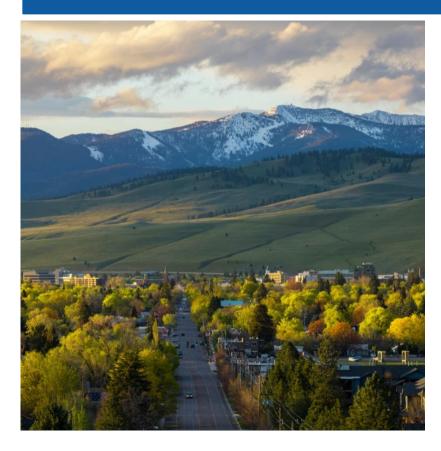


ABOUT MISSOULA ECONOMIC PARTNERSHIP



Missoula Economic Partnership (MEP) is a 501c(6) nonprofit corporation established in 2010 as a partnership between our regional business leaders, the City of Missoula, and Missoula County. MEP's programs are primarily funded through private investment from for profit and nonprofit businesses and through contracts to provide services to the City and County. MEP's role is to understand and inform the community about factors that shape our economy while identifying and engaging in ways the public and private sector can collaboratively influence economic factors for the benefit of businesses and people.

The Missoula Economic Partnership expands prosperity and improves quality of life by engaging in strategic business development, creating pathways for people to realize their potential, and fostering our culture of diversity and innovation.

It is MEP's practice to develop a new strategic plan every five years, and to ask investors to support implementation with a five-year pledge investment. In the next five years, Missoula Economic Partnership will work to improve our region's economic conditions for businesses and people while protecting and enhancing our quality of life.

We will do this by leading our community's implementation of the Missoula County Comprehensive Economic Development Strategy (CEDS), which defines

- our vision for a healthy economy,
- our greatest challenges and opportunities,
- and a set of goals, strategies, and metrics by which we can assess out progress.

The entire CEDS can be <u>viewed or downloaded from our website</u>.

This strategic plan defines the set of strategies that MEP will lead or allocate significant resource toward. This strategic plan does not address CEDS goals and strategies led by other partners or toward which we do not anticipate making material investments as an organization (beyond tracking outcomes and coordinating the CEDS steering committee).



Three main factors contribute to a thriving Missoula County economy: quality of life, supply of highly educated talent, and a strong culture of entrepreneurship. Missoula's net migration rate typically ranks in the top 20 percent of all counties nationwide. The University of Montana and Missoula College offer Missoula several key advantages, including a culture of innovation and a highly educated community. Montana has more entrepreneurs per capita than any other state and Missoula has successfully attracted entrepreneurs and new businesses. Areas with thriving entrepreneurial activity tend to adapt more successfully to economic changes than areas without.

Compared to Montana or the nation, Missoula's regional economy recovered well from the Great Recession. Missoula's total earning growth was particularly fast between 2014-2019. Labor force participation was high (70 percent) and inflation-adjusted earnings grew by 20 percent in Missoula, as compared to 11 percent growth in Montana and 15 percent growth in the United States. Missoula County's growth over this period ranked in the top 12 percent of all counties nationwide. Industries that led this growth included professional, scientific, and technical services (including hi-tech); construction; finance and insurance; and manufacturing. By January 2020, Missoula County shed the Montana Department of Commerce's "high poverty county" designation for the first time.

Three factors that challenge Missoula County's economic future include cost of living, low wages, and regional isolation. Missoula's desirable quality of life contributes to the rising cost of living. High demand for place does not necessarily lead to high housing prices but does so when demand is not met with sufficient supply.

Today, businesses of all sizes and across all industries indicate that they are currently experiencing high demand for their products and services and have strong potential for continued growth, but several factors, including a high cost of living, make it difficult to recruit talent from elsewhere and force some workers to leave. If Missoula is unable to attract or retain certain types of workers, some firms or industries may become unviable. With the large increase in remote working, Missoula has become an even more desirable place to relocate and bring an existing job. This has increased the competition for limited housing, and has potentially displaced workers, replaced by residents who are not available or motivated to take jobs offered by local firms.

SUPPORTING BUSINESS

Many of our businesses are poised for significant growth but hampered by their ability to attract and retain talent, find adequate facilities to support expansion, access flexible capital, or build productive networks with their industry colleagues or partners.

To support our business community, MEP will deploy program resources toward the following strategies:

- Expand available workforce for businesses by providing businesses with knowledge and resources to support families with young children – Family Forward Missoula
- Develop workforce and education policies and programs that are aligned with skills needs in MEP target sectors through partnerships between industry leaders, workforce professionals, education and training providers, and local government leaders.
- 3. Help businesses understand best practices for recruiting and retaining talent.
- 4. Communicate strategically to increase awareness of Missoula's career pathway options and recruit new workers in key sectors to Missoula.
- 5. Support new commercial developments that enable growth of best-fit industries
- 6. Support the expansion and increased productivity of businesses in Missoula County
- 7. Support entrepreneurship and business innovation
- 8. Strategically attract new businesses to Missoula County that align with vision for economy
- 9. Facilitate value added peer to peer education and networking opportunities in priority sectors



SUPPORTING PEOPLE

Increasingly, people are unable to stay in or take jobs in Missoula because they cannot afford the rising cost of living, especially housing. This impacts all sectors and industries, but the greatest impacts are on essential services, service workers, and the arts communities that have long been able to afford to live here. These populations are an essential part of the diversity of community that enhance Missoula's quality of life.

To support the well-being of individuals and families, MEP will deploy program resources toward the following strategies:

- Expand access to higher wage jobs for all Missoula County residents through connection to education, career development, specialized training, and work-based learning
- 2. Increase access to high-quality early childhood education and decrease childcare expenses for working families
- 3. Catalyze projects that increase the supply of affordable and middle-income housing for both owners and renters
- 4. Develop a community-wide economic equity dashboard to measure inclusive growth

SUPPORTING PLACE

As the region continues to prepare for anticipated population and business growth, greater investment in infrastructure is needed to support redevelopment, increased density, and new development to accommodate future growth. The City of Missoula and Missoula County have robust plans and implementation strategies to support the community's infrastructure and transportation needs, and MEP will continue to support the implementation of those plans. MEP also supports the efforts of partners to protect Missoula's natural environment, which is a key component of quality of life.

To support infrastructure development and the natural environment, MEP will deploy program resources toward the following strategies:

- 1. Support partner efforts to protect the natural environment that defines our quality of life and standard of living
- 2. Support local government efforts to expand and maintain the physical infrastructure that connects all individuals and communities to regional opportunity



BUSINESS DEVELOPMENT PROGRAM

Program Purpose

Our community is resilient and prosperous when diverse businesses do well and when people have the support they need to grow their business. Our team serves all stages of business through direct services and cooperation with key partners. Our team also works strategically to identify and recruit businesses that best fit our regional strengths and have the strongest potential to succeed here.

Program in Practice

Our staff meet individually with area businesses with growth potential. Our team works with these businesses to determine how MEP can support the business in achieving their growth potential, ranging from grant writing assistance and administration to connecting businesses with data, other sources of capital, or strategic referrals to other partners with specific expertise in relevant areas. The information gathered in these visits helps MEP identify larger scale trends among area businesses and propose special initiatives to benefit the broader business community.

Past Success

In the five years leading up to COVID, MEP secured \$3,730,118 in grant funding. These grants supported 24 businesses to create 532 new jobs and supported expansion planning. When combined, these jobs now generate on average \$23,149,235 in annual wages in our community. Expanded air service and Opportunity Zone redevelopment are two examples of special initiatives that emerged from trends observed across the community.

PROGRAM IMPACT

- 50 businesses directly engaged annually
- Up to 16 grant applications submitted annually
- \$1M annual grant support to area businesses
- Expansion of air service to key market(s)
- Respond to all (typically 6-12 annually) business relocation inquiries
- 1-3 targeted businesses relocation visits



TALENT DEVELOPMENT PROGRAM

Program Purpose

Missoula is rich in talent. We seek to enable every person in our community to put their skills to work here and we seek to ensure our businesses can grow here with the talent they need. MEP's talent development program brings together stakeholders from the private sector, educational institutions, and peer organizations to expand career pathways, incumbent worker training, talent retention, and talent attraction. In collaboration with community partners, we seek to create innovative training programs that empower people to propel economic growth in our community.

Program in Practice

Our staff meet regularly with business leaders and education providers to collaboratively develop initiatives that educate and train individuals to meet current and future needs of business and industry in Missoula County.

Past Successes

MEP has completed two studies of Missoula County's workforce to understand current and future needs. In partnership with the University of Montana, MEP has completed a design process focused on increasing experiential learning opportunities for UM students and building stronger relationships between UM and the local business community. Since 2019, MEP has been the recipient of a contract through the Small Business Administration to work to develop career pipelines for Missoula's growing bioscience industry.

Future Impact

- Establish the Missoula County Workforce Task Force
- Launch Family Forward Missoula, an initiative providing businesses with knowledge and resources to support families with young children
- 3 annual workshops for businesses on best practices for recruitment/retention
- 1 annual event for residents to expand awareness of career opportunities



LAND DEVELOPMENT PROGRAM

Program Purpose

Missoula's economic success depends on the affordability and availability of housing and commercial facilities. MEP's land development program serves as a catalyst for development projects that meet these needs as replicable models for innovative design, financial tools and incentives, community outreach and public/private partnerships to serve Missoula's increasing demand for equitable housing, business development, and livable communities.

Program in Practice

MEP works with public and private partners to support commercial and residential developments that allow Missoula's economy to grow and remain resilient. The MEP team will be a resource on the existing inventory, needs and process for developments, promote key properties and model projects that build upon and show community successes, and accelerate development ideas and projects to meet community goals, expand needed infrastructure, and leverage capital resources.

Past Success

As a result of MEP's strategic efforts around Missoula's Opportunity Zone with the city and MRA, entities from public and private sectors worked together to develop a proposal for a 19-acre project that plans to include both market-rate and permanently affordable housing in a mixed-use development as well as childcare facilities and a restaurant and taproom off Scott Street on Missoula's Northside and is poised to be the largest affordable housing project in Montana history.

Future Impact

- Convene stakeholders to accelerate housing and commercial development.
- Market 2-3 city-owned properties to advance development goals.
- Annually seek 1-2 businesses to catalyze strategic relocation and redevelopment.
- Lead efforts to fund and develop a specialized manufacturing incubator space.
- Expand available local funding to support site redevelopment in the County
- Support expanded infrastructure planning at the Wye



COMMUNICATIONS AND ENGAGEMENT PROGRAM

Program Purpose

Missoula is a place of possibility with many inspiring people and success stories—successes that started as challenges. While our Business Development and Talent Development programs help people overcome challenges, our communications and engagement program creates ways to share these stories in person, in print, and through electronic media. We use events and selected media to foster a culture of collaboration and innovation in which people can connect with each other and the ideas or information they need to overcome challenges and succeed.

Program in Practice

MEP supports businesses and people by providing resources and access to information through a variety of communication channels. MEP's website provides a one-stop portal to information about Missoula's amenities, resources, and programs. MEP provides opportunities for enriched networking and engagement through events, both virtually and in-person. Engagement events offer a way for people and businesses to learn, connect, and collaborate.

Past Success

In the five years leading up to COVID, MEP held numerous engagement events, both formal and informal, including the first annual Big Sky Business Insight Summit held in November 2020. MEP developed a new website as a portal to business and community resources. We developed a newsletter to share community success stories and updates on resources and programs. In response to community needs and a shifting economic landscape, we convened a diverse group of stakeholders to develop a Comprehensive Economic Development Strategy.

Future Impact

- Online economic dashboard with key community indicators
- Monthly newsletter on emerging trends, community success, relevant resources
- Annual conference focused on emerging economic issues
- Frequent events providing enriched networking and educational opportunities for businesses or employees
- Print and digital media to inform and connect businesses with programs and resources



STAFFING PLAN AND BUDGET

MEP's five year plan seeks to meet the growing demand for our services by adding capacity and specialization across our programs. We seek to add at least 2.5 additional full time equivalent positions over the five year plan.

MEP's five year operating budget is \$4.8M.

Program	2022	2023	2024	2025	2026
Business Development	1.25	1.5	1.5	1.5	1.5
Talent Development	0.75	1	1.75	1.75	1.75
Land Re/Development	0.5	0.75	1	1	1
Communications & Engagement	1.25	2	2	2	2
General Operations	1.25	1.25	1.25	1.25	1.25
Total FTE	5	6.5	7.5	7.5	7.5
Estimated Annual Budget	\$ 800,000	\$ 950,000	\$ 985,000	\$1,015,000	\$1,050,000

Sources of Funds

Public	
Private	









