

2013 Economic Outlook



BIG SKY ECONOMIC DEVELOPMENT

EDA • EDC CREATING MONTANA BUSINESS OPPORTUNITIES



CREATING MONTANA
BUSINESS OPPORTUNITIES





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OVERVIEW



- *Yellowstone County economy is strong*
- *Corporate affecting local operations (Associated Foods, Hostess, Beall)*
- *Others adding employees and expanding*
- *County has opportunity to win regionally/grow as a major regional hub*
- *Challenges slow our growth in broader 4-state picture*



Opportunities & Challenges



Opportunities



Billings[®]
MONTANA'S  TRAILHEAD

Growing Economy





GROWING ECONOMY



- *Distribution*
- *Manufacturing*
- *Energy*
- *Healthcare*
- *Retail*
- *Financial/Banking*
- *Agriculture*





OPPORTUNITY: DISTRIBUTION



- *FedEx is working to build one of 13 new regional centers in Billings*
- *87 acres*
- *Old Dominion built new \$7m facility*



OPPORTUNITY: RETAIL



- *Scheels*
- *White House Black Market*
- *Shiloh Crossing*
- *Successful retail in Downtown & Heights*
- *New Developers looking to enter market*



OPPORTUNITY: FINANCIAL SERVICES



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- *Rocky Mountain Bank's new presence in downtown*
- *Stockman Bank's new bank downtown, Grand*
- *Little Horn State Bank's new building on Central*



OPPORTUNITY: HEALTHCARE



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Billings Clinic and Mayo Clinic.
Working together. Working for you.



- *Increased medical services in Billings – less reasons to leave area*
- *New Partnerships – providing enhanced patient care, other communities*
- *Re-investment from existing medical facilities (pouring \$'s in existing campuses)*
- *Billings VA Clinic expansion (70K, 35 jobs)*



OPPORTUNITY: AGRICULTURE



- *Still Montana's #1 industry*
- *Ag price commodities remain high*
- *Opportunity for ag-based startups*



Billings
MONTANA'S  TRAILHEAD

Strategic to
Energy™





OPPORTUNITY: MANUFACTURING/SERVICE/ENERGY



- *Manufacturing growth related to energy industry*
- *CASS Homes*
- *System Building Solutions in Laurel*
- *Bay Limited (successfully delivered 29 units to Canada)*
- *Highland Projects*
- *Montana Peterbilt*



OPPORTUNITY: ENERGY DEVELOPMENT



- *Otter Creek Coal Project*
- *Cloud Peak/Crow Tribe 1.4B Ton Coal Deal*
- *Oil development in Central Montana*
- *Continued development oil in Williston Basin*



OPPORTUNITY: KEYSTONE/OIL SANDS



- *Renewed focus on opportunities with Canadian partners*
- *Companies in Canada struggle to find workforce they need*
- *Montana's in very strategic*
- *Trade mission in July*



Target Industry Analysis





TARGET INDUSTRY ANALYSIS



- *Identifies what industries are best suited for recruitment efforts*
- *Looks at availability of workforce, issues*
- *Develops a marketing plan to attract new business*
- *Results presented April 11, 11:30 AM, Northern Hotel*



IN THE PIPELINE



- *New energy manufacturer starting small in Billings*
- *New retail/entertainment development*
- *New hotels*
- *Redevelopment of EBURD & SBURD*
- *Many smaller projects*



Challenges



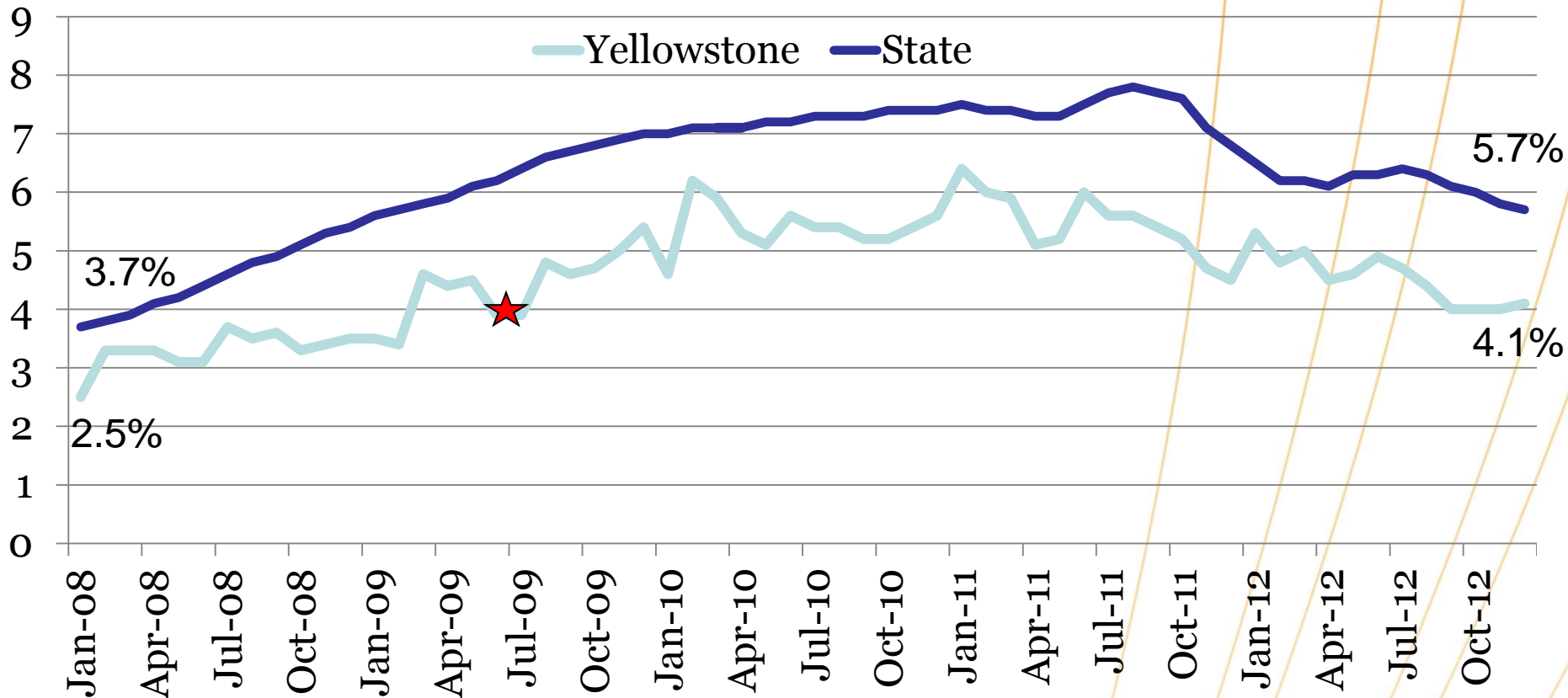


CHALLENGE #1

WORKFORCE



UNEMPLOYMENT RATES



Source: US Department of Labor, Bureau of Labor Statistics



CHALLENGE: WORKFORCE

- *Finding skilled workers for important industries including nurses, welders, mechanics, etc.*
- *Need for additional training programs to develop workforce*
- *Developing high school graduates ready for college, workforce*





WORK **FORCE** DEVELOPMENT **2023:**

A workforce development strategy forum for our future

REGISTER NOW!

Be a part of this interactive forum.

MARCH 19TH
7:30-2PM AT
CITY COLLEGE
MSU BILLINGS
3803 Central, Billings



BIG SKY
ECONOMIC
DEVELOPMENT

Presented by

CITY COLLEGE
MONTANA STATE UNIVERSITY BILLINGS



Register online now through February 28, 2013
at www.bigskyeda-edc.org/workforce



CHALLENGE #2

LAND, BUILDINGS & INFRASTRUCTURE



CHALLENGE: LAND, BUILDINGS & INFRASTRUCTURE

- *Challenge finding 10+ acres ready to develop*
 - Access to interstate
 - Rail access/spur
 - City Services
- *Need exists for a large-scale industrial park*
- *Need exists for additional office buildings*





CHALLENGE: LAND, BUILDINGS & INFRASTRUCTURE

- Warehouse/Shop Space Available for lease/sale*

1997 – 537,755 sq. ft

2003 – 550,244

2010 – 672,213

2011 – 549,290

2012 – 364,056

2013 – 390,766



NAI Business
Properties
COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE.



CHALLENGE: LAND, BUILDINGS & INFRASTRUCTURE

- *What do to with Battin Federal Courthouse Building?*
- *220K square feet, \$Ms to clean up*
- *Opportunity vs. Eyesore*



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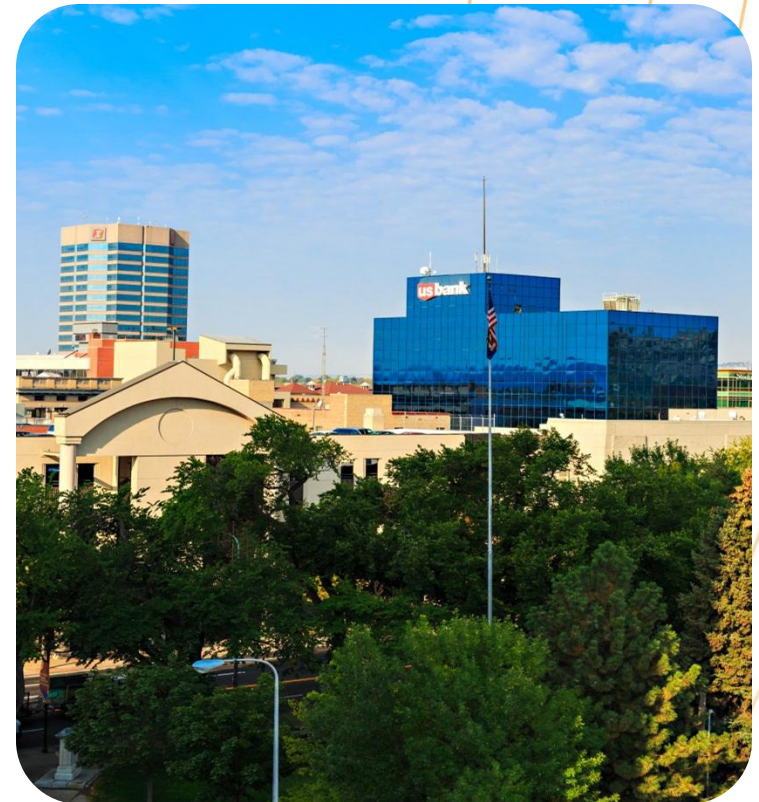
CHALLENGE #3

FEDERAL, STATE & LOCAL BUDGETS



CHALLENGE: CITY BUDGET

- *City charter allows the city to levy no more than 74 mills for general fund without vote of public*
- *Only other city in Montana with this restriction is Sunburst*
- *City will find new sources of income or make cuts utilizing priority based budgeting*





CHALLENGE: STATE & FEDERAL BUDGETS

- *As country deals with \$16.5T deficit, funding is being cut for economic development projects*
- *Limits access to dollars to complete public infrastructure projects*
- *Will require local communities to find more local funding and to be even more creative*





CHALLENGE #4

BUSINESS CLIMATE



CHALLENGE: BUSINESS CLIMATE



- *Billings is located in most competitive regions*
- *Quality of Life gets only so far*
- *Neighboring states are becoming even more competitive*
- *Issues: Worker's Compensation Rates, Right to Work Status, Limited tools*



CHALLENGE #5

CHANGES IN HEALTHCARE



CHALLENGE: CHANGES IN HEALTHCARE



- *Uncertainty for small businesses, costs to expect*
- *Federal reimbursement rates healthcare providers are tightening*
- *Changing model of healthcare delivery (challenge & opportunity)*



PRESENTATION ONLINE

bigskyeconomicdevelopment.org

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