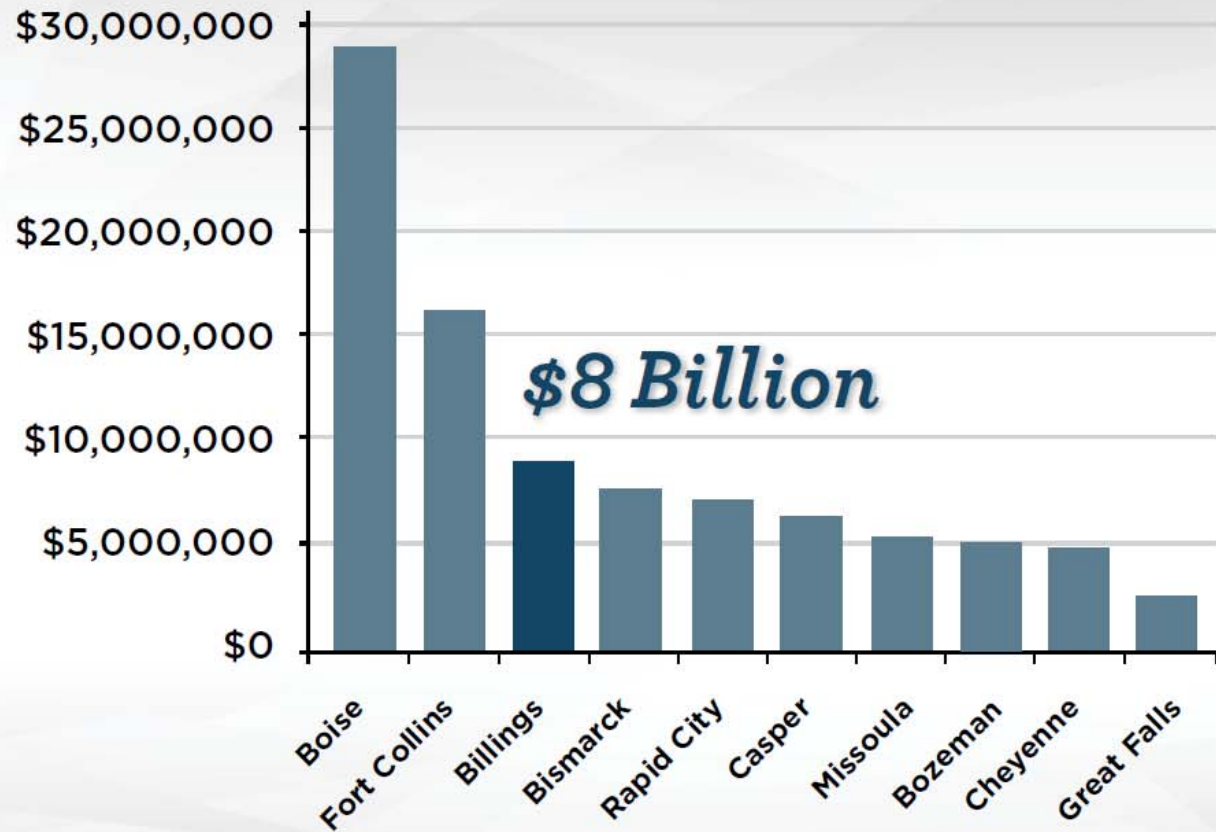
## Percent Change in GDP



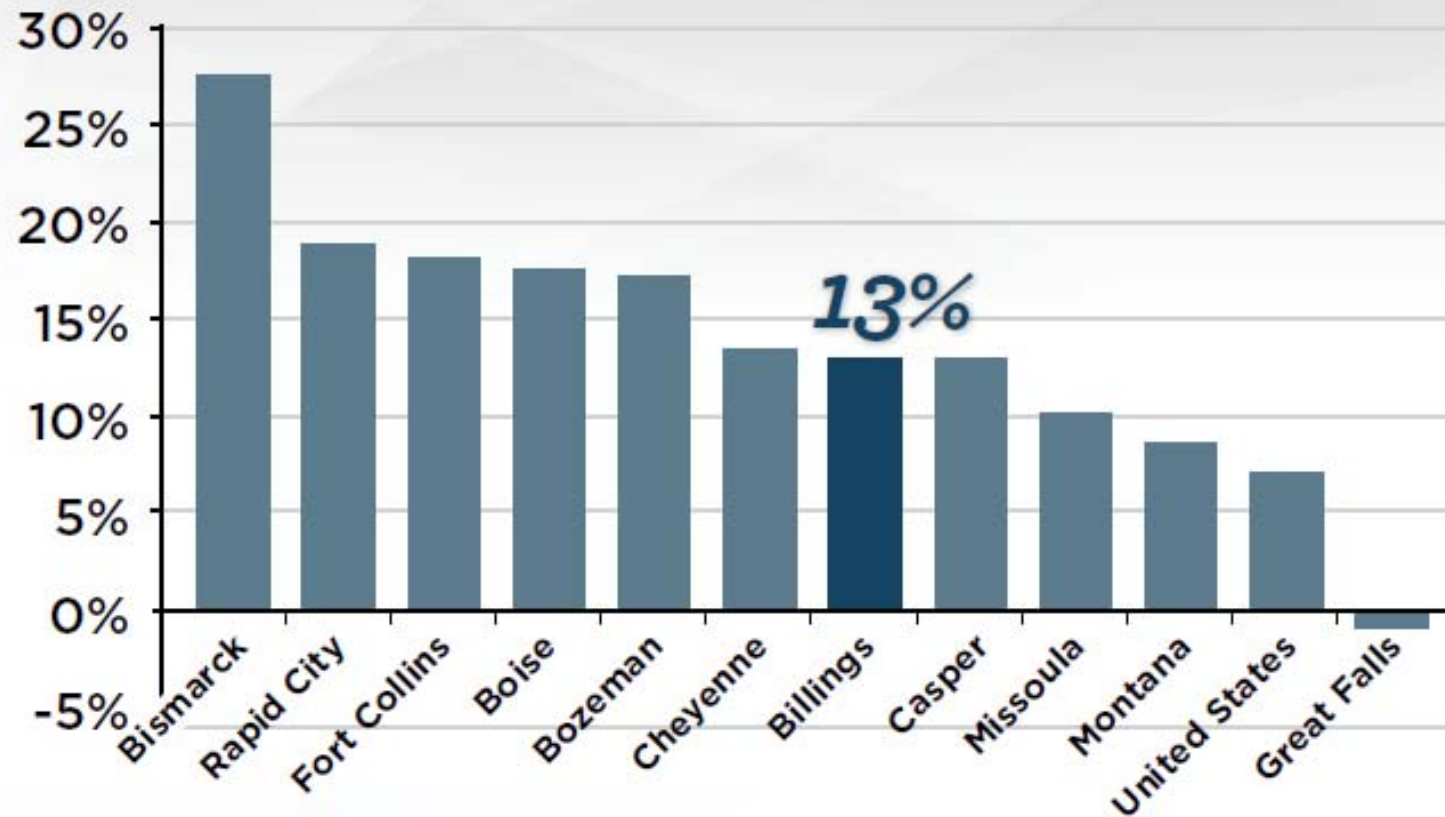


# Total Personal Income, 2017

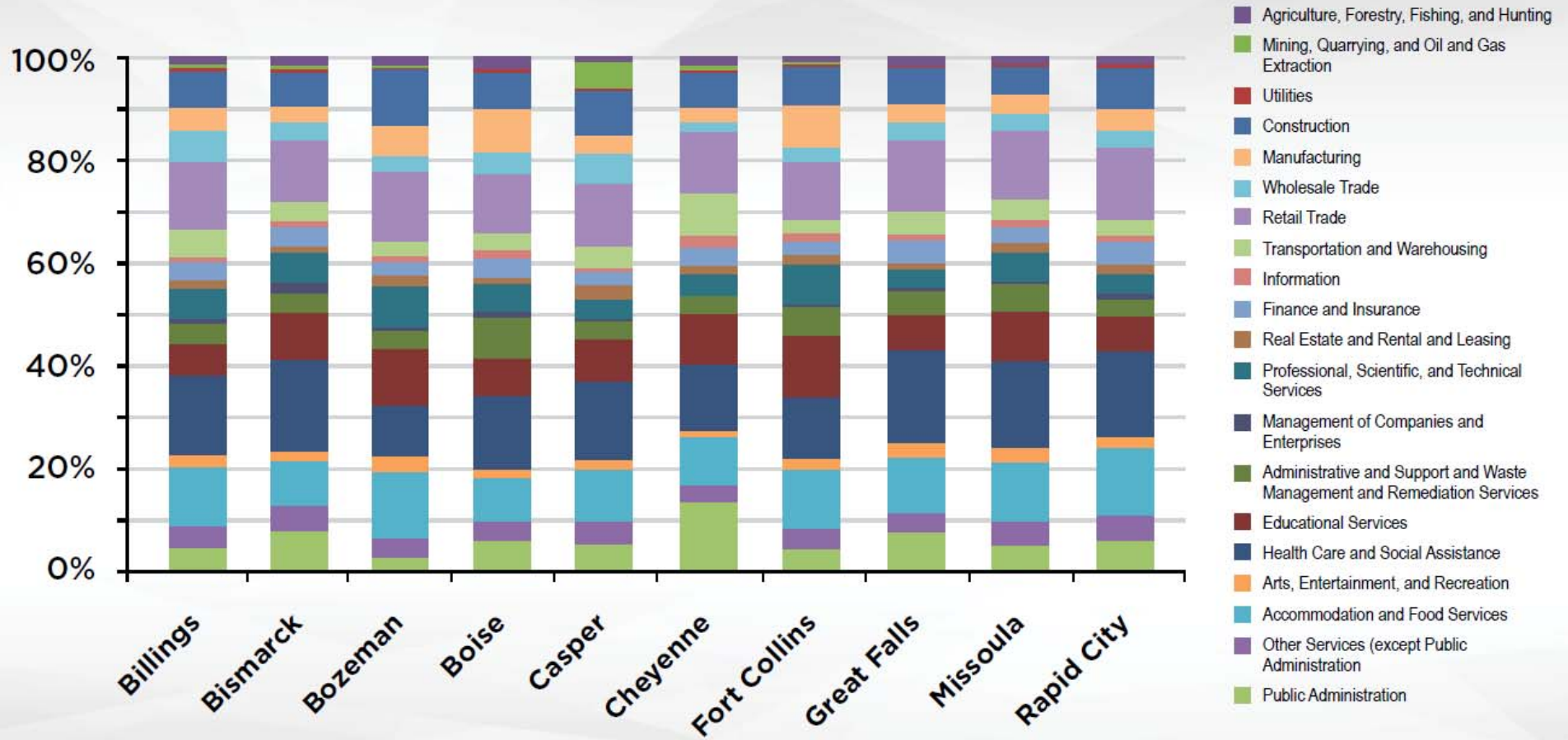
Similar to GDP, total personal income (TPI) is a way of measuring the size of an economy and the change over time represents economic health. Year over year, Billings grew 1.5%. While growth is positive, this places Billings in the back of the pack, only performing better than Casper (-5%), Cheyenne (1.2%), and Bismarck (1.2%). Bozeman and Missoula lead the way in TPI growth with 5.6% and 4% respectively. They were followed by Fort Collins (4%), Boise (3.9%), and Great Falls (2.4%).



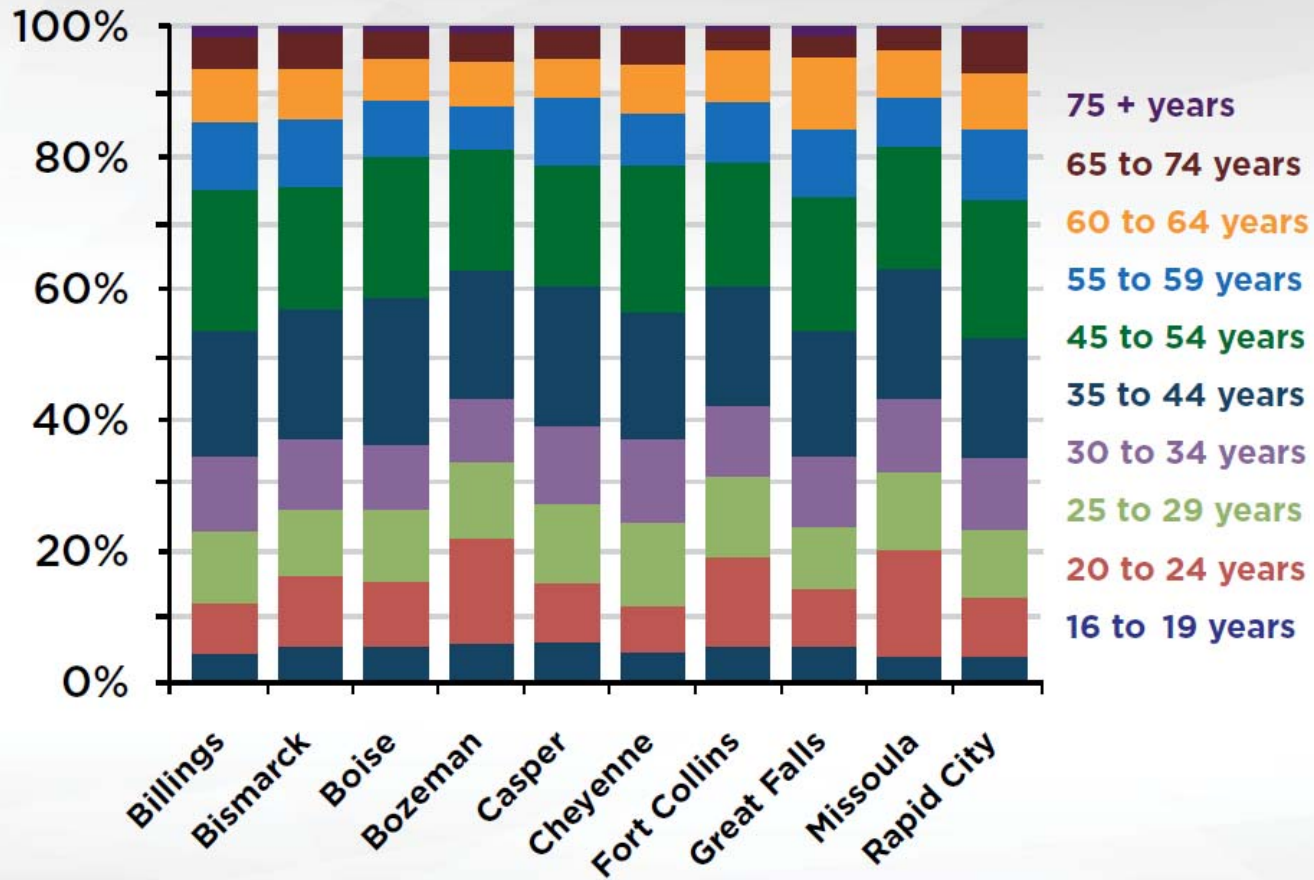
## Population Growth, 2007-2016



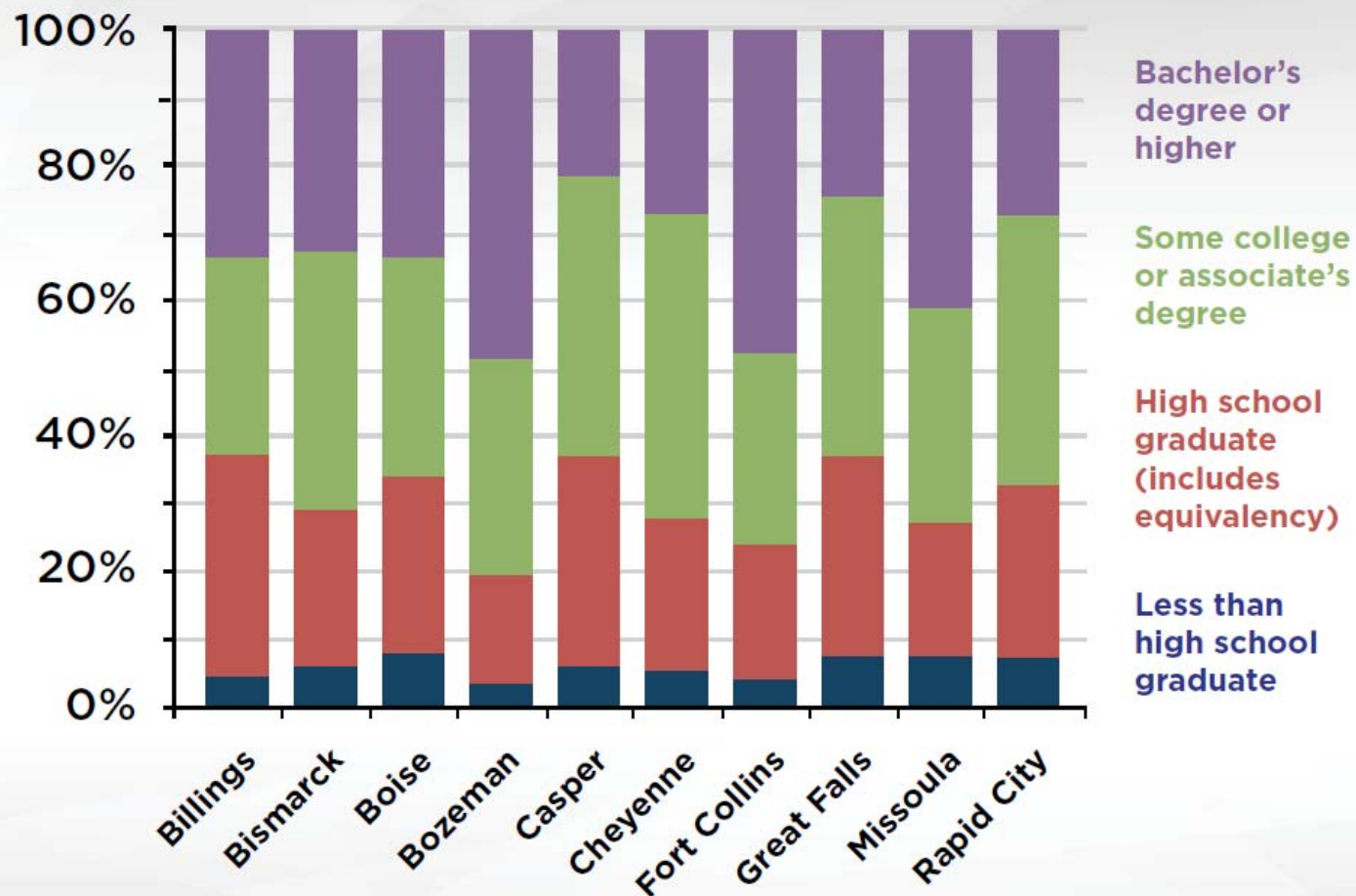
# Employment by Industry



# Employment by Age Group

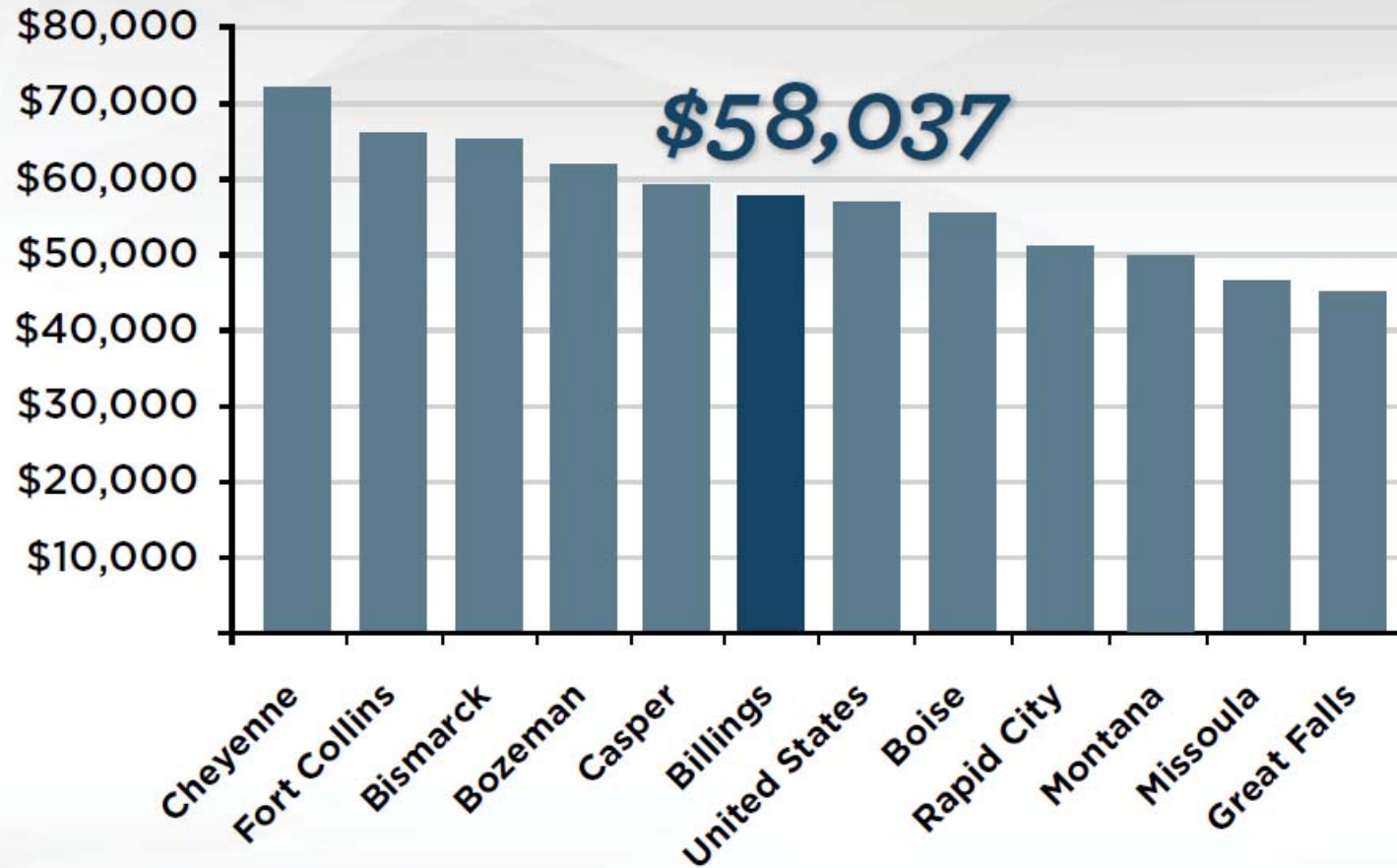


## Educational Attainment, Ages 25-64

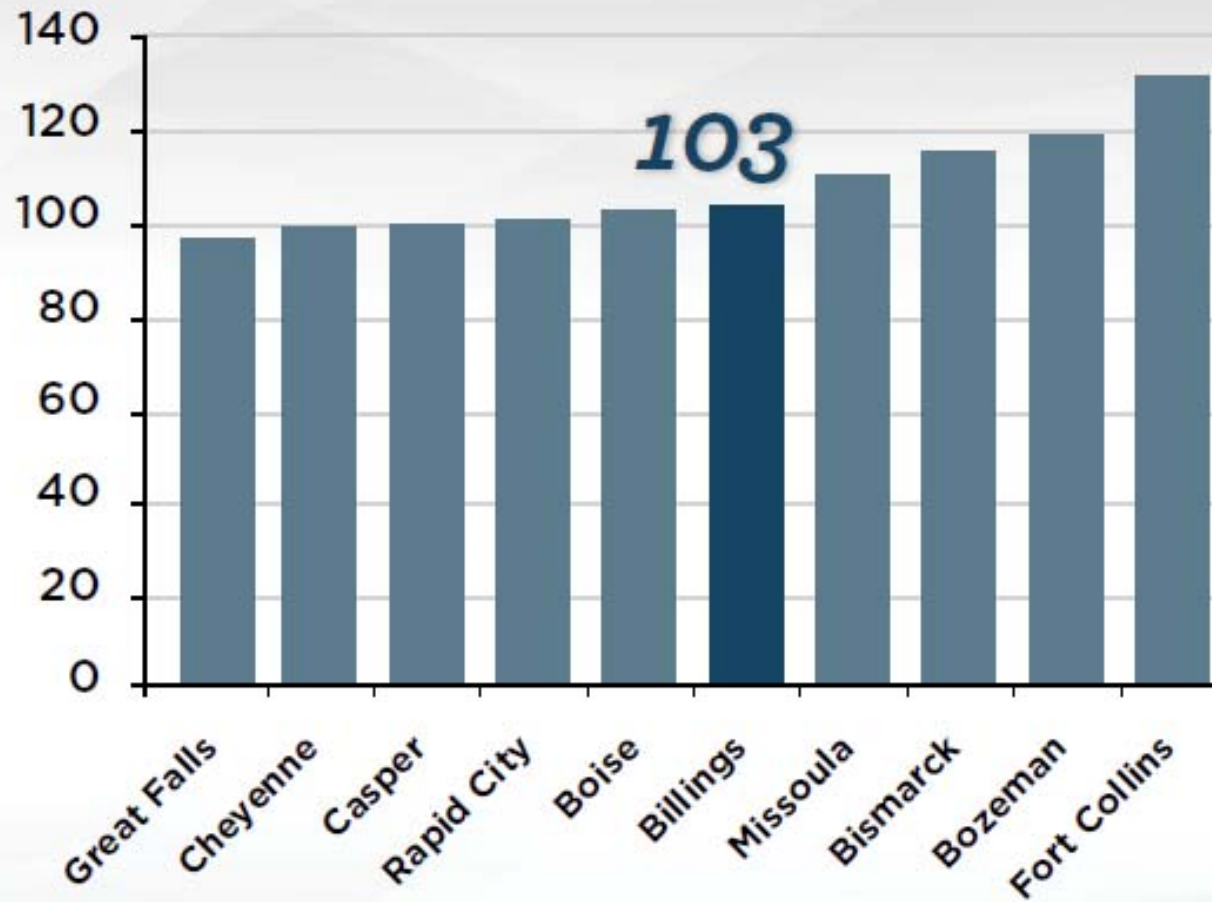




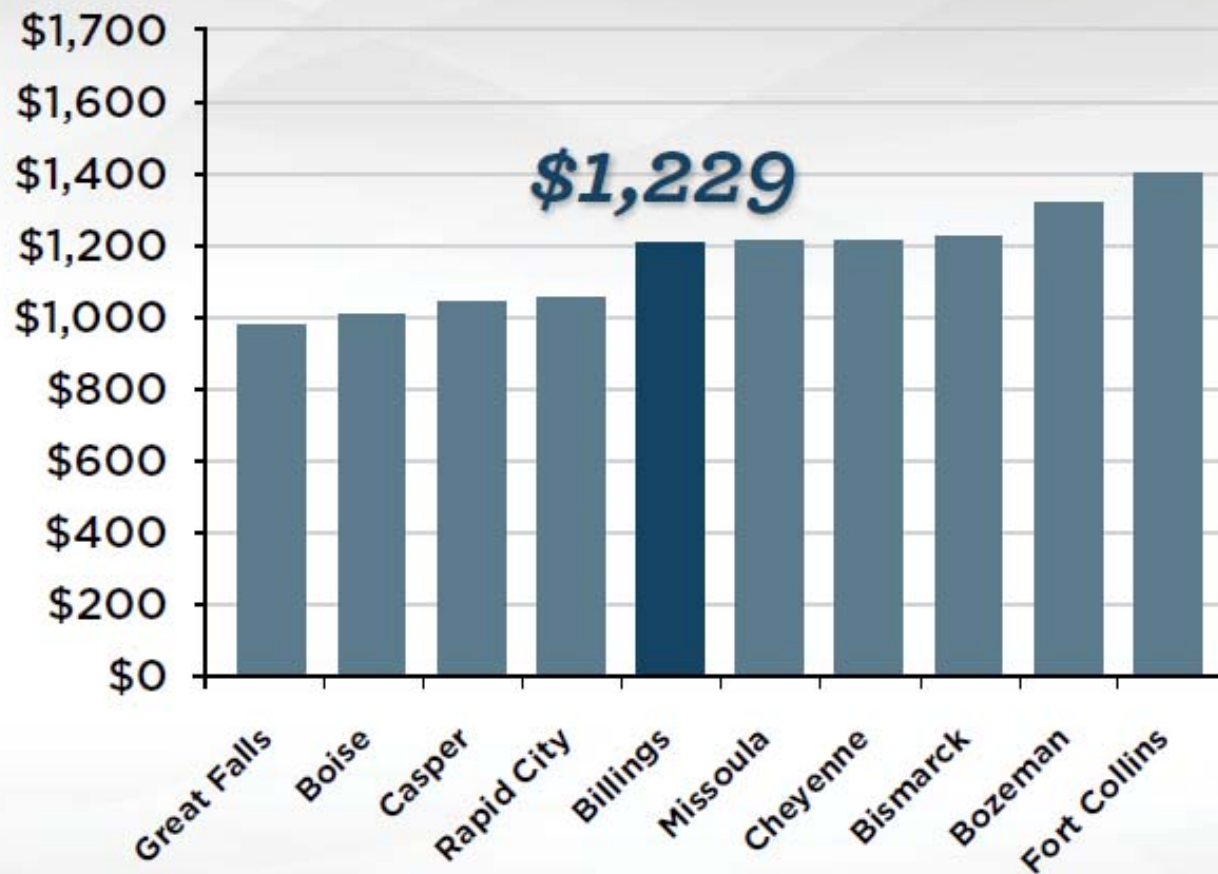
## Real Median Household Income



## Cost of Living, 2016



# Housing Affordability





Guess what our sloth is drawing?



Steve, what's  
your problem,  
man?



# Steve, what's the problem?



- We're a large economic hub—3<sup>rd</sup> largest
- We're growing at a steady pace—1.4% GDP growth
- Our population is growing...nice and steady—1.25%
- Jobs are plentiful and wages are growing

Slow and steady is good!?

Here's the problem:



The race has changed!



# What's changing the race?

- Business cycle has accelerated

BUSINESS

## Grains higher, livestock mixed

Updated 5 min ago

CHICAGO (AP) — Grain futures were higher Monday in early trading on the Chicago Board of Trade.

ENERGY >



Oil dips as US output rises, but still on pace for monthly gains



THE DOW CLOSSES ABOVE  
**26K**  
A NEW RECORD HIGH

breakingnews: The Dow Jones Industrial Average closed above 26,000 for the first time in its history. Just 8 days ago the Dow closed above 25,000, making this the shortest stretch ever between 1,000-point milestones. (Regram: @bloomberg)

ECONOMIC PULSE



## Stocks are doing something they haven't done in more than 60 years

KERIS LAHIFF 4 Hours Ago



## What's changing the race?

- Business cycle has accelerated
- Real \$\$\$ behind changing the economic landscape





In the race and willing to invest \$\$\$



\$12.7 Million from the Wyoming Business Council

\$2 Million dollar investment from Sheridan County

80+ Jobs



ENDOW  
Economically Needed  
Diversity Options for Wyoming

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ENDOW Releases Preliminary Recommendations to 'Chart New Course' for WY's Economy  
*January 02, 2018*

After eight months of meetings with community and business stakeholders, collecting and analyzing data and identifying barriers to, and opportunities for, economic diversification, the ENDOW Executive Council released their preliminary findings and recommendations to Wyoming Governor Matthew Mead and the Wyoming State Legislature last Friday.

"Although our work is far from complete, we have heard from the many stakeholders involved in the process in 2017 that critical barriers need to be urgently addressed before economic growth and diversification can flourish," said ENDOW Chairman Greg Hill.

ENDOW: "Economically Needed Diversity Options for Wyoming"



\$35 million investment







## What's changing the race?

- Business cycle has accelerated
- Real \$\$\$ behind business attraction/expansion
- Sweet spot for millennial decision making is here

# GOVERNING

THE STATES AND LOCALITIES

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making location decisions based on their idea of quality of life. And they're going to make all those decisions in the next few years -- by the time they're 35.



So if you're not one of the hip places today, you have only a few years -- the length of one real estate cycle and the time horizon for planning an infrastructure project -- to become hip enough to keep your kids and attract others.



This might seem like a daunting, if not insurmountable, challenge, but frankly I'm encouraged by what I see. Over the last six months

“And they’re going to make all those decisions in the next few years—by the time they’re 35.”

The race for the next generation of talent is a sprint...





## What's changing the race?

- Business cycle has accelerated
- Real \$\$\$ behind business attraction/expansion
- Sweet spot for millennial decision making is here
- **Communities making significant investments**

# Key Community Investments

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In this report we have highlighted some of the key investments peer communities are making to enhance their community. These projects represent many different, creative ways to fund amenities that help attract talent and private investment. Also included are some of the investments Billings has made in the last year, some of the projects that are essential to the future of Billings, and a highlight of investments our peer communities are making in parks and recreation.



Cheyenne Botanical Garden Grand Conservatory  
- \$16 million project recently completed using  
funds from the 6th Penny Tax.

As the capital of the Equality State, Cheyenne is the largest city in the state, boasting nearly 100,000 residents. Cheyenne's largest economic drivers include state government and two railyards, Burlington Northern Santa Fe and Union Pacific. Cheyenne is also home to the Sierra Trading Post headquarters. Due to its altitude and geography, Cheyenne is one of the windiest cities in the country. This uniquely positions it to be an excellent area to develop wind farms.

## 6TH PENNY TAX CHEYENNE, WY

- Cheyenne and Laramie County use Wyoming's Specific Purpose 6th Penny Tax to fund capital construction, infrastructure, and economic development.
- A voluntary, local-option tax.
- In 2017, voters approved 9 of 11 propositions totaling more than \$91 million and including \$11 million for community development projects:
  - **Cheyenne Greenway expansion and maintenance** - \$3.8 million.
  - **Cheyenne East Community Park** - \$3.2 million.
  - **Cheyenne West Edge District enhancements** - \$4.0 million.





**Boise is the Capital of Idaho and the third largest city in the Pacific Northwest, behind Portland and Seattle. Boise is considered part of Treasure Valley, an area of Idaho covering five counties. The Boise economy is quite diverse. The state government is a large employer as is Boise State University. It also is home to Albertson's, J.R. Simplot Company, and Boise Cascade headquarters.**

## **CITY CENTER PLAZA BOISE, ID**

- The epitome of a Public-Private Partnership
- \$70 million project
- Investment of nearly \$30 million in public infrastructure, public facilities, and public financing.
- Three aspects:
  - **Clearwater Building** – 9 story office tower with ground level retail and 4th floor conference space.
  - **District Building** – 4 stories of convention space seamlessly connecting the Clearwater Building to the existing Boise Centre Convention Facility.
  - **Main Street Station** – a state-of-the-art underground transit center.
- Core occupants include Clearwater Analytics and Boise State's Computer Science department. A synergistic arrangement in the heart of Boise's downtown technology community.



Casper, WY is a booming town in a rather sleepy state. WY is 50th in population but 10th in geographical area. Casper has benefitted greatly from the discovery of natural resources in the area. Casper is the second largest city in the state and is also considered by Forbes to be one of the best small towns in the country to raise a family.

## DAVID STREET STATION CASPER, WY

- \$8.5 million investment
- A seasonally-adaptable public plaza in the heart of downtown Casper.
  - **Concerts**
  - **Festivals**
  - **Farmers' Market**
  - **Ice skating rink**
- Potential annual economic impact
  - **\$6 million**
  - **200 events**
  - **300,000 unique visitors**





## MSU INNOVATION CAMPUS BOZEMAN, MT

- 42-acre research park
- A partnership between the private sector and Montana State University to provide a top-tier research and technology workspace; to enhance MSU's research capability; and to expand the commercialization of technology developed by the University.
- October, 2017 - Ground broken on the first building, a 20,000 square-foot applied research facility.

**Bozeman, MT is the seat of Gallatin County and the fourth largest city in the state. Bozeman is home to Montana State University with an enrollment of roughly 16,000 students. Notably, RightNow Technologies was founded in the city and was purchased by Oracle in 2011 for \$1.5 Billion. One of the largest economic drivers is tourism. Bozeman is situated near Big Sky Ski Resort, Bridger Bowl, Yellowstone National Park, and a host of local trails and rivers.**



**Capital of the Peace Garden State, Bismarck is the economic hub of west-central ND and north-central SD. The Missouri River runs through the town and separates Bismarck from Mandan. One of the largest industries in Bismarck is the state government, employing an estimated 4,000 individuals in the capital alone.**

## **INVESTMENT IN PARKS AND RECREATION BISMARCK, ND**

- Addition of five new neighborhood parks since 2016.
- Grand opening of Capital Ice Complex - an \$8 million project generating \$1.4 million in annual Economic Impact
- \$2 million renovation of VFW Sports Center.
- Recipient of the prestigious 2017 National Gold Medal Award for Excellence in Parks and Recreation Management awarded by the American Academy for Park and Recreation Administration (AAPRA).





**Sitting on the western edge of the state, Missoula is the second largest city in Montana and is home to the University of Montana. Encircled by mountains and straddling the Clark Fork River, it's not hard to see why it is so attractive to its residents and visitors. The University boasts an excellent law school as well as school of journalism. Historically, Missoula's industry was built on the back of logging and railways.**

## **HOTEL FOX PROJECT MISSOULA, MT**

- The initial \$80 million phase of the \$150 million Riverfront Triangle Project along the Clark Fork River in downtown Missoula.
- Approximately \$25 million in public investment.
- Ten Story, 195 room hotel with 48 luxury condos on the top three floors.
- 60,000 square-foot conference center.
- 405 space underground parking facility.





**Known as the City of Presidents, Rapid City has benefitted greatly from its geographical positioning. A gold miners' camp in the 1800s, Rapid City boomed as the Black Hills began to fill with prospectors looking to strike it rich. Nearby, Deadwood also sprung up and proceeded to become a legendary town. Also a short distance from Rapid City is Mount Rushmore. The enormous monument attracts more than two million tourists a year and the economic impact helps to make tourism South Dakota's 2nd largest industry.**

## **VISION FUND RAPID CITY, SD**

- About one-fifth of Rapid City's 2% municipal sales tax is allocated to this fund.
- The Vision Fund is used to finance buildings, facilities, infrastructure or other capital projects with an emphasis on community enhancement.
- Approximately \$13 million available for projects in 2017, including:
  - Over \$6 million for enhancements to the Rushmore Plaza Civic Center.
  - \$2 million for the Rural America Initiatives community center.



**Named by the Lewis and Clark Expedition, Great Falls was once the largest city in Montana. Malmstrom Airforce Base is on the eastern edge of town and is one of the biggest employers in the region. The 341st Missile Wing manages the largest missile complex in the western hemisphere. Also in town is the Benefis Hospital System which is one of the largest hospitals in the state and employs several thousand individuals. As the name suggests, Great Falls is positioned near a series of five water falls on the Missouri River.**

## **WEST BANK LANDING GREAT FALLS, MT**

A \$65 million development on 12.5 acres along the Missouri River that will transform a former refinery site into a thriving new city center.

- Six new buildings and the renovation of one historic building.
  - 75,000 square-feet of retail space
  - 100,000 square-feet of office space
  - Over 50 residential condominiums
  - Anchored by the four-story, 132 room Marriott Spring Hill Suites hotel.
- Construction is underway on several buildings slated to be completed in 2018.



# Billings Investing in Community



## Ben Steele Middle School

- Began serving over 700 students on August 24, 2017
- The \$29.3 million campus covers 40 acres and is the final project of a \$122 million bond approved by voters in 2013



## Yellowstone Kelly Interpretive Site

- \$536,000 project that celebrates the area's heritage by commemorating the legacy of Luther Sage "Yellowstone" Kelly
- 91 percent of funds were private donations spearheaded by the Billings Chamber of Commerce
- The site provides expansive views of Billings from atop the Rimrocks and access to the city's trail system



 Livability: Find Your Best Place To Live





## The race has changed!

1. Business cycle has accelerated
2. Real \$\$\$ behind business attraction/expansion
3. Sweet spot for millennial decision making is here
4. Communities making significant investments



# Things we must do – YESTERDAY:

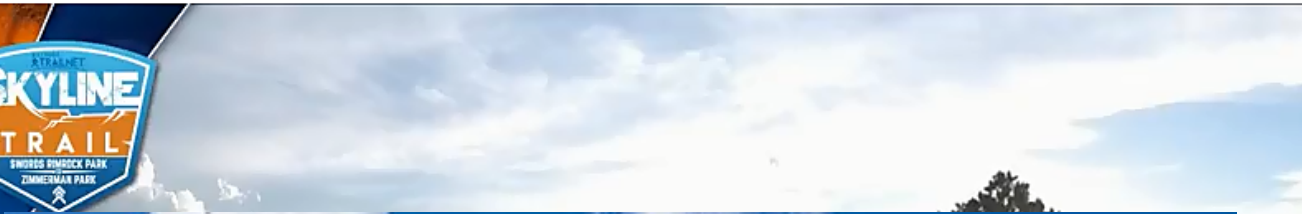
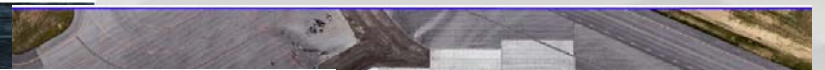
1. Build-up the amenities and Infrastructure of our community - execute on the seven key projects now!

2. Support economic diversity and Innovation through a robust business growth/ entrepreneurship ecosystem

3. Make a strategic Investment In workforce development and higher education which will provide a foundation needed to retain and attract workforce



# Key Projects for the Future of Billings



1. One Big Sky Center Downtown District Development Including a Convention Facility
2. Trailhead Hospitality Corridor
3. Coulson Park
4. Billings Logan International Airport Enhancement
5. Career Center Redevelopment
6. Highway 3 Skyline Trail
7. MSUB Science Building



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6. Highway 3 Skyline Trail
7. MSUB Science Building



It's a whole new race...



tighten up your speed skates!



Ready, set,...





Steve, stop!

You went  
over your  
time,  
again!

BIG SKY  
**ECONOMIC**  
DEVELOPMENT



**ECONOMIC**  
**PULSE**

**2018**  
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