



# BBER February 7.2023

**VENTUREBOLDLY**

# Kalispell is Growing Up Slower...but steady as she goes

Opening Night – Wachholz College Center

The Silos



# Stats -

## 2021

- Kalispell Population – 26,110
- Flathead County – 107,384
- Poverty Rate – 13.27%
- Median Sales Home Price - \$550,000 (406mls.com)

## 2022

- Kalispell Population – 25,947
- Flathead Population – 108,386
- Poverty Rate – 17.80%
- Median Sales Home Price- \$569,000 (406mls.com)

Flathead County has grown 19.20% since 2010.

Montana ranks 2<sup>nd</sup> in the nation for largest percentage of in-migration from 2020 to 2022.

Net in-migration of 41,000 people from 2020 to 2022, which represents 3.8% of our population.

# 2022 Kalispell Business & Community Highlights

- March 24, 2022 – Kalispell pushed Bozeman out of the Number 1 spot as the fastest growing Micropolitan city in the US.
- Investor group, MT Hotel Dev Partners, has moved forward with plans for ownership of a major downtown parking garage with retail on the bottom and housing on top. Plans for The Charles Hotel are in process with submittal to the City coming soon.
- Greenway Development Group cut the ribbon on the Meridian Apartments in Kalispell – a 180 unit development. Cleared the sight and plans for the Parkline Towers unveiled. The old Ford Dealership site above the entrance to Evergreen and on the Park Line Trail. 224 Units with planned completion in 2024.
- Wachholz College Center opens its doors.



# 2022 Kalispell Business & Community Highlights



- Pioneer Baseball's newest team, Glacier Range Riders - The Kelly family hosted Opening Day June 14, 2022. Facilities and Club House continued expansion and are set to be completed for the 2023 season.
- With the rise in interest rates, we have seen a cooling of the market in Kalispell and the Flathead. Realtors and mortgage lenders continued to see sales, but more days on market, lower selling prices, and higher levels of inventory – a welcomed cool-off by buyers.
- Glacier Park International Airport experienced a 1% increase in enplanements over 2021 and the highest number ever. Due to lack of crews and high jet fuel prices, we lost two airlines in 2022. The terminal expansion broke ground and Phase 1 is to be completed in 2023. The cost for phase 2 has increased substantially so grants are being written and there may be adjustments to phase 2 to deal with these increases.

# Kalispell Economy

- Healthcare
- Technology & Innovation Manufacturing
- Tourism
  - Economic Impact:

**NON-RESIDENT SPENDING IN FLATHEAD COUNTY**

**1,999,585**  
Non-resident visitors in 2021

Those visitors spent **\$685 million** in Flathead County

Where are visitors spending?

- Restaurants & Bars
- Retail
- Outfitters & Guides
- Accommodations

ITRR, Zartico

**ECONOMIC DEVELOPMENT THROUGH TOURISM**

**AVERAGE DAILY RATE**

**KALISPELL LODGING OCCUPANCY**

Category	Occupancy	Rate	YoY Change
HOTELS	57.2%	\$143.26	8.3% ↑
STR	61%	\$305	19.2% ↑

**LODGING REVENUE PER AVAILABLE ROOM (RevPAR)**

Category	RevPAR	YoY Change
HOTELS	\$82.06	10.1% ↑
STR	\$187	3.4% ↑

\* STR=Short Term Rentals in Kalispell City Limits  
\* % increase/decrease YOY

Smith Travel Research and AirDNA

**CREDIT CARD SPENDING IN KALISPELL BY NON-RESIDENTS**

2022 (Q1 - 3) \$179,075,058 | +22% YOY

**TOP DMA'S FOR CREDIT CARD SPENDING IN KALISPELL BY NON-RESIDENTS:**

1. MISSOULA
2. SEATTLE/TACOMA
3. NEW YORK CITY
4. SALT LAKE CITY
5. PHOENIX/MESA
6. LOS ANGELES AREA
7. BOZEMAN
8. PORTLAND

73% of credit card spending in Flathead County by out-of-state visitors is spent in Kalispell.

Visa Destination Insights, Zartico

# POLICOM RATINGS...NO. 6...up from 9!

## 543 Micropolitan Areas

543 Micropolitan Areas	2023	2022	2021	2020	2019
Bozeman, MT (McrSA)	1	1	1	1	1
Heber, UT (McrSA)	2	2	2	3	34
Lebanon, NH-VT (McrSA)	3	3	20	12	19
Jackson, WY-ID (McrSA)	4	13	5	33	12
Laconia, NH (McrSA)	5	10	18	13	13
Kalispell, MT (McrSA)	6	9	21	10	14

*“Economic strength is the long-term tendency for an area to consistently grow in both size and quality.”*



# Employment



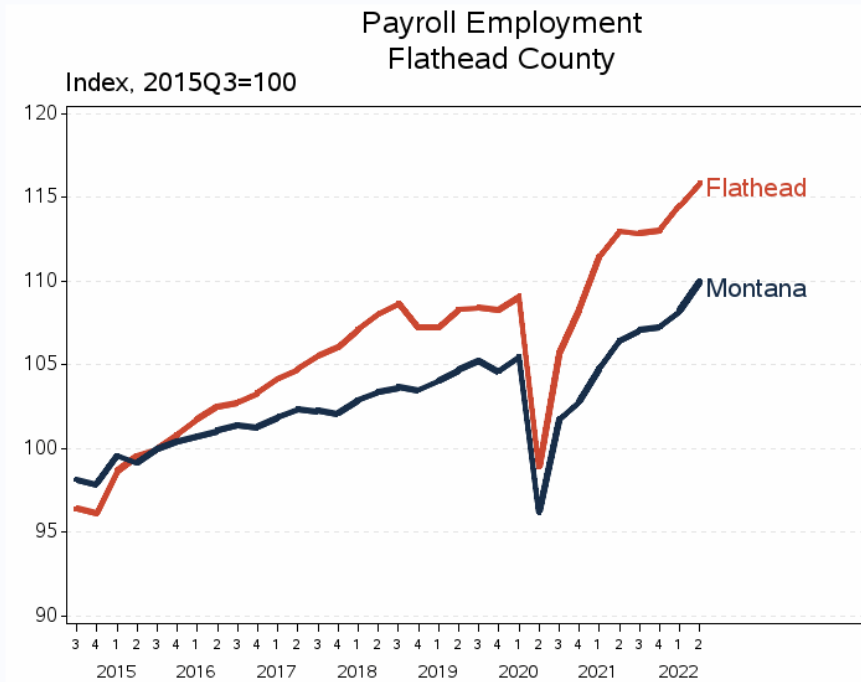
## Flathead Valley 2021

Unemployment – 2.3%  
Labor Force – 49,842  
Employed – 48,679  
Total Population – 107,384

## Flathead Valley 2022

Unemployment – 3.0%  
Labor Force – 51,041  
Employed – 49,534  
Total Population – 108,386

### COUNTY EMPLOYMENT GROWTH vs STATE



Data Seasonally Adjusted by BBER.



# Cost of Living Comparison

compared to national average

<b>Kalispell</b>	<b>Overall Housing</b>	<b>94.06%</b> <b>117%</b>
<b>Helena</b>	<b>Overall Housing</b>	<b>98.3%</b> <b>108.7%</b>
<b>Missoula</b>	<b>Overall Housing</b>	<b>96.8%</b> <b>132%</b>
<b>Bozeman</b>	<b>Overall Housing</b>	<b>96.8%</b> <b>187%</b>



The calculations are based on the total cost of energy, food, healthcare, housing and transportation, among other factors.  
Source: salary.com



**WORKFORCE,  
WORKFORCE,  
WORKFORCE**

**HOUSING,  
HOUSING,  
HOUSING**



# City of Kalispell Permit Activity

	2017	2018	2019	2020	2021	2022
<b>Total Building Permits Issued (all types)</b>	290	280	281	406	300	245
Commercial, Office, Industrial, Utility	79	80	67	58	67	39
Residential	180	181	210	340	221	194
Government, Public/Quasi Public,	10	12	3	4	9	9
Health Care	21	7	1	4	3	3
<b>New or Significant Commercial, Office, Industrial or Utility Permits (\$250,000 or greater)</b>	21	20	21	15	16	14
<b>Value of New or Significant Commercial, Office, Industrial, Utility &amp; Remodel or Additions</b>	\$ 39,641,500	\$ 21,156,047	\$ 25,785,792	\$ 21,142,601	\$ 23,980,208	\$ 15,369,135
<b>New Residential Units</b>	195	215	244	460	878	613
Single Family, Townhouse and/or Duplex units	151	133	160	300	229	137
Multi-family units	44	82	84	160	649	466
<b>Value of All New Residential Units</b>	\$ 25,558,959	\$ 36,283,902	\$ 41,728,860	\$ 79,393,670	\$ 130,763,112	\$ 88,783,054
<b>New or Significant Additions to Public/Quasi-Public, Health Care Permits (\$250,000 or greater)</b>	11	15	2	2	2	5
<b>Value of New or Significant Public/Quasi-Public or Health Care</b>	\$ 32,813,597	\$ 29,433,706	\$ 2,300,000	\$ 24,000,000	\$ 1,152,280	\$ 8,643,631
<b>Total Value all Construction Types</b>	\$ 104,600,358	\$ 91,429,643	\$ 65,849,456	\$ 126,139,717	\$ 160,799,756	\$115,131,617

# Multifamily Market

- The data indicates 60% of the rental population cannot afford the average rent in the Flathead Valley. 9% of the renters meet the affordability index requirement for the average rent and the remaining population exceeds the affordability index requirements.
- Studio apartments – average \$1,000/month
- 1 Bedroom/1 Bath – average over \$1,250/month
- 2 Bedroom/1 Bath – average over \$1,650/month

Rental Households Affordability		
Income	Total	Affordability
0-10000	386	\$208
10,000-20,000	736	\$417
20,000-30,000	879	\$625
30,000-40,000	603	\$833
40,000-50,000	445	\$1,042
50,000-60,000	450	\$1,250
60,000-75,000	628	\$1,563
75,000-100,000	436	\$2,083
100,000 +	557	N/A



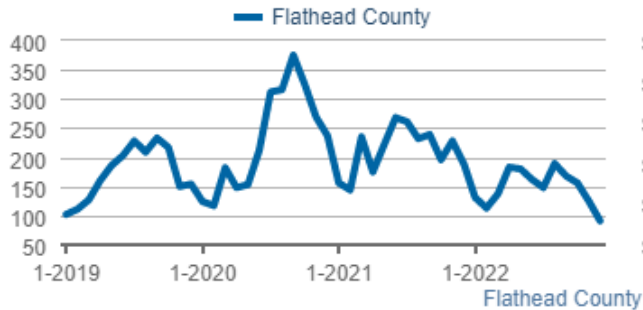
# Kalispell Sales Stats



## Flathead County Sales Stats

Montana Regional MLS | MRMLS

### Closed Sales

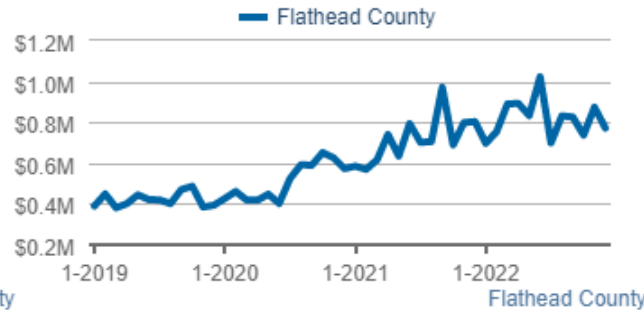


Each data point is one month of activity. Data is from January 30, 2023.

All data from the Montana Regional MLS. InfoSparks © 2023 ShowingTime.

Montana Regional MLS | MRMLS

### Average Sales Price

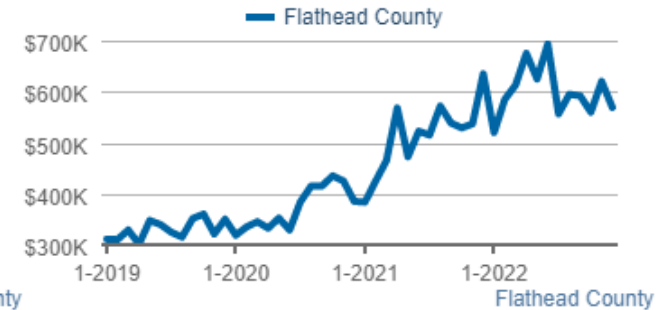


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### Median Sales Price

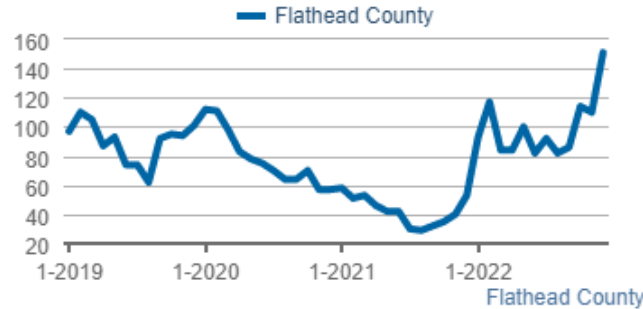


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Montana Regional MLS | MRMLS

### Average Days on Market

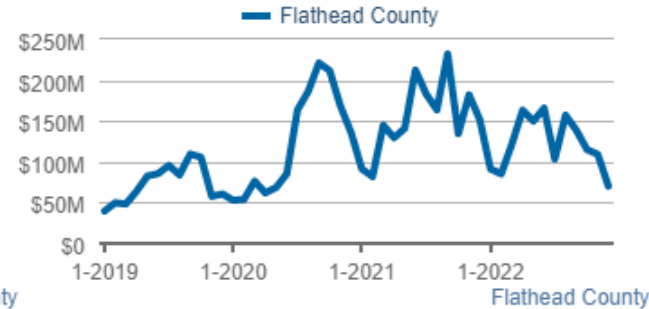


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Montana Regional MLS | MRMLS

### Dollar Volume of Closed Sales



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All data from the Montana Regional MLS. InfoSparks © 2023 ShowingTime.

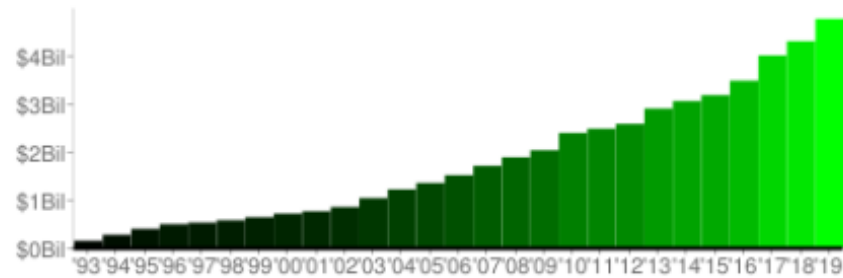
# HowMoneyWalks.com

## Montana

**Gained \$4.99 billion in annual AGI\***

Wealth Migration 1992-2019

\$465 of adjusted gross income gained in the last 53 seconds.



### Gained Wealth From:

\$1.63 billion	California
\$556.82 million	Colorado
\$289.57 million	Washington
\$214.40 million	Illinois
\$180.28 million	Texas

### Lost Wealth To:

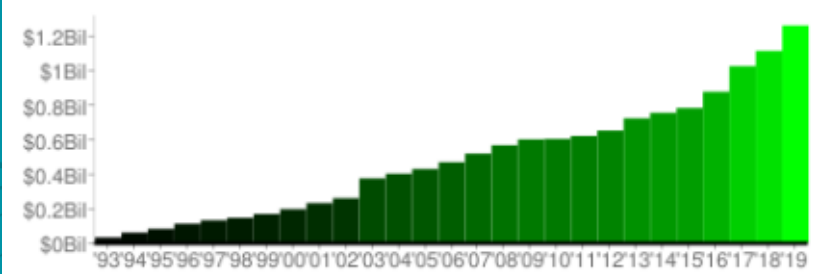
\$127.24 million	Arizona
\$107.29 million	Idaho
\$17.84 million	North Dakota
\$8.86 million	Delaware

## Flathead County (MT)

**Gained \$1.32 billion in annual AGI\***

Wealth Migration 1992-2019

\$167 of adjusted gross income gained in the last 1 minute and 12 seconds.



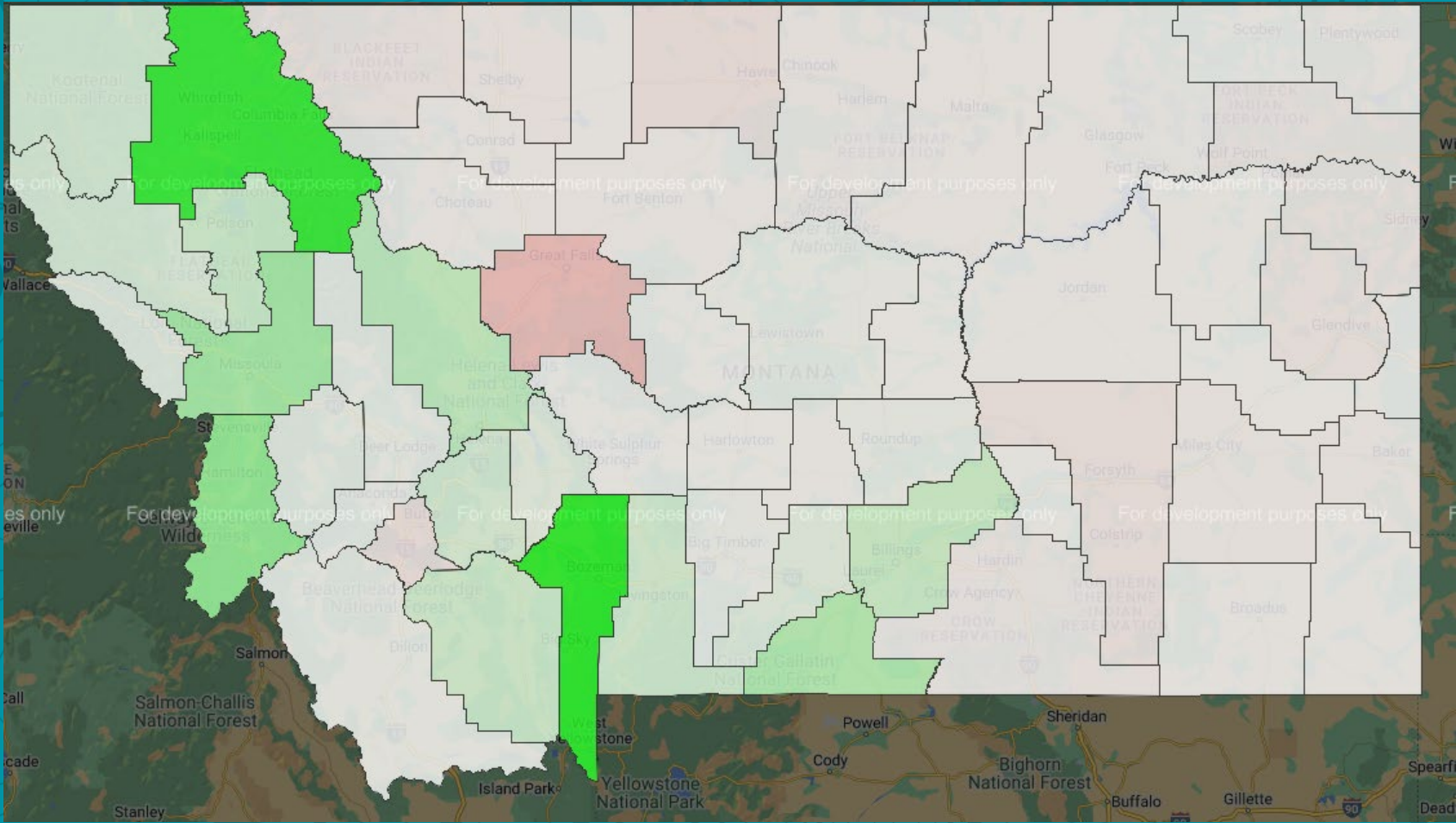
### Gained Wealth From:

\$53.01 million	King County, WA
\$48.93 million	San Diego County, CA
\$44.91 million	Los Angeles County, CA
\$35.78 million	Orange County, CA
\$22.20 million	Cascade County, MT

### Lost Wealth To:

\$4.09 million	Spokane County, WA
\$1.76 million	Kootenai County, ID
\$1.24 million	Mohave County, AZ
\$1.04 million	Natrona County, WY
\$853,000	Ward County, ND

At the time...Gallatin County \$1.40 billion in AGI...Flathead County \$1.32 billion in AGI.



# 2023 & beyond... in Kalispell

- Workforce is, and will continue to be, an issue.
- Housing affordability and supply will continue to be an issue; however, supply chain issues are REAL as are interest rates.
- Childcare accessibility, affordability, and quality will continue to be an issue (however, the Kalispell Chamber Action Plan is underway).
- Growth impacts continue to emerge and need addressing.
- Anticipate continued steady, but slowed, business and community growth.



**VENTUREBOLDLY**



# Shameless Plug...

# Join the Kalispell Chamber of Commerce... Receive our monthly Dashboard.

## FLATHEAD VALLEY ECONOMIC DASHBOARD

December 2022

Made possible by



### VENTURE BOLDLY

#### HOUSING/REAL ESTATE



December Flathead County

Median Home Price: \$569,000 -8%  
Homes for Sale: 560 +5%  
Closed Sales: 91 -41%  
Days on Market: 151 +37%  
Dollar Volume: \$70.2m - 29%

Credit: 406MLS.com

#### Multi-Family Average Rents Per Month

2 - Bedroom \$1,660  
1 - Bedroom \$1,250  
Studio \$1,000



These are averages of the apartment rents of new units built within the last 2 years based on property surveys.

Total population of Flathead Valley - 108,454  
Kalispell - 26,110

#### LABOR

Labor Force: 51,041  
Employed: 49,534  
Unemployed: 1,507



Unemployment Rate: 3.0%  
**Employment participation rate: 63.4%**

This means 60% of people working are competing for housing, food, transportation with the 40% who are not reliant on working here.



#### TOURISM

OCC

ADR

Jul	Aug	Sep	Oct	Nov	Dec
77.2	76.6	79.3	67.9	41.4	38.6
35.8	71.1	73.3	51.1	41.9	38.5
-10.0	7.9	8.1	12.3	-1.0	0.0

Jul	Aug	Sep	Oct	Nov	Dec
242.03	243.56	176.25	111.25	85.62	93.02
327.23	208.55	157.44	100.14	87.18	86.51
6.8	-2.3	12.2	10.9	9.7	0.0



#### GNP RECREATIONAL VISITS

NOVEMBER YEAR OVER YEAR  
20,914 ↓ -26%

YEAR TO DATE  
2,894,146 ↓ -6.5%



#### GLACIER PARK INTERNATIONAL AIRPORT ENPLANEMENTS

DEC '22 23,258 ↓ -0.3%  
DEC '21 23,323

YTD '22 420,506 ↑ 1.0%  
YTD '21 416,224



#### CITY OF KALISPELL

Number of Permits Issued - YE

As of 12.16.22	2022	2021
Multi Family Units issued	464	608
Single Family Units issued	137	240



#### MADE THE TOP 100 LIST OF MT LARGE EMPLOYERS

Applied Materials  
Big Mountain  
Glacier Bank Corp  
Logan Health  
PayneWest  
Western Building Center  
Weyerhaeuser



#### SMALL BUSINESS MATTERS - MT

128,180 - Small businesses  
99.3% of business  
250,680 small business employees  
66.8% of Montana employees  
Source: US SBA

#### DID YOU KNOW...

Montana ranks 2nd in the nation for largest percentage of in-migration from 2020 to 2022. Net in-migration of 41,000 people from 2020 to 2022, which represents 3.8% of our population.

In Partnership



Your Chamber - 710+ members strong



DISCOVER  
*Kalispell*  
MT