



WESTERN RURAL DEVELOPMENT REGION

COMPRISING THE PEOPLES AND COMMUNITIES WITHIN THE GEOGRAPHIC
BOUNDARIES OF MONTANA'S LAKE, MINERAL AND SANDERS COUNTIES
AND PORTIONS OF THE FLATHEAD INDIAN RESERVATION

2018-2022

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS)



January 1, 2018

Lake County Community Development Corporation

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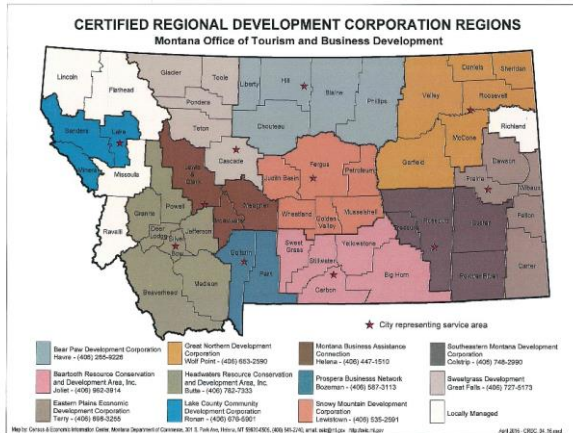
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Introduction

What is a CEDS?

The 2003 Montana Legislature created the Certified Regional Development Corporation program. The legislative intent of the program was to encourage a regional approach to economic development that facilitates efficient delivery of economic development programs by supporting regional capacity building. Lake County Community Development Corporation was named the Certified Regional Development Corporation (CRDC) for a partnership formed within the geographic region encompassed by the three-county area in western Montana that includes Lake, Mineral and Sanders Counties, which has been named the Western Rural Development Region. This geographic region also comprises a portion of the aboriginal homelands of the Confederated Salish and Kootenai Tribes (CSKT), including portions of the Flathead Indian Reservation. The CRDC is responsible for assisting local development organizations and communities, governing bodies, and businesses they serve to assess, plan, and facilitate economic action within the region. This document reflects the collaboration and input from partners and resources including three county governments, local nonprofit organizations and the citizens of the area, including input from CSKT. The Western Rural Development Region, local governments and the tribes are committed to working together in areas of mutual interest. For purposes of publishing this document, we acknowledge that portions of this document reference the CSKT CEDS document and links are provided throughout this document. This document does not supersede the CSKT CEDS, nor does it set tribal Economic Development priorities which are only established by the tribal Council.



A Comprehensive Economic Development Strategy (CEDS) is a local economic development plan that guides the economic growth of an area. Each CRDC is required to submit a CEDS. A CEDS should result from a planning process that involves broad community participation to identify strengths, threats and opportunities in the region. Through this process, the CEDS will establish a vision for the community and include goals and the strategies that will help the community achieve this vision over the next five years.

Organizational Information

Lake County Community Development Corporation

LCCDC is a 501c3 nonprofit community development organization that serves Lake, Mineral and Sanders Counties and a portion of the Flathead Indian Reservation and oversees a variety of economic development projects throughout the western region. LCCDC offers the following services:

- Community Development
- Business Development
- Cooperative Development
- Food Economy Development

LCCDC works with outside funding sources to procure dollars for economic development projects, including federal, state, local and private resources. A volunteer board of up to eleven members provides governance and leadership of the organization.

Partners

The vision established in the CEDS can only be accomplished through partnerships with a



multitude of other organizations. Local governments and local economic development agencies helped to develop the action plan and utilize the contents of the CEDS to apply for grants and help establish their own annual work plans. Many other agencies, citizen groups, and other assessments were used to inform the CEDS.

Local partnerships include:

- Local governments – Lake, Mineral and Sanders Counties
- Tribes-Confederated Salish and Kootenai Tribes
- Local Economic Development Organizations-Arlee Community Development Corporation, Mineral County Economic Development, Sanders County Economic Development Corporation
- Local Chambers of Commerce – Polson Chamber of Commerce, Ronan Chamber of Commerce, Superior Chamber of Commerce, Thompson Falls Chamber of Commerce
- State Agencies – Governor’s Office of Economic Development, Montana Department of Commerce, Montana Department of Labor & Industry –Job Service Polson, Montana Manufacturing Extension Center, Small Business Development Center
- Federal Agencies –United States Department of Agricultural – Rural Development, United States Environmental Protection Agency – Brownfields Program, Small Business Administration, U.S. Department of Transportation, US Treasury
- Education – Ronan School District, Polson School District, Arlee School District, Salish Kootenai College
- Transportation –Montana Department of Transportation
- Nonprofits & Citizen Groups – Mission Valley Nonprofit Network, Envision Polson, Ronan Community Roundtable, local community foundations and other local nonprofits
- Businesses & Major employers – Kalispell Regional Medical Center, St. Luke Community Healthcare, St. Joseph Medical Center, JORE Corp, Access Montana, CSKT, Glacier Bank and Valley Banks

Related Planning Efforts

LCCDC’s CEDS is a compilation of data, statistics, and resources that was developed with the best sources available. The CEDS report is to be a living and dynamic document.

In addition to community meetings held and surveys gathered (603 responses) throughout the region in fall 2017, the following is a list of sources that the LCCDC CEDS report utilized:

- Arlee Community Visioning

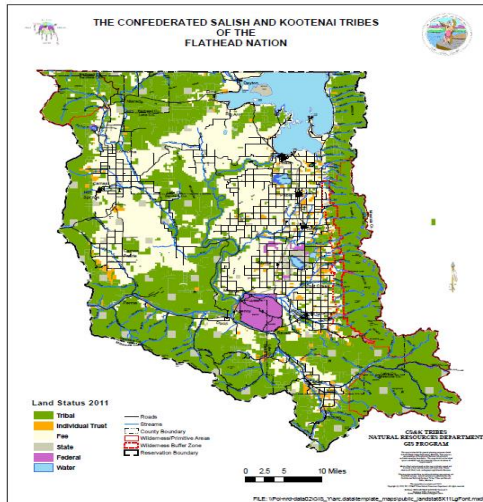
- Bureau of Business and Economic Research, University of Montana, (Date)
- Bureau of Economic Analysis, US Department of Commerce
- County BEARFACTS (Lake, Mineral and Sanders Counties)
- Census and Economic Information Center (CEIC), Helena, MT
- Char-Koosta News
- CSKT Sustainable Comprehensive Economic Development Strategy 2015, <http://www.cskteconomics.org/>
- CSKT Flathead Reservation Comprehensive Resources Plan
- Headwaters Socioeconomic and Demographic Profiles, <https://headwaterseconomics.org/#>
- Lake County Community Infrastructure Plan
- Lake County Growth Policy
- Lake County CEDS Survey Results
- Mineral County Community Infrastructure Plan
- Mineral County CEDS Survey Results
- Polson Heart & Soul Report
- Ronan MEDA Community Resource Assessment
- Salish Kootenai College Strategic Plan, <https://www.skcc.edu/skc-strategic-plan/>
- Sanders County Community Infrastructure Plan
- Sanders County CEDS Survey Results Flathead County Growth Policy
- Sanders County MEDA Community Resource Assessment
- United States Census Bureau: 2010 <https://www.census.gov/> and American Community Survey 2012-2016 <https://www.census.gov/newsroom/press-kits/2017/acs-5-year.html?intcmp=s1-acs-5yr-epk>
- White Paper: Housing In Montana (June 2012)

Regional Summary

Geography

The Western Rural Development Region is illustrated by the map of Montana's Lake, Mineral and Sanders Counties. The Flathead Indian Reservation, shown below, intersects with the western third of Sanders County and a large portion of Lake County.





- Green = Tribal
- Orange = Individual Indian-owned Trust
- White = Fee
- Gray = State
- Purple = Federal
- Blue = Water

On the map of the Flathead Indian Reservation, there are several types of land held in status that are uncommon to individuals who live off the Flathead Indian Reservation or away from Montana. These include tribal, individual Indian-owned trust, state-owned “school” sections, federally-owned, and feel land. Please refer to the Reservation History in the Sustainable Comprehensive Economic Development Strategy 2015 page 10-12.

Government

The overall evolution from the historical lands of Native Americans to the present-day boundaries of the reservation and three counties within the state of Montana have created complexities sometimes difficult to understand and navigate. These include a sovereign Indian nation, three county governments, and eight city and town governments. Each of these provides administrative, police, code enforcement, and public works services. Whenever possible, work is performed together on projects of mutual interest. The following is a breakdown of the governance landscape in the region:

- Sovereign Indian Nation
 - The Confederated Salish and Kootenai Tribes
- County Governments
 - Lake County
 - Mineral County
 - Sanders County
- City and Town Governments
 - Polson (Lake County)
 - Ronan (Lake County)
 - St. Ignatius (Lake County)

- Alberton (Mineral County)
- Superior (Mineral County)
- Hot Springs (Sanders County)
- Plains (Sanders County)
- Thompson Falls (Sanders County)

Unincorporated communities are generally under the jurisdiction of the county government in which they are located, which provide many services, working through local fire districts, community boards, sewer and/or water districts, school districts and other local organizations. The Confederated Salish and Kootenai Tribes also provide wildland fire protection, road and bridge construction, post-secondary education and job training, housing, and sewer and water services to tribal members and many non-members in the region.

Government - Lake County

Nowhere in the region is the division of government responsibility more apparent than in Lake County, where within the geographic boundaries, “government” is comprised of the governing center of a sovereign Indian Nation, the county government itself, and three city and town governments. Local, state, tribal, and federal governments and entities strive to nurture a “government-to-government” relationship with each other. Economic development organizations and other partners within the Western Rural Development Region work with each of these governing agencies to coordinate projects of mutual interest—all of which work hard for the betterment of the communities throughout the reservation and region.

Lake County is governed by a three member Board of Commissioners who serve staggered six year terms, with a chairperson selected annually by the commissioners from amongst themselves. Most county offices are located in the courthouse building in the county seat of Polson. Many services are provided by districts, such as school, water, fire, and ambulance. All of these are administered by boards composed of elected or appointed residents of their respective districts.

Like all counties in Montana, government services rely on collected property and other taxes and fees for providing services to the general public. As much as 70% of the county lies within the borders of the Flathead Indian Reservation, and relatively few acres are federally held, thereby reducing sources of revenue from the Federal Secure Rural Schools Act or Payment in Lieu of Taxes that help support neighboring counties that encompass more federal land. Fortunately with regard to schools, federal Impact Aid funds are paid to the school districts for all tribal and non-tribal children living on, or whose parents work on, Indian trust land. This funding provides approximately \$3,000 per child, and for those with disabilities or special needs, even more funding is provided. CSKT assists Lake County with road and bridge construction, wildland firefighting, post-secondary education and job training, housing, and sewer and water services for tribal members and many non-members in the region. However, having enough money available to pay for services is a constant challenge for Lake County. County revenues and expenses for FY2016 from the county’s recent audit were:

	Governmental Activities			Business-Type Activities		
	FY 16	FY 15	Change Inc (Dec)	FY 16	FY 15	Change Inc (Dec)
Revenues						
Program Revenues						
Charges for Services	1,687,094	1,628,943	58,151	2,640,955	2,601,840	39,115
Operating Grants and Contributions	1,489,639	1,157,794	331,845	16,545		16,545
Capital Grants and Contributions	925,142		925,142			0
General Revenues						
Property Taxes	12,062,361	11,285,187	777,174			0
Licenses and Permits	101,175	131,124	(29,949)			0
Liquor Tax Apportionment	9,490	65,742	(56,252)			0
Miscellaneous	36,975	219,098	(182,123)			0
Interest	105,604	82,543	23,061	12,420	10,454	1,966
Local Option Tax	554,710	530,239	24,471			0
PILT	502,279	484,776	17,503			0
Unrestricted State/Federal	86,203	267,772	(181,569)			0
State Entitlement	1,001,119	1,059,212	(58,093)			0
Grants & Entitlements not Restricted		6	(6)			0
Contributions and Donations	170,984	46,757	124,227			0
Total Revenue	18,732,771	16,959,193	1,773,578	2,669,921	2,612,294	57,627
Program Expenses						
General Government	4,305,222	3,956,525	348,697			0
Public Safety	5,434,903	5,804,899	(369,996)			0
Public Works	3,707,601	3,838,537	(130,936)			0
Public Health	1,175,101	1,190,655	(15,554)			0
Social & Economic Services	761,798	738,884	22,914			0
Culture & Recreation	314,413	87,800	226,613			0
Debt Service - Interest	63,860	24,766	39,094			0
Internal Services	595,008	286,651	308,357			0
Miscellaneous	32,889	274,173	(241,284)			0
Solid Waste			0	2,919,171	3,622,322	(703,151)
Total Expenditures	16,390,320	16,202,890	187,430	2,919,171	3,622,322	(703,151)
Excess (Deficiency) before Special Items and Transfers	2,342,451	756,303	1,586,148	(249,250)	(1,010,028)	760,778
Gain (Loss) on Sale of Capital Assets	86,826		86,826	143,146		143,146
Increase (Decrease) in Net Position	2,429,277	756,303	1,672,974	(106,105)	(1,010,028)	903,923

The incorporated towns of Ronan and St. Ignatius have a mayor-city council form of government. Polson has a city manager-city council form of government. All three towns provide administrative, police, code enforcement and public works services. In several of the public service agencies, such as law enforcement and fire services, there are overlapping jurisdictions between county, city, and tribal agencies.

The county occupies an area of 1,653.8 square miles. Polson is the county seat and the state's 18th largest city. Lake County was one of the last counties established (1923) and is named after Flathead Lake, the majority of which lies within the county's borders. The county is also home to the Confederated Salish and Kootenai Tribes of the Flathead Indian Reservation. Within Lake County are the Mission Mountain Range and Tribal Wilderness Area, the National Bison Range, the Ninepipe and Pablo National Wildlife Refuges, and multiple tribally-protected wildlife management areas. Recently released information from the U.S. Census Bureau reports that Lake County is home

to 28,605 people, 24% of whom are American **Indian**.

2010 census: 28,746 and 22%

2016 population estimate: 29,758 and 25.3%

From factfinder.census.gov

The median age in Lake County is 39.8 and the number of households is reported at 10,985, with an average household size of 2.5 and average family size of 2.97. The population is slightly more female (50.8%) than male (49.2%). One of three incorporated places in Lake County, Polson had an estimated population in 2009 of 5,231. Other incorporated cities include Ronan (pop. 1,999) and St. Ignatius (pop. 807). Unincorporated areas include Pablo (headquarters for the Confederated Salish and Kootenai Tribes), Arlee, Big Arm, Charlo, Dayton, Moiese, Ravalli, and Woods Bay.

According to 2006 ESRI (Economic and Social Research Institute) community tapestry information, just over one-third of Lake County residents are classified as Rural Resort Dwellers. This lifestyle segment favors milder climates and pastoral settings in rural areas mainly consisting of single-family and mobile homes, with a significant inventory of seasonal housing. It is a somewhat older market with higher-than-average proportions of self-employed and working from home. Modest living and simple consumer tastes describe this market segment.

Government - Mineral County

Mineral County is managed by a three-commissioner form of government and employs in excess of 50 individuals. Each of the three representatives is from a district with equal population estimates. The commissioners are elected for staggered six-year terms. The towns of Alberton and Superior have elected mayors and council representatives as their form of government. Mineral County is in western Montana bordered to the west by Idaho, the south by the Bitterroot Mountains, the north by Sanders County, and east by Missoula County. Interstate 90 runs east/west through the county as does the Clark Fork River. It has a population of 4,251 (2015), and a per capita income of \$33,092, 68% of the national average.

The median age in Mineral County is 51.6; the number of households is reported at 1,582, with an average household size of 2.62 and an average family size of 3.39. One of the two incorporated places in Mineral County, Superior has an estimated population of 1,008 in the 2014 census. The other incorporated community includes Alberton (pop. 609). Unincorporated areas include De Borgia Haugen, Riverbend, Saltese, St. Regis, and Taft.

A large portion of Mineral County is public lands - 84% federal and 5% state. This is both an asset and a liability to the county. The public lands provide a huge resource for economic opportunities in recreation, restoration work, tourism, etc. In 2015, 25.6% of Mineral County's total general government revenue was from federal land payments.

On the other hand, the small amount of private land does not create a large tax base for the county. Several federal programs (Payment In Lieu of Taxes and Secure Rural School and Community Act), that help assist communities that have large tracts of public lands have increased in recent years, primarily for the Payment in Lieu of Taxes, but the Secure Rural Schools funding has been decreasing and is predicted to continue to decrease. The Mineral County Road Department is funded

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with the Secure Rural Schools monies and no general taxes are levied for road department operation. This pattern of land ownership and tax base implications are a major issue for Mineral County residents. The federal government owns national forests; the management priorities and goals are often very different on a national scale than on the local scale. When much of the land in an area is not used to generate economic activity, it affects the entire area through the lack of direct and indirect employment. Revenues and expenses for Mineral County are shown below:

Revenues	
<i>Program revenues (by major source)</i>	
Charges for Services	744,281
Operating grants and contributions	1,320,843
Capital grants and contributions	0
<i>General revenue (by major source)</i>	
Property taxes for general purposes	1,620,014
Liquor tax apportionment	0
Video poker apportionment	0
Miscellaneous	101,455
Interest/investment earnings	61,933
Refuge revenue sharing	0
State entitlement	0
Grants and entitlements not restricted	0
Intergovernmental agreements	659,777
Licenses and Permits	13,825
Contributions & Donations	0
Fines & Forfeitures	0
Total Revenue	4,522,128
Program Expenses	
<i>General Government</i>	
Public Safety	1,451,625
Public Works	685,809
Public Health	711,104
Social and Economic Services	118,781
Culture and Recreation	170,482
Housing and Community Development	51,745
Debt Service-Interest	455
Miscellaneous	113,787
Total Revenue	4,851,950

**Audited from 2016 County Records

The largest employer in Mineral County is Tricon Timber, a dimension lumber sawmill and post & pole operation. In 2016 it employed approximately 130 people, or 24% of all private employment in Mineral County. The Mineral County Hospital is the second largest employer with 80 employees; this includes a clinic in St Regis. The receipt of a large grant has placed Mineral in the lead of frontier medicine and the provision of services to rural areas. Retail trade, accommodations and food service, and government are currently the three biggest economic sector employers in the county. This is a change from the historic dominance of the timber and mining industry.

Economic development in the county has long been tied to the wood products industry, which has severely declined. The region's timber industry no longer provides the economic stability that it once did. For this reason, it has become obvious that the region must diversify its economy and capitalize on other opportunities within the region.

Mineral County is only a 45 minute drive from Missoula, MT (population 72,364), and fast becoming a bedroom community for Missoula. Mineral County has an unemployment rate of 7.6% (2016). The unemployment statistic is only people actively seeking employment. When you include people who have given up and aren't seeking employment or receiving benefits, that's 38% of the workforce in Mineral County.

Recreational opportunities abound in Mineral County. There are 5 developed campgrounds, over 700 dispersed recreation sites, 5 drive-to upper elevation lakes, 40 fishable lakes in addition to miles of streams and rivers, over 400 miles of trails, Lookout Pass ski area, the Route-of-the-Hiawatha mountain bike trail, rafting and floating including the Alibon Gorge, cross-country skiing, snowmobiling, all sorts of hunting, and wildlife viewing.

Historically, Mineral County communities were built around timber and mining. In 2012, the Eureka Pellet Mill, located in Superior, burned in a fire, resulting in loss of employment for many locals. The community has since struggled to maintain the skilled workforce and replace the good-paying mill jobs that were lost. In 2014, Tricon, the only remaining sawmill in the county, invested \$6,000,000 into its planer, increasing production capacity close to 500,000 million board feet (MBF) per shift. Tricon has been at the forefront of stewardship and forest restoration in western Montana, creating access to a sustainable and renewable resource while reducing forest fire fuel, which has plagued our country in recent years. In 2015, Tricon laid off 90 employees due to the expiration of the Softwood Lumber Agreement with Canada. The layoffs were efforts to cover the expected revenue loss. In 2016, some progress was made as Tricon Timber expanded operations with a new line, thus increasing employment for Mineral County and surrounding areas. Tricon is quickly becoming one of the more state-of-the-art mills as it continues to rapidly evolve. The staff's ability to see new opportunities and devise a successful way of taking advantage of those opportunities will continue to be the driving force behind this mill's success.

As of 2014, timber harvests on private land in Mineral County outpaced harvest on both state and federal lands. However, when combining output from both state and federal lands, public lands have accounted for 52% of the roughly 16 million board feet of timber harvested in Mineral County.

A continued increase in housing starts nationwide is projected, which will point to a slight growth in the timber industry in Montana and Mineral County. However, stricter lending, rising interest rates and slow job growth may curtail new construction across the country. The county residents realize that the sole dependence on one industry will not bring long-term stability to their communities. Retail trade, accommodations, food service and construction experienced the greatest loss in employment, while healthcare and social assistance and real estate, rental, and leasing experienced the largest employment gains.

Government - Sanders County

Sanders County is governed by a three member Board of Commissioners who serve staggered six

year terms, with a chairperson selected annually by the commissioners from amongst themselves. Most county offices are located in the courthouse building in the county seat of Thompson Falls. Many services are provided by districts, such as school, water, fire, and ambulance. All of these are administered by boards composed of elected residents of their respective districts. There are three incorporated communities in Sanders County: Hot Springs, Plains and Thompson Falls. The county also contains a portion of the Flathead Indian Reservation. Sanders County is the 17th most populous county in the state.

The median age in Sanders County is 51.5 and the number of households is reported at 5,121 with an average household size of 2.19 and an average family size of 2.75. The population is slightly more male (50.1%) than female (49.9%). Thompson Falls has an estimated population of 1,313 in the 2010 census. Other incorporated communities include Hot Springs (pop. 544) and Plains (pop. 1,048). Unincorporated areas include Dixon, Heron, Lonepine, Niarada, Paradise, Noxon, and Trout Creek.

Sanders County is rural, spanning 130 miles of the lower Clark Fork river valley in northwest Montana. The area consists of forested valleys with mountain ranges on the west end and agricultural lands to the east. Distances between county communities contribute to a feeling of remoteness that attracts individuals to the area seeking the rural quality of life. Bordered on the west by the Idaho panhandle, Sanders County was named for Wilbur Fish Sanders, early Montanan and U.S. senator. Its history is similar to that of Lake and Mineral Counties in that fur trade brought the first non-Indian settlement of the area. Agricultural enterprise is evident throughout the county ranging from the traditional agriculture of crops and livestock to experimentation with various types of fruits (e.g. apples, cherries) and wholesale nursery products. Parts of the county are remote and lacking in wired or wireless broadband coverage, including mobile telephone and internet access.

Forestry, wood products and mining have traditionally dominated economic conditions throughout the history of the county. In the past, Sanders County has been one of the top timber producing counties in the state. Timber harvests occur on national forest lands, corporate timber lands, state and tribal land and other private holdings. Mining has also been important to the economy of Sanders County. However, timber sales and mining expansion efforts have been significantly impacted by litigation opposing these industries in the federal courts.

Hydroelectric dams play a considerable role in the Sanders County economy, both for the contribution to the county's tax revenues and because the reservoirs from several operations are significant contributors to the growing recreation and tourism industry. It is apparent that future planning for economic growth must consider other opportunities, such as tourism and technology.

Sanders County, like Mineral County, has a high percentage of federal forest lands. Under current congressional legislation, this qualifies the counties for funds through both the Secure Rural Schools (SRS) Act and the federal Payment in Lieu of Taxes, commonly known as PILT. As small counties with limited populations, these funds are critical for the county budgets. This funding has recently been the subject of possible budget cuts at the federal level, a move which would further devastate the operational budgets of these rural counties. PILT funding consistently decreases and SRS has been cut from the current administration's budget.

The following tables reflect revenues and expenses for fiscal year 2016 according to the Sanders County Audit:

Revenues

<i>Program revenues (by major source)</i>	
Charges for Services	823,287
Operating grants and contributions	1,964,877
Capital grants and contributions	50,951
<i>General Revenues (by major source)</i>	
Property taxes for general purposes	4,225,998
Liquor tax apportionment	4,375
Video poker apportionment	
Miscellaneous	205,942
Interest/investment earnings	17,742
Refuge revenue sharing	
PILT	359,505
State entitlement	1,016,844
Grants and entitlements not restricted	60,413
State Contributions to Retirement	70,460
Licenses and Permits	6,400
Contributions & Donations	14,855
Local Option Tax	375,923
Fire	3,500
Total Revenue	\$9,201,072

Program Expenses

General government	2,279,155
Public safety	2,278,957
Public works	3,226,971
Public health	408,558
Social and economic services	368,942
Culture and recreation	403,556
Housing & Community Development	16,148
Debt service – Interest	9,207
Miscellaneous	153,318
Total Expense	\$ 9,144,812

Demographics

In the Western Rural Development Region, the geography and its history convey many stories of where we come from and what our future might look like. The following demographics are another tool for telling the story of the region.

Population

According to the United States Census Bureau reports, the population of our region has steadily increased over the last 6 years. Collectively, Lake, Mineral, and Sanders Counties have increased in population size by 3.7% during this period.

	2010	2016	% change 2010-2016
Montana	989,415	1,042,520	4.7%
Lake	28,746	29,758	3.5%
Mineral	4,223	4,184	-.9%
Sanders	11,413	11,534	1.1%
Western Rural Development Region	44,382	45,476	3.7%
United States	308,758,105	323,127,513	4.7%

Median Age

The region is a collectively older population compared to the state of Montana's average. The median age has risen since the 2012 CEDS.

	Montana	Lake	Mineral	Sanders
Median Age	39.7	40.9	47.8	48.8

Throughout the region, our population is aging. This is impacted by two distinct factors. The first is a lack of good-paying jobs that help keep younger people/families in the area rather than going elsewhere to seek work; and the second is the increasing number of retirees seeking areas of relatively low cost in which to live.

Race and Ethnicity

Compared to other regions within the state of Montana, the Western Rural Development Region is comprised of a unique history regarding the peoples who have lived here since time immemorial, as well as those who presently call the region home. Whether it is the Confederated Salish and Kootenai Tribes and its members who have lived here indefinitely, or the families who moved to Lake, Mineral and Sanders Counties for mining, agriculture and timber opportunities, the region has become and is growing stronger because of its diversity. The following graph represents the race and ethnicity data from the 2016 U.S. Census estimates:

County	Total Population	White	Black or African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Two or More Races	Hispanic or Latino (of any race)
Lake	29,758	67.1%	.5%	24.6%	.6%	.1%	7.2%	4.2%
Mineral	4,184	94.2%	.5%	1.8%	.7%	0	2.7%	3.1%
Sanders	11,534	92.3%	.2%	4.2%	.5%	0	2.7%	2.9%

Veterans

Montana has the second highest number of veterans per capita, in the United States. For the date range of 2012-2016, the Western Rural Development Region has 5,364 veterans. As a percentage, veterans make up 9.73% of Montana's population.

	Montana	Lake	Mineral	Sanders
Number of Veterans	87,936	2,707	596	1,464

Median Income

For the purpose of this CEDS report, per capita personal income is defined as all wages, salaries, income, and social security benefits divided by the total population. Only Lake County's median income has improved as a percentage of the national median income.

	2010	Past 12 Months	2012-2016	2016 % of United States
Montana	\$34,828	\$27,309	\$48,380	87%
Lake	\$27,437	\$23,191	\$39,898	72%
Mineral	\$28,596	\$21,447	\$37,143	67%
Sanders	\$26,063	\$20,810	\$34,336	62%

Poverty

	% of Persons in Poverty Status 2010	% of Persons in Poverty Status 2012-2016
Montana	15%	13.3%
Lake	20.9%	19.2%
Mineral	16.9%	17.8%
Sanders	21.8%	17.68%

Persons in poverty has improved at the state level and in both Lake and Sanders Counties, however Mineral County has seen an increase in the poverty level.

Infrastructure

The Western Rural Development Region continues to struggle to find ways to fund the appropriate infrastructure needed to support economic growth throughout all business sectors.

Housing - Lake County

More than 75% of all housing units in Lake County are single-family, detached and the majority of homes (63.9 percent) have been constructed since 1970. Just over 74% of the housing stock is occupied and of the occupied housing, one-third are renter occupied and two-thirds are owner occupied. However, these numbers do not reflect occupancy of seasonal homes, the majority of

which are located in the Swan Valley and Flathead Lake areas. When the seasonal homes were not counted as vacant, Lake County had a 5.4% vacancy rate in 2010.

A much needed “leveling” of property values has occurred as a result of the recession, following a decade where values rose dramatically in response to the demand from prosperous newcomers either relocating to the scenic area or purchasing second homes. As a result of the somewhat artificial higher prices, the average Lake County family has struggled to find either affordable rental property or affordable home ownership opportunities.

The 2010 census reported 40.6% of homeowners had costs that exceeded 30 percent of their household income and 32.8% of renters shared the same problem, which is higher than the state average. Even with rental costs being lower than the state average, the county’s lower per capita income causes housing affordability in Lake County to be an issue for a significant percentage of the population for at least the next several years.

The city of Ronan started a public housing authority (PHA) in 1992 to address affordable housing issues in the central part of the Mission Valley. A county-wide community housing development organization (“Lake County CHDO”) was organized in 1997 to better serve the needs of the county’s typically lower-income households who represent an estimated 55% of the population. The organizations are co-managed from Ronan as the Lake County Housing Center, operating 129 rental properties in addition to rental assistance and first-time home buyer programs.

The CSKT have a variety of housing services that can be found in their Sustainable Comprehensive Economic Development Strategy 2015.

According to the 2005 Housing Condition Study, 1.6% of the housing stock in Lake County is rated as unsound or in very poor condition; and another 10.5% is rated in poor condition; with another 4.6 % rated only as fair. This is significantly better than the statewide average where 24.2 percent of housing units are in need of serious maintenance. However, 31.7% of the homes in Lake County were rated as having cheap, poor or low cost materials and quality versus the state average of 21.8%. This high percentage of below-average workmanship may be due to the lack of building code requirements in the unincorporated areas of the county and will likely result in higher overall maintenance costs. Overall, long-term availability of affordable housing and a wider range of housing units to meet the needs of the population are the most critical need. Lack of affordable housing hinders job creation and business development.

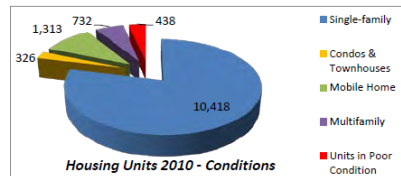
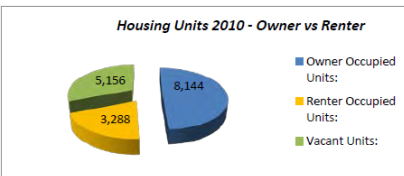
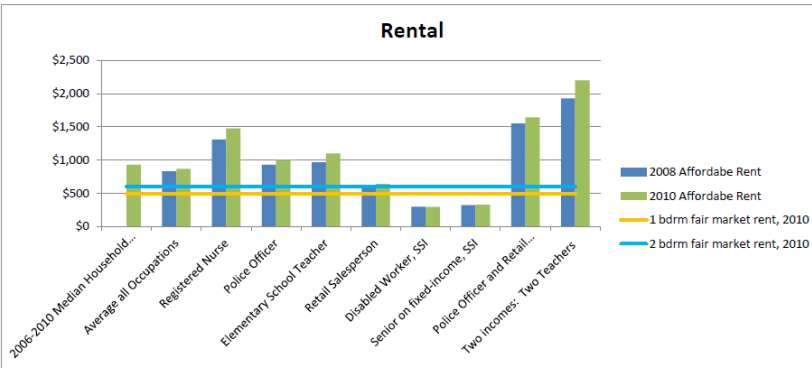
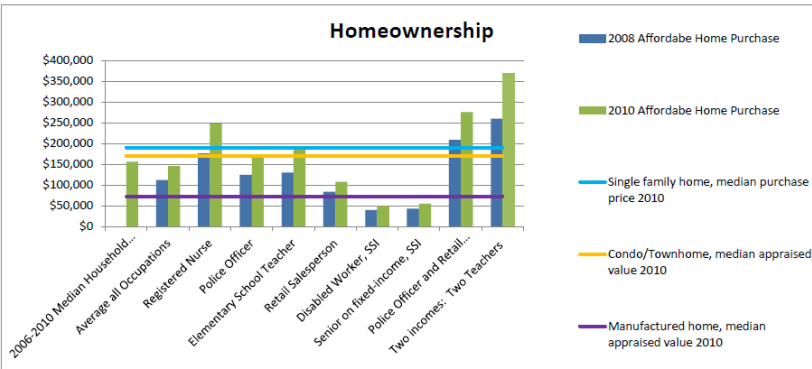
Lake

Housing Data and Statistics



Data was collected by the Housing Coordinating Team for this White Paper in an effort to document the availability and affordability of decent housing for Montana residents. The intent is to give decision-makers information to address current problems and improve housing options for the future.

Housing Affordability, Attainability and Availability



Montana Department of Commerce, Housing Coordinating Team, White Paper, June 2012

Housing - Mineral County

Alberton, Superior and St. Regis have the highest concentration of lots that would be considered typical town lots. These three communities have a mixture of frame houses, mobile homes and trailers¹, and also the highest concentration of development. The urban area development is generally located within one to two miles of the Clark Fork River Valley to correspond with the private land ownership. The urban development follows the same general pattern for the St. Regis River Valley. Despite the declining acreage, agriculture is very important to Mineral County and should be supported.

Mineral County has 235 subdivisions. The large scale development in urban settings is creating new challenges for the county infrastructure and for the county to provide services. Residential development in the Alberton and Superior areas follows very close to the same general pattern of residential use that was evident at the time the interstate was constructed.

Some expansion of residential use has occurred, as the county experienced a population growth of 6.7% from 2010 to 2015. The challenges facing Montana and Mineral County regard timber availability and the ability to attract and retain employees. Attracting and retaining skilled employees has been a challenge for employers in the timber industry. Additionally, the availability of suitable rental housing is inadequate to meet demand and there is a lack of secondary jobs for spouses and partners of employees. Alberton and Superior have continued to provide for most of the multiple family needs in the county while maintaining the preference for one and two family units in residential neighborhoods.

Mobile homes represent a very significant part of the residential development in virtually all of the communities of Mineral County. Over 25% of the residential land in Alberton and Superior is used for mobile homes, and approximately 35% is used for mobile homes in the St. Regis and DeBorgia areas. The existing land use maps show the pattern of residential development based on current Department of Revenue data, and also show the distribution of parcels considered vacant or open. This indicates that there is a very limited potential for a significant amount of residential infill on vacant lots in residential areas covered on the maps.

The 2016 census reported 44.1% of homeowners had costs that exceeded 30 percent of their household income, which is higher than the state average, and 44.5% of renters shared the same problem. Even with rental costs being lower than the state average, the county's lower per capita income causes housing affordability in Mineral County to be an issue for a significant percentage of the population, where 63.8% of households are estimated at or below median income. Mineral County has four facilities providing below-market rate housing units, three in Superior and one in St. Regis. Private investment and taking advantage of public housing programs are needed to provide the types of housing that meet current and anticipated demands. Affordable Housing programs in Mineral County are predominantly provided through the Missoula Human Resource Council, District XI.

¹ Mineral County Growth Policy

The number of housing units in Mineral County increased from 2000 to 2010. Mineral County increased by 24.73% and was one of thirteen counties to increase their housing stock at a rate higher than the state average rate of 17%. According to the 2010 Housing Condition Study, 3.5% of the housing stock in Mineral County is rated as unsound or in poor condition; statewide, 6.27% of Montana single family homes are in less than acceptable condition, which includes the Montana Department of Revenue classifications of “poor,” “very poor” and “uninhabitable.”

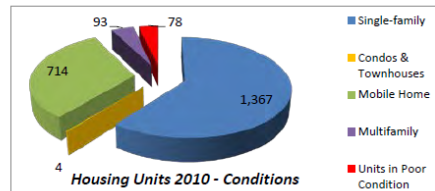
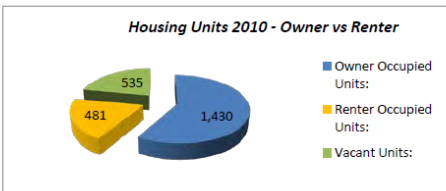
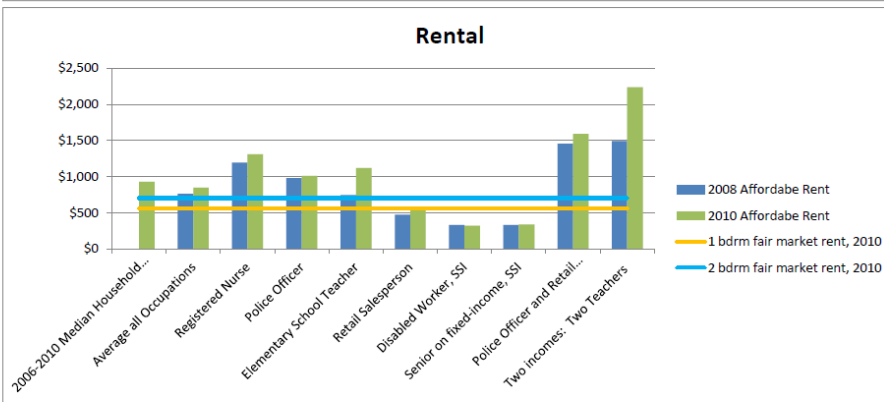
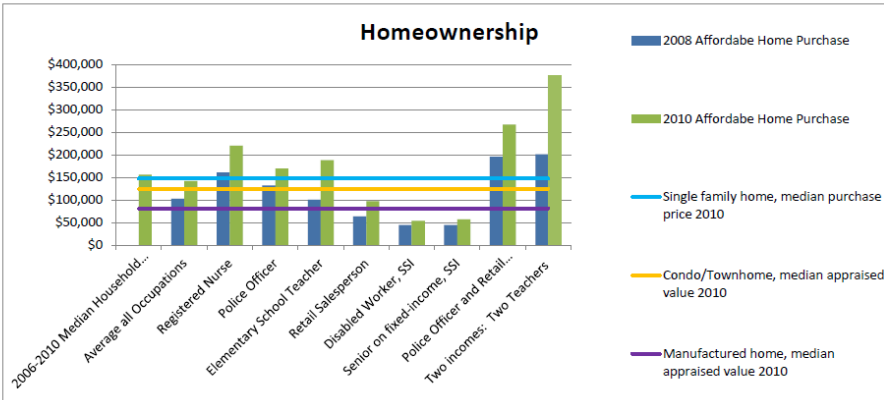
Mineral

Housing Data and Statistics



Data was collected by the Housing Coordinating Team for this White Paper in an effort to document the availability and affordability of decent housing for Montana residents. The intent is to give decision-makers information to address current problems and improve housing options for the future.

Housing Affordability, Attainability and Availability



Housing - Sanders County

The lack of affordable housing and the need for a wider range of housing units within Sanders County continues to represent a major challenge. Lack of affordable housing for existing and potential residents hinders job creation and business development.

A Community Resource Assessment conducted in 2015 identified the following relative to housing issues:

- Sanders County Community Housing Organization (SCCHO) is working to establish a multi-unit, independent living facility on the west end of Sanders County in Noxon. Aging in place was a major topic during the assessment.
- Affordable rental housing is needed for the workforce in Thompson Falls, Trout Creek and Plains. There are long waiting lists for affordable rentals.
- Low-income housing is limited in Sanders County. SCCHO works to retain and expand affordable subsidized living units county-wide.
- Out-of-state retirement influx inflates the real estate market and results in high-priced middle-class homes.

The 2010 census reported 54.3% of homeowners had costs that exceeded 30 percent of their household income and 54.3% of renters shared the same problem, which is higher than the state average. Even with rental costs being lower than the state average, the county's lower per capita income causes housing affordability in Sanders County to be an issue for a significant percentage of the population.

The county-wide community housing development organization (Sanders County Community Housing Organization), organized in 2003, serves the needs of the county's typically lower-income households who represent an estimated 56% of the population. In 2012 through HUD's NSP program (Neighborhood Stabilization Program) they completed the procurement and reconstruction of a small neighborhood of foreclosed duplexes in Plains and now operate those within their Affordable Housing Program. These 10 mortgage-free units represent the startup of SCCHO's housing inventory. Sanders County Community Housing is currently pursuing 22 additional low-income housing units through a transfer of ownership. Other functions include managing a first-time homebuyers program and a senior home rehabilitation program on behalf of the regional Community Action Partnership Program operated from Kalispell.

At this time, we are not providing a list of priorities related to housing. WRDC entities collaborate with local, regional and state-wide housing organizations as necessary.

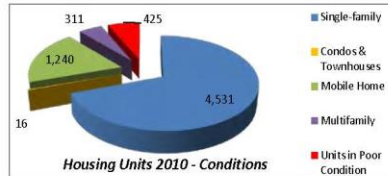
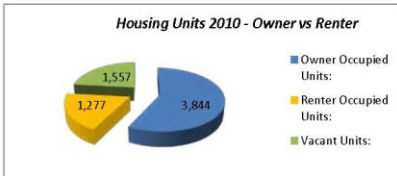
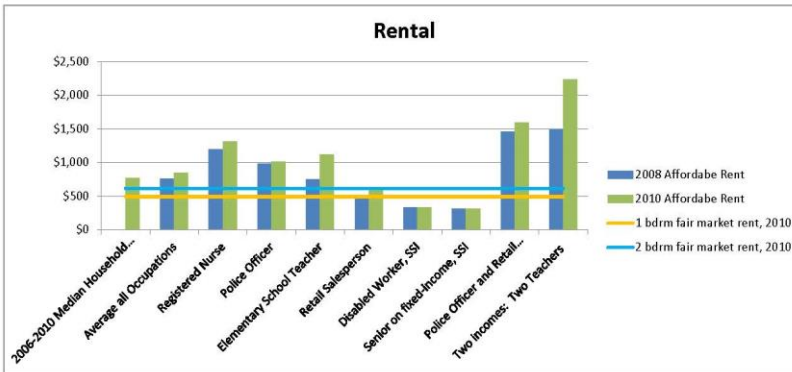
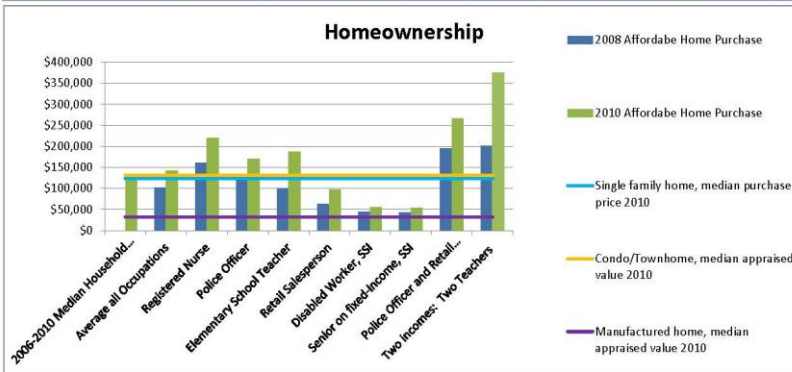
Sanders

Housing Data and Statistics



Data was collected by the Housing Coordinating Team for this White Paper in an effort to document the availability and affordability of decent housing for Montana residents. The intent is to give decision-makers information to address current problems and improve housing options for the future.

Housing Affordability, Attainability and Availability



Montana Department of Commerce, Housing Coordinating Team, White Paper, June 2012

Public Infrastructure - Lake County

Fire Protection

Fifteen volunteer fire protection districts (VFDs), supported primarily through taxes, provide fire protection throughout the county. The Tribes' Division of Fire also provides protection in wildland areas. Most of the districts have 12 to 15 volunteers, although the districts located in Polson and Ronan have closer to 30 to 40 volunteers. Additional support for volunteer fire organizations comes through grants administered by the state forester, mill levies, loans administered by USDA Rural Development, and local fund raising efforts, including donations from the Confederated Salish and Kootenai Tribes. All of the fire districts and the wildland fire protection agencies belong to the Lake County Rural Fire Association, which purchases joint insurance for the VFDs and reinvests the savings into the local departments. The county also has a Fire Action Plan that identifies fire-fighting resources and lists contacts in the case of fire. Most units are dispatched through the Lake County 911 office, although Arlee does receive some calls dispatched through Missoula, and Hot Springs is dispatched through Lake and Sanders Counties. Ferndale is dispatched through both Flathead and Lake County.

Lake County, in coordination with the Confederated Salish and Kootenai Tribes, has been very proactive in assisting land owners in developing fire protection, such as a defensible space around homes, on vulnerable sites over the past several years.

Police Protection and Law Enforcement ²

The Lake County Sheriff's Department currently has 24 officers. The department includes three school resource officers. There is one domestic violence investigator. The department is funded through various sources including mill levies and grants. In addition, the sheriff's office includes a boat patrol (funded through a mill levy), two volunteer search and rescue groups (one in Lake County and one in the Swan Valley) and a volunteer reserve group of approximately 25. The current ratio of paid officers to population is about 1:1200, which falls below the national average of 1:1000.

The county or state has jurisdiction in the unincorporated areas for felony crimes and non-tribal misdemeanors. Patrol units are dispatched through the county 911 center. Law enforcement and detention-correction facilities are the most expensive budget items in the county. These are funded out of the county's general fund, plus mill levy funds that have increased the budget by 5% and account for approximately 30% of that fund. The jail facilities were constructed in 1975 and were upgraded and enlarged in 2000 to hold up to 42 adult inmates and two juveniles. Juveniles can only stay up to 24 hours. There are currently 20 full-time officers. Calls for the cities of Polson, Ronan, and St. Ignatius are also dispatched through the Lake County 911 center. The cities contract with the county for jail space. The Polson Police Department has 13 full-time officers and 1 reserve, 1 animal control unit and 13 patrol units. Ronan has 3 full-time officers and 6 reserve officers with 4 patrol units. St. Ignatius has 2 full-time officers, 1 animal patrol officer and 3 patrol units.

The Tribal Police Department and jail are located in Pablo and maintains misdemeanor, juvenile, and some felony jurisdiction over tribal members. The department has 3 investigators, which includes 1 criminal investigator, 1 narcotics investigator and 1 domestic violence investigator. There are 20 full-

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² Data collected during LCCDC staff phone calls to each agency in the second quarter of 2012.

time officers and 20 patrol cars and maintain a dispatch center separate from the county. In addition, there are 3 tribal juvenile probation officers and one adult probation officer. The tribal jail has a capacity for 22 inmates, though in late 2012, capacity will increase to 49 inmates through grant funding. There are 7 detention officers. Juvenile offenders are housed at facilities in Kalispell or Missoula. The Tribal Fish and Game Conservation Program enforces fish, wildlife, and recreation regulations on the reservation and employs 4 BIA trained, 1 federal service trained, and 4 state trained game wardens.

The Montana State Highway Patrol provides enforcement for state highways and maintains an office in Polson, staffed by 6 officers in Polson and a total of 24 in the district. Montana Fish, Wildlife and Parks and the U.S. Forest Service provide wardens and law enforcement officers who enforce regulations on non-tribal/public lands.

Power and Electricity Infrastructure

Lake County electrical service is primarily provided by the tribally operated Mission Valley Power utility, which is as a federally owned electric utility operated as a nonprofit organization, and maintained by the Confederated Salish and Kootenai Tribes pursuant to a contract under the auspices the Indian Education and Self-Determination Act, Public Law 93-638. In a 2011 article from the Char-Koosta News³, “Mission Valley Power purchases 78% of its electricity from Bonneville Power Administration; Kerr Dam provides 21% and two small hydroelectric producing dams on the Flathead Reservation and other small alternative energy producers account for the remaining one percent.” As of 2011, Mission Valley Power has begun several new energy conservation programs, which include⁴:

- **Refrigerator Retirement Program**
A program to encourage customers to remove old inefficient and high energy refrigerators, and replace with more efficient Energy Star appliances.
- **Ductless Heat Pump Program**
For existing residential electrical zonal heated homes only, this program encourages these residential homes to install ductless heat pumps for heating and cooling in retrofit applications.
- **Compact Fluorescent Lighting Program**
This program for both new and existing homes encourages consumers to switch from incandescent and halogen lights to compact fluorescent and LED light bulbs and fixtures.
- **Home Electronics and Office Equipment Program**
A program that encourages homeowners to replace inefficient home electronics/office equipment and to purchase Energy Star rated or better energy efficient electronics and equipment.

Public Infrastructure - Mineral County

³ Char-Koosta News; “Mission Valley Power Annual Report Informs Public on FY 2010”; Retrieved on April 27, 2012 from http://www.charkoosta.com/2011/2011_02_10/MVP_Annual_report.html

⁴ Mission Valley Power Energy Conservation 2012; Retrieved on April 27, 2012 from <http://www.missionvalleypower.org/mission-valley-power-energy-conservation-2010-2/>

Public Facilities/Utilities

Public water systems providing for potable water and fire protection needs have been primarily developed from groundwater sources to serve residents in Alberton and Superior. Non-community public water systems operating in Mineral County include West Mountain Estates, Trestle Creek, Old Mill Peninsula, and Deer Lick among others. Except for these small public systems, and those that have been constructed to serve commercial establishments, campgrounds, and trailer courts, water supply in the rural areas of the county and in each of the small unincorporated communities is provided by individual groundwater wells.

The only public wastewater treatment systems are those used by Alberton, Superior, and St. Regis. Wastewater treatment in the rural area of the county is by individual septic tanks and drain fields.

Republic Services provides garbage pickup and transfer to Allied Waste Disposal located in Missoula. Republic Services provides class three waste disposal at the site of the transfer station. Solid waste disposal is an issue of growing concern to the citizens of Mineral County. Solid waste disposal through illegal means occurs throughout the rural area of Mineral County. Low income families may not use available waste disposal services due to cost. The transient nature of renters often creates circumstances that require landlords to dispose of waste material left by the occupants. Theft of services is an ongoing problem for those that do have contracted waste disposal services.

Mineral County has no current method of disposing of chemical wastes. Mineral County also has very limited recycling opportunities available. Recycling is not feasible due to the distance from a facility that will receive the recyclable materials.

Remote locations such as Upper Fish Creek area do not receive waste disposal services. Unattended public campgrounds do not have waste disposal because of abuse of services by those disposing of trash in containers but not camping in the campground.

NorthWestern Energy serves the central and western portions of Mineral County, with over 2,100 service connections in the DeBorgia, Haugan, St. Regis, Saltese, Superior and Taft areas. There was a 9 percent increase in service connections from 2004 to 2007. Missoula Electric Cooperative serves the eastern one-third of the county.

Mineral County law enforcement is provided by the Sheriff's Department to cover the entire county jurisdiction. In addition to the sheriff, the department has one undersheriff, eight deputies, five jailers, and six 911 dispatchers. The Sheriff's Department services area also covers Alberton and Superior. The Montana Highway Patrol provides traffic enforcement and accident investigation on state highways.

The sheriff serves as coroner, facilitates the registry of sex offenders, and administers the county jail, Search and Rescue and operation of the 911 emergency service center. The county detention facility has an inmate capacity of 27 individuals. Mineral County does not have juvenile detention and transports those individuals to other facilities.

The Justice of the Peace department has a full time judge and 2.5 full time equivalent clerks to process citations for infractions of law. The caseload created one of the busiest justice courts in

western Montana.

Search and Rescue is a function of the Sheriff's Department and has 25 voluntary members to conduct river rescues, locate missing persons, and assist law enforcement in evacuations.

Ambulance service for Mineral County is from the town of Superior using two units and a volunteer staff of 10. The exception is the eastern portion of the county, which is served by the Frenchtown Rural Fire District for ambulance service. Quick Response Units can augment the number of responders for ambulance calls.

Mineral County's fire protection units are centered in four districts. They include the Superior Fire Department, which also provides fire protection for a rural fire district area, Frenchtown, St. Regis, and the West End rural fire department. The Lolo National Forest Service is responsible for fire protection for national forest lands which encompass most of the rural area in the county. Mutual aid agreements between the U.S. Forest Service, state agencies and Mineral County fire districts exist to provide for coordinated fire suppression responses in the urban interface areas. Mineral County is in the process of updating its Community Wildfire Protection Plan (CWPP). For planning purposes, the county was split into nine districts from Saltese to Alberton. The Frenchtown Rural Fire District covers approximately 12 miles into the eastern portion of Mineral County. The coverage area includes the Fish Creek Exit and those areas immediately to the west and south to I-90 mile marker 66 and encompasses approximately 25 square miles. The land owned by the state of Montana in the area of the Alberton Gorge does not have fire protection coverage from local agencies since it is not officially included as a part of the Frenchtown Fire District.

The Superior Fire Department provides coverage for Superior and the rural area of approximately 62 square miles, of which 35 square miles is National Forest Service and is excluded from coverage. The county commissioners have been requested to expand the Superior Rural Fire District to the east to include properties in the Nemote, Tarkio and Quartz areas. The proposed area to be annexed would encompass approximately 33 square miles. The St. Regis Rural Fire District provides coverage for St. Regis with coverage to the east to the Sloway area, then on the south side of the Clark Fork River, then west to the divide on Mullan Gulch Road, then northeast to the Mineral/Sanders County line. The West End Rural Fire District provides coverage west of the Mullan Gulch Road divide for DeBorgia, Haugan and Saltese.

The county highway maintenance garage is located in Superior and is responsible for county roads. The state highway district garages are located in Alberton, Superior, St. Regis and Saltese and are responsible for state and federal highways.

Public Infrastructure - Sanders County

Public Facilities/Utilities

Sanders County acts largely in an advisory or supporting role to the various communities within the county regarding public facilities. Much of the actual planning and implementation is accomplished by local municipalities, districts and boards. The county will continue to assist in the formation of local organizations to address public facilities issues and will participate in supporting funding initiatives such as the submission of grant applications. Every effort will be made to assist both

incorporated cities and unincorporated areas in planning, developing, funding and building adequate public infrastructure.

Public facilities development, expansion or improvements are being considered in communities throughout the county on an ongoing basis. The sewer district in Paradise is currently in the process of developing a preliminary engineering report to plan and pursue funds for a sewer system. The lots in Paradise are not large enough to accommodate updated codes related to drain fields. This is an issue for the environmental health of all residents and economic development related to real estate transactions.

Hot Springs and Thompson Falls recently completed upgrades to the municipal water systems. New wastewater systems are in the planning phase for both communities. Local water systems in Heron require improvement. Plains needs to relocate its wastewater treatment facility because it is currently in the floodplain and is impacted by high flows in the Clark Fork River.

Progress has been made in the area of solid waste disposal. An aggressive recycling effort has been implemented that has resulted in improved income to the county. Although demand exists for cardboard, plastics and various metals, the recycling of glass is not economically feasible at this time. Future focus will be on improving the efficiency of the recycling operation by implementing improvements in areas such as collection and routing. The County Solid Waste Facility and Transfer Center is being relocated west of the current property, as the lease will not be renewed in 2017. The updated facility will use new efficient equipment and model the facility to increase efficiencies and decrease expenditures for the county.

Fire and ambulance services are provided by volunteer departments around the county. Responses to the recent county survey indicate that residents are largely satisfied with those services. According to the public response during the 2015 Sanders County Resource Assessment, residents in outlying east and west-end communities (Dixon/Noxon/Heron) have concern for inadequate law enforcement coverage. The geographic expanse will continue to be a challenge with limited resources. Additional needs for the sheriff include an upgraded record management system and E-911 dispatch to increase efficiency within the department for both patrol and administration. The county will continue to plan and provide support for these services in any way possible.

Transportation - Lake County

Highways and Roads

Lake County is responsible for approximately 1,150 miles of rural roads, 80% of which are gravel surfaced. These roads have maintenance costs that are much higher than usual. The costs are the result of several issues. Most of the roads were built on soft glacial soil that breaks up easily, with no drainage ditches, very little or no base materials and severe weather conditions consisting of freeze/thaw cycles that destroy roads. To correctly repair these roads, they need to be completely reconstructed. Tourism is a two-edged sword - great for local businesses, but it can have a negative impact on our local roads with limited revenue for maintenance.

Being a rural county, there are too many miles of roads to maintain, and stretching the available revenues to maintain good roads is difficult if not impossible. Lake County currently receives a total

of \$1.8 million in tax revenue to provide for all direct and indirect costs for the road department. That equates to approximately \$100 per mile of road. Ideally, this budget would include road equipment replacement but sadly is an inadequate amount to do so. In addition \$293,000 is collected for the purpose of maintaining the 92 bridges Lake County is responsible for, most of which are listed as in need of major repair or replacement.

The counties around Lake County have vast acres of timber land for which they receive federal payments in the form of Payment in Lieu of Taxes or under the Secure Rural Schools funding. The timberland in Lake County is mostly tribally or privately owned with a very small amount qualifying for federal PILT payments. Unlike the school districts, the county government receives no funds such as Impact Aid for trust lands. The tribe does, however, work cooperatively with Lake County to help offset shortfalls in the county budget in lieu of taxes; and uses much of their road construction funding to assist the county.

The Confederated Salish and Kootenai Tribes passed their first Flathead Reservation Transportation Plan in 1996. This plan has since been updated, and includes information about the entire Reservation road and transportation system. CSKT works diligently with Lake County, MDT and the Federal Highway Administration to improve multiple transportation projects on the reservation. CSKT also has a five-year Transportation Improvement Program (a list of construction and maintenance projects) that is updated annually.

The county has developed a road plan that maintains an inventory of roads with respect to their use, condition, and needed improvements. From this the county annually prepares a priority list. Equipment needs are in excess of the current budget due to maintenance costs. Lake County will soon be in the position of having to purchase newer equipment in order to provide the ability to maintain the roads. The County Road Department and Tribal Roads Program work closely to make the most efficient use of the limited funds available to both governments for road work and improvements. An example of this can be found in the South Valley Creek Bridge. Government representatives from the Confederated Salish and Kootenai Tribes and Lake County joined forces to finalize the six-month project. The new two-lane bridge replaced a dangerously deteriorating metal truss wooden deck bridge built in 1910 by the Bureau of Indian Affairs (BIA). With an 8-ton weight limit, the previous bridge restricted residents' safe access to services provided by large vehicles such as fire engines, ambulances, and school buses.

Funding for the project was an issue, as construction costs exceeded Lake County's budget of \$223,000 in stimulus funds. In an effort to aid the project, the tribes applied for a grant with the Indian Reservation Road's High Priority Project Program. The grant was issued through the BIA and the Federal Highway Administration to assist tribes in completing underfunded high priority projects. It is also available for tribes who've had an emergency or disaster occur on a tribal transportation facility. The CSKT were granted \$1 million to reconstruct the bridge, which is the maximum awarded by the program.

State roads through Lake County are either maintained by the state or through contractual maintenance agreements with the county. Lake County is currently investigating the assessment of a 2 cent per gallon gas tax with revenue being divided by cities and county. Unincorporated towns rely on the county for assistance with their interior streets and roads.

Air Service

Lake County has non-commercial airports located in Ronan, Polson and St. Ignatius. Polson and Ronan are both capable of 24 hour all-weather service. Each has a beacon and a windsock. These airports have seen increased usage by large privately owned aircraft, including large jets. Some of this can be attributed to land ownership by individuals living out of the area. Usage is expected to increase at Polson and Ronan with St. Ignatius remaining consistent. There are private airfields in the Jocko, Mission and Little Bitterroot Valleys. There are no major commercial airline or freight services on the reservation.

Polson

This city-county airport which partially lies on tribally-owned property encompasses ninety-seven acres at an elevation of 2,938 feet. Its runway is forty-two hundred feet by sixty feet, asphalted and in good condition. It has a pilot-activated, medium-intensity light system. There are sixty-eight hundred landings or takeoffs per year. Twenty-seven single-engine aircraft are based on site. One hundred octane and Jet A fuels are available, as are major airframe and power plant repair services. Unicom two-way radio communication serves the facility. Charter services are available.

Ronan

This city-county airport encompasses fifty-six acres at an elevation of 3,089 feet. Its runway is thirty-six hundred feet by seventy-five feet, asphalted and in good condition. It has a medium-intensity light system that operates until 9:00 p.m. (pilot-activated after 9). The airport receives 2,250 landings or takeoffs per year. There are seven single-engine aircraft based on site and no fuel or repair services. Agricultural spraying services are nearby.

St. Ignatius

This city-county airport includes eighty acres at an elevation of 3,089 feet. Its runway is 2,610 feet by sixty feet, asphalted and in good condition. Runway lights are pilot-activated. The airport receives twenty-two hundred landings or takeoffs per year. Six single-engine aircraft are based on site. No fuel or repair services are available.

Air ambulance helicopters provide life-flight services from and to Missoula (in most cases) and Kalispell. They serve hospitals in Polson and Ronan in Lake County, Plains in Sanders County and Superior in Mineral County, and make emergency landings nearly everywhere. The tribes and the BIA also use helicopters to monitor natural resources and to conduct fire reconnaissance and suppression. The BIA maintains heliports at Ronan and Hot Springs for these purposes.

Public Transit/Bus Service

There is limited availability of public transit. Some services are provided by the tribes and social service organizations, such as the Lake County Council on Aging. North and south bus service is provided by Rimrock Trailways with connecting service in Missoula and Kalispell. This bus service is largely underutilized by the residents of Lake County.

After five years of development and direct service, the Flathead Tribal Transit system on the Flathead Reservation continues to expand, developing options and meet ever-changing needs. Through diverse partnerships, the program has managed to grow into a successful operation with a fleet of busses that annually provides more than 30,000 rides. Operated by the Confederated Salish and Kootenai Tribes, Flathead Transit has been aggressive in seeking funding and resources.

Commented [KK3]: Your note on the top part of this paragraph says “refer to CEPS”

Since its inception, the system has received support from the federal Tribal Transit Program, a Congressional earmark, the State of Montana, the Indian Reservation Roads Program, the Community Transportation Association of America Vocational Rehabilitation, TANF, the Older Americans Act, the Job Access and Reverse Commute Program, the American Reinvestment and Recovery Act and local partners. Flathead Transit was selected as the Transportation System of the Year by the Montana Transit Association. Additionally, a cadre of other special interest agencies fills in other demographic niches dealing with highly targeted populations. Those other transit service providers include: Mission Mountain Enterprises, a nonprofit corporation that serves the elderly and disabled; Lake County Council on Aging; Salish Kootenai College, for students and employees; and Tribal Health, which funds limited service to tribal members for medical appointments. Some communities tend to have better or more transit options. Elders in certain communities, such as Ronan, have a fairly strong program. Outlying communities have few services. The program now has bus shelters in all communities and will be expanding routes in the coming year.

Missoula Ravalli Transportation Management Association (MR TMA) helps western Montana residents make better transportation choices today and in the future by developing comprehensive transportation alternatives designed to:

- minimize traffic
- reduce parking congestion
- protect our environment
- improve our quality of life

Working with the Montana Department of Transportation, MR TMA provides transportation choices for citizens of Missoula, Ravalli and Lake Counties. MR TMA staff brings a diverse range of experience in transportation coordination, community project development, as well as public and human relations. MR TMA is funded through a grant from the Montana Department of Transportation with matching funds from a consortium of Ravalli, Missoula and Lake County organizations.

Rail Service

As mentioned earlier, in 1883, the Northern Pacific Company built a railroad across the south end of what is now Lake County and the Flathead Indian Reservation. They completed a line from the west coast through Missoula and across Montana to Chicago. They completed a spur line from Dixon to Polson in the early 1900s. That line is currently owned and operated by Montana Rail Link (MRL). MRL uses the main line (through Sanders County and the reservation and south to Missoula) seven days a week for hauling interstate and intrastate freight. Montana Rail Link service for both the Polson and Ravalli spurs has been suspended due to profitability and maintenance issues. Lake County clients have replaced the rail services with commercial and long-haul truck, but that is a “stop-gap” measure, where costs will rapidly escalate with the cost of gas and fuel. There are

questions as to what can or will be done to reopen the line to adequately service agricultural producers and growing commercial businesses that will require rail service in the future. The county and users are protesting the shut-down as filed with the Federal Rail Transportation Agency.

Bike and Pedestrian Pathways

A number of trails exist in Lake County and others are in various stages of planning. A bicycle/pedestrian pathway was included in the more recent reconstruction of Highway 93 between Ronan and Polson, and north and south of Arlee, and future highway design through the county is expected to continue this trend. Unfortunately, much of the design between Evaro north to St. Ignatius, the longest stretch of reconstruction, did not include pathways. The community of Arlee, working with Lake County CTEP funds, CSKT and donations, is trying to remedy some of that with a larger trail system in the Jocko Valley portion of the route. A current reconstruction project on 2.3 miles of the Skyline Drive on the north edge of Polson, funded by a TIGER grant from the Federal Highway Administration, includes a separated trail/bike path that connects back to that constructed on Highway 93. Aside from sidewalks which have been constructed in multiple locations across the reservation by the tribes, paths also exist north of Big Arm, west of Ronan, in Pablo and in St. Ignatius. Most of the recently completed pathways are separated from road surfaces and typically have higher use rates because of perceived safety benefits, although they are more difficult to maintain. The tribes and the Lake County Commissioners are committed to expanding these trails as much as possible. CSKT plans to construct a new path on Timberlane Road from Highway 93 to the Clarice Paul Homesites in 2013. There has been a large increase in pathway use and demand due to our economy and awareness of health benefits.

Transportation - Mineral County

Road System

Mineral County's transportation system includes Interstate 90 as the main four-lane route that bisects the county from the southeast to the northwest. It provides a convenient direct connection from the Mineral County area to Idaho toward the west and to Missoula and other primary highway routes to the east. Highway 135 North originates at St. Regis and continues for seven and three-quarters miles to the Sanders County line. The construction of Interstate 90 followed the route of Highway 10; its construction orphaned sections of what now is referred to as Old Highway 10. The Montana Department of Transportation maintains part of the Old Highway 10 road sections and Mineral County provides limited maintenance for the remaining sections.

Mineral County – Highways

Roads in Mineral County are maintained by the county, towns of Alberton and Superior, Montana Department of Transportation, and the U.S. Forest Service. Mineral County and the Lolo and Ninemile Districts have a cooperative Schedule A maintenance agreement for interspersed road segments that results in road maintenance exchange. The county has a network of local roads that are under the jurisdiction of the Mineral County Road Department. Maintaining the roads is a formidable undertaking, and one that is of primary importance in the minds of local residents who are isolated from essential public services. Maintenance is also provided by the county for roads within the unincorporated communities.

The total mileage of county roads creates the very difficult task of maintaining or improving the roads to desirable standards given the budget constraints of a population of less than 4,500 people. Routine maintenance of county roads is assigned to three county shops. Some important information on the roads and streets in Mineral County was obtained when a road addressing system was recently developed. The county contracted with a private firm to inventory the roads and structure locations throughout the county. Road names were listed for each segment recorded during the GIS inventory process along with the corresponding length for all roads and highways in the county. Addresses were then assigned according to a standard numbering system. The addressing maps are the key to the local 911 emergency response system. The database and GIS mapping system was used as a base to help produce the county road map for this report.

Bridges

Bridges in Mineral County known as major structures (single clear spans greater than 20 feet in length) are inspected biennially by the Montana Department of Transportation. However, detailed inspections of minor structures (single clear spans less than 20 feet) traditionally are not conducted on a regular basis by MDT or county crews. Existing bridge locations could be recorded during a county road inventory as part of the GIS database for the addressing system, followed by preparation of a bridge study to identify critical problem areas in the county as well as priorities and funding sources for improvements.

Alberton, Superior, and St. Regis Streets

The street systems of Alberton and Superior are the result of original platting of the land laid out between the Clark Fork River and the rugged landforms of the adjacent mountainous areas. Interstate 90 and Montana Rail Link Railroad also have a controlling influence on the street patterns and traffic circulation of the towns. St. Regis also has an existing street system limited primarily by the topography.

Rail Service

The Montana Rail Link railroad enters at Alberton and travels along the Clark Fork River to the Sanders County line. The route length is approximately 60 miles. The number of trains per day range from 20 to 25. Montana Rail Link provides service to the former Diamond Match Mill site and the Tricon Timber Mill.

Airports

Mineral County has one airport located approximately two miles east of Superior, which parallels Interstate 90 and has a runway length of 3,700 feet. The airport has six hangars that are leased to the public. The airport had a major upgrade in 2005 that consisted of reconstructing and surfacing runways, tree removal for improved sight distance, and fencing to prevent animal encroachment. The airport does not have nighttime lighting. Mineral County installed an avgas fuel system that includes a 12,000 gallon, above ground, UL2085 storage tank, fuel dispenser, fuel management system, offload pump, site work, electrical/telephone services, and all appurtenant piping, electrical installation, and setup for complete self-service fueling facility. In 2016, the airport was upgraded to 3-phase power, enabling expansion and industrial facilities at the airport in the future. Air ambulance

services are available from Missoula on an on-call emergency basis with response estimated to be 15-30 minutes from the request time. The Lolo National Forest operates a heliport at the St. Regis Work Center during the active fire seasons when firefighting is ongoing.

Transportation - Sanders County

Planning for transportation is critical to fostering healthy, safe, attractive and economically viable communities and for providing access to those communities from other areas. Transportation routes that facilitate ready access to emergency and non-emergency medical care, grocery shopping and other important services are especially important to rural areas where a specialized doctor's visit might entail a drive of well over 100 miles. Transportation routes and infrastructure will also have a significant effect on land development and land use patterns, with major traffic corridors being the most attractive for business development.

Highway 200 runs east and west, bisecting Sanders County between Dixon, past Noxon and Heron to the Idaho border. It passes through most of the major communities in Sanders County and carries a mix of traffic from normal passenger traffic to heavy commercial traffic. Both tribal and non-tribal interests control the land along the highway. Participating in how this corridor is maintained and developed in the coming years is of major importance to Sanders County and will be a strategic priority in the coming years.

Highway 28 runs north from Plains past Hot Springs into the Flathead Valley area. This is also an important transportation corridor for Sanders County, providing access to services and recreational opportunities for county residents, both within Sanders County and beyond. Recent repaving has improved this route.

Because of increased traffic and the age of many of the bridges within the county, some require extensive repair or rebuilding. In particular the Heron Bridge, which provides Heron with access to Highway 200, was in a significant state of disrepair and was a strategic priority for Sanders County. The bridge is currently under reconstruction and due to be completed in fall 2017.

Weather, traffic and development have had an impact on roads in Sanders County. In recent years, areas previously undeveloped or lightly developed have grown, necessitating a review of the suitability of the county roads serving these areas. A recent county survey indicated that 52% of respondents felt that streets and roads within the county were not adequately maintained. The need for road patching surfaced as a significant issue. Other concerns included dust abatement, grading and snow removal. Some progress has been made.

There is always a need for affordable, relevant transportation options, especially for disadvantaged populations within the county. Sanders County Council on Aging began a county-wide public transportation program in 2015. Sanders County Transportation provides reliable service to surrounding areas for those who don't drive or are in need of transportation. They pick up locally and coordinate trips within the county and to regional city-center destinations such as Missoula, Kalispell and Sandpoint. SCT takes passengers to grocery stores, shopping centers and medical appointments. Fares are minimal and the service also bills to Medicaid for qualifying clients.

Commented [KK4]: If this is completed we could change to "The bridge reconstruction was completed in the fall of 2017."

Airports

Public airports in Sanders County include those located at Hot Springs, Plains and Thompson Falls, in addition to several private airports. The Hot Springs County airport encompasses 117 acres at an elevation of 2,763 feet. Its runway is 2,580 feet by 75 feet, surfaced with chip seal in need of repair. There are no fuel or repair services available. The Plains airport encompasses 259 acres at an elevation of 2,467 feet. Its runway is 4650 feet in length by 75 feet, surfaced with asphalt. The airport at Thompson Falls encompasses 136 acres at an elevation also at 2,467 feet. Its runway is 4200 feet in length by 75 feet, surfaced with asphalt. A new fuel system was installed in December 2016 at the Thompson Falls Airport. It contains up to 6000 gallons of 100 octane Low Lead (100LL) aviation fuel for piston engine aircraft. It is available to the flying public 24/7/365 via a self-serve credit card terminal.

Commented [KK5]: Your comment here is "Education" so apparently that's a section to be added?

Commerce and Industry - Lake County

Lake County, occupying an area of 1,653.8 square miles, is ranked 9th in the state with a population in 2016 of 29,758, according to the U.S. Census Bureau's 2016 Population Estimates Program. The county had a per capita personal income of \$22,278 or 84% of the state average of \$26,381 and 67% of the national average of \$33,205. Median household income for the county was \$38,732 (82% of state median of \$47,169) with approximately 22% living in poverty. In 2016, Montana had a per capita personal income (PCPI) that ranked 35th in the United States and was 87 percent of the national average of \$49,246. The 2016 PCPI reflected an increase of 1.1 percent from 2015. The 2015-2016 national change was 1.6 percent. In 2006, the PCPI of Montana was \$31,809 and ranked 41st in the United States. The 2006-2016 compound annual growth rate of PCPI was 3.0 percent. The compound annual growth rate for the nation was 2.6 percent. The percentage of personal income from transfer payments was 29%, compared to 18.3% statewide and 17% nationally. The calculated median household income for the county at \$38,732 is 85% of state median of \$47,169 and 71.8% of federal median of \$59,039. 20.8% of its citizens live below the poverty level, versus the state level of 13.3% and federal level of 12.7%.

Employers in Lake County

The 2017 Montana Economic Report prepared by Bureau of Business and Economic Research at the University of Montana indicates that Montana's rural communities play an important role in our state's economy. Growth in Missoula and Kalispell has helped construction and visitor spending growth in Lake County. Professional services growth specific to healthcare continues to experience significant changes, and at the same time faces substantial uncertainty. This same report shows surges in health insurance coverage, healthcare employment and health insurance premiums. The year 2016 also saw a surge in healthcare employment in the state of Montana after a couple years of relatively slow employment growth. St. Luke Community Hospital is now reflected in the table below as the largest non-government employer in the county with St. Joseph Hospital not far behind.

Industrial and manufacturing activity, while increasing in Lake County, has traditionally struggled as a major industry. Light manufacturing plants provide a steadily increasing number of jobs, with Jore Corporation dba Rocky Mountain Twist employing over 200. Pablo is home to S & K Electronics, a defense contractor manufacturing electronic products. S & K Technologies, located in St. Ignatius, is the parent organization for seven enterprises involved in things as diverse as defense and logistics to

wildland restoration. Both S&K Electronics and S&K Technologies are tribally-owned businesses; therefore their employment data is not reflected in the table below.

The following lists the top 15 non-government employers in Lake County at the end of 2015, by size class and number of employees.

Business Name	Size Class #
Black Mountain Software	4
Designs for Health	5
Evergreen Healthcare	5
Glacier Bank	5
Home Caregivers	4
Jore Corporation dba Rocky Mountain Twist	6
McDonald's of Polson and Ronan	5
Mission Mountain Enterprises	6
Mission Valley Power	5
Safeway	5
St. Joseph Hospital	6
St. Luke Community Hospital	7
Super 1 Foods	6
Wal-Mart	6
Western Bee Supplies	5

Size Class 3 = 10-19 employees;
 Size Class 4 = 20-49 employees;
 Size Class 5 = 50-99 employees;
 Size Class 6 = 100-249 employees;
 Size Class 7 = 250-499 employees;
 Size Class 8 = 500-999 employees;
 Size Class 9 = 1,000 and over employees

<http://lmi.mt.gov/employment/qcewTop>

The southern portion of the county is served by the communities of St. Ignatius, Arlee and Charlo. The central part of the county is served by Ronan and Pablo and has emerged as the center for agriculturally oriented businesses and supplies. With its more centralized location and proximity to Flathead Lake, Polson serves a diverse economic base.

The dramatic increase in summer population in the Polson area provides a short term increase in the retail trade sector that is shared by the entire county. This becomes a liability for many businesses that are unable to sustain enough business in the winter months to remain viable. Further strain has been placed on the locally-owned retail businesses, especially those in the downtown area, with the opening of a Walmart store in Polson in 1998 on the southern outskirts of town. This has spurred business growth and movement out to the highway and taken focus away from the traditional downtown shopping area. Throughout Lake County, many family-owned "cottage" industries (including furniture manufacturers, canoe/boat builders, ironworkers, artisans and weavers) share the entire landscape with the usual commercial ventures of grocery stores, gas stations, retailers and restaurants.

Like many communities in rural areas, a large percentage of the disposable income from Lake County residents is being attracted to the larger regional shopping centers in Missoula and Kalispell. Downtowns throughout Lake County communities are struggling. Many of the rural Lake County communities have started programs to recognize their uniqueness and to revitalize and rehabilitate stores and streets in order to attract new business and retain dollars currently being exported to the larger centers. Several of the communities have participated in Montana Economic Developers

Association Resource Team Assessments, and Community Visioning activities. As elected officials, community leaders and residents who understand local conditions come together to design strategies that build on assets and develop options for their communities, the results often lead to variations in expectations and actual outcomes. As facilitators, Lake County Community Development Corporation (LCCDC) sees many successful processes and a great deal of support for on-going follow-up to ensure that projects are completed.

Lake County Community Development Corporation, the existing Regional Development Corporation, was originally established in 1995 and has worked to develop programs that respond to the needs of existing and emerging businesses in the county since that time. As a nonprofit organization, it works independently of any government agency, but works collaboratively with any representatives of those agencies, be they local, county, tribal, state or federal, to implement programs that are reflective of the needs of both the business community and the residents of the area.

Lake County and the boundaries of the Flathead Indian Reservation are nearly synonymous. LCCDC's outreach and services, therefore, are to all businesses and all residents, without regard to whether they are tribally-owned or not; or Native or not; or members of any other minority group. Approximately 5% of its revolving loan fund has served Native or tribally-owned small or emerging businesses.

It is, therefore, critical that the economic development objectives of the county do not unnecessarily conflict with those of either the tribe or its members. Communication on these vital matters is critical to ensuring that sound economic development occurs; a supporting environment for economic development occurs; and that all members of our society have access to both the jobs that are created and the opportunities of entrepreneurship.

Commerce and Industry - Mineral County

Mineral County occupies an area of 1,223.4 square miles, 87% of which is state and federal land. It's ranked 37th in the state with a population in 2015 of 4,251, and estimated in 2020 at 4,325. In 2015, the county had a per capita personal income of \$33,092, or 79% of the state average and 68% of the national average, ranking it 46th in the state. The annual average PCPI grew at a rate of 2.6% from 2009-2015, versus the state average of 3.6% and the national average of 3.38%, the county's overall ranking in the state decreased from 43rd to 46th in 2015. Median household income for the county was \$39,584 (80% of state median of \$49,700), with 18.4% of its population living in poverty versus 15.2% in Montana and 14.8 in the nation. The percentage of households in Mineral County with household income of less than \$25,000 per year was nearly 37%, which is about 12% higher than the statewide rate. From 2010 to 2014, the percent of income generated by transfer receipt in Mineral County decreased from 35% to 33% of personal income. The percentage of personal income from dividends and interest remained constant at 16%. Mineral County's personal income represents 0.3% of the statewide total. In 2016, unemployment stood at 7.6%, ranking it at 54th of 56 counties.

Commercial Development Pattern

Commercial development within the Mineral County planning area has at least some presence in each of the communities along the interstate, but is primarily concentrated in Alberton, Superior, and

the St. Regis vicinity. Commercial uses in the smaller communities of Cyr, Tarkio, DeBorgia, Haugan, and Saltese are generally smaller establishments that cater to the convenience needs of the community or recreational opportunities. Restaurants, bars, service stations and small specialty businesses of rafting and fishing guide services and repair shops generally represent the extent of commercial development in the rural communities of the county; commercial outfitters are located or operate in more remote locations of Mineral County. Commercial businesses offering services of meat processing, septic system maintenance and taxidermy operate east of the Mineral County airport.

To some degree, the business and retail services offered in Alberton and Superior must compete favorably with neighboring communities. Commercial development in the towns of Mineral County should remain focused on providing improvements in basic services that are already such an important part of the local economy. Commercial services such as restaurants, motels, clothing, sporting goods, automotive service and repair, and specialty shops, as well as professional service providers, will most likely see a slight increase in demand during the next 10 years. The trend in Mineral County for dependence on large scale retail services available in the neighboring regional cities of Missoula and Spokane will continue to have a significant effect on commercial expansion within the county.

Industrial Use

Industrial uses are related to timber and mineral extraction processing activities primarily located along the railroad and main highway transportation route of Interstate 90 and Montana Highway 135. The Montana Rail Link corridor in the Alberton and Superior area provides ample space for the location of light industrial uses including timber processing, shipping facilities, and a variety of other uses. In an effort for future development of an industrial park and expansion potential for existing and new businesses in Superior, the airport has upgraded to 3-phase power; Superior Meats, a processing facility, is currently the only industrial business utilizing this upgrade. St. Regis' industrial businesses are Tricon Timber Mill, Big Sky Forest Products, and St. Regis Custom Log Homes.

Employment in Mineral County⁵

The employment market is reflecting the regional trend where service jobs are outpacing the manufacturing or wood products employment. Without job opportunities from new businesses, the college-bound students will attend school and very likely not return to Mineral County for their livelihood. Professional employment presents limited job opportunities. Doctors, scientists and technically trained individuals may leave for better job opportunities most likely related to wages.

The economy of Mineral County is dependent on the service industries and retail trade as the anchor for income. Important industries in Mineral County include retail trade, accommodation, food services and manufacturing. The concentration of jobs in the accommodation and food service industry is 2.28 times the national average, due to the reliance on tourism for survival. The basic industries of local, state and federal government, as well as construction employment have remained relatively stable overall since 1970 and there has been a downward trend in manufacturing (including

⁵ Mineral County Growth Policy

forest products) and mining. The service and professional industry showed a 3% decrease from 2000-2015. Since 2000, the total county employment has had a slight decrease from 2,041 to 1,964 in 2015. In 2015 the three industry sectors with the largest number of jobs were government (355 jobs), retail trade (308 jobs), and healthcare and social assistance (178 jobs). Wage and salary employment has increased from 2000 to 2015, representing over 61.2% of the total, while 38.4% are in the proprietor classification. Total employment in the county has increased by 7.5% from 2000 to 2015. Job growth has been slow in the county and the unemployment rate is consistently higher than the state and the nation.

The following lists the top 15 employers in Mineral County, by class-size. Top employer list does not include government or tribal ownership. The following is the Class Breakdown, per the Montana Department of Labor:

Top Private Employers (Top 10) for Mineral County 2015 ■ Top 10

Trade Name	Num Emp	
Durango's Restaurant	20 to 49	■
Jaspers Restaurant	20 to 49	■
Lincolns Silver Dollar Bar	50 to 99	■
Mineral Community Hospital	50 to 99	■
Mineral Regional Health Center	10 to 19	■
Mountain West Bark Products	10 to 19	■
St. Regis Travel Center	50 to 99	■
Town Pump	20 to 49	■
Tricon Timber	100 to 249	■
Westgate True Value Hardware & Cas..	20 to 49	■

Commerce and Industry - Sanders County

Sanders County occupies an area of 2,790.2 square miles and is ranked 17th in the state with a population estimate of 11,534 in 2016. In 2015, the county had a per capita personal income (PCPI) of \$32,677, or 74% of the state average of \$43,981 and 67% of the national average, \$48,737. Total personal income grew from 2000-2015 by 34.1% from \$24,362 to \$32,677. The 2015 American Community Survey 5-year estimates calculate the median income for the county at \$32,257 or 68% of state median of \$47,169. Persons below poverty level are 22.4% versus the state level of 15.2% and federal level of 15.5%.

Business development and retention will continue to be a strategic priority for Sanders County. Especially important, given the restrictions associated with a natural resource-based economy, will be the creation or attraction of businesses that have not been a mainstay of Sanders County business in the past. Technology-based businesses or unique manufacturing businesses are examples. Recent focus on tourism via the Tour 200 program has helped to promote more awareness of Sanders County as a tourist destination. Membership in Glacier Country's Regional Tourism Commission has also helped to promote awareness of Sanders County. An additional focus on tourism by Thompson Falls Main Street Association and independent businesses and volunteers has added capacity to tourism promotion, but the scope of what can be done is limited by this **fact**.

Commented [KK6]: What does "this fact" refer to?

The Sanders County Community Development Corporation (SCCDC) offers its support services to businesses and community projects within the county. It has had some success, demonstrated by the successful grants it has written and sponsored, workshops and technical assistance it has offered,

loans it has granted and small businesses, organizations and local governments it has assisted. However, funding for this organization is extremely limited and traditional sources of funding, such as interest from business loans, has been dramatically reduced due to significant loan losses. Creative funding sources continue to be identified, such as private foundations, corporate partners and administrative activities that sustain SCCDC. It is clear that SCCDC fills a necessary role in a county with a limited community development network of resources. Funding is needed for the expansion of staff; SCCDC employs only one part-time employee today.

The revolving loan fund, used to fund business start-up and expansion within the county, has been severely depleted due to loan losses and needs to be replenished. SCCDC partners with other regional community development loan funds to ensure that Sanders County businesses have access to such funds and also to spread the risk inherent in making business loans.

Significant numbers of Sanders County residents tend to purchase goods and services outside of the county. Some of these purchases might have been made within the county. It's important to understand the reasons behind these purchase decisions in order to develop a marketing plan that encourages Sanders County residents to buy local.

Response to business seminars in recent years has been encouraging. A list of pertinent business topics have been developed into workshops and are hosted annually from September – May to assist existing or potential business owners in increasing their skills as managers, owners, marketers and entrepreneurs. In conjunction with LCCDC, Sanders County businesses are eligible for one-on-one technical assistance grants to aid with direct education pertaining to business start-up, financial management and marketing.

SCCDC has increased its visibility in the communities within Sanders County since 2012 through public facility community projects to business lending and assistance. Continued efforts must be prioritized to increase the awareness of SCCDC as a resource for existing and potential businesses. SandersCounty.org provides comprehensive information for business and community services, relocation and visitation. An MLS-connected inventory of available commercial sites has been developed by the Montana Governor's Office of Economic Development and linked for potential new residents/businesses. *Site Selector* provides current information about sites for acquisition and development.

Employment in Sanders County

Based on 1st quarter of 2017, the following lists the top 10 employers in Sanders County by class-size. The report is based on 2015 Top Employer list from the Montana Department of Labor and Industry. The following is the class breakdown, per the MT Dept. of L & I:

Business Name	Size Class #
Avista Corporation	4
Clark Fork Valley Hospital	6
Evergreen Hot Springs Health and Rehabilitation Center	4
First Security Bank	4
Little Bitterroot Services	4
Monarch School	5
Quinn's Hot Springs Resort	5
Sanders County Harvest Foods	4
Thompson River Lumber	5
Town Pump	4

Size Class 3 = 10-19 employees;
 Size Class 4 = 20-49 employees;
 Size Class 5 = 50-99 employees;
 Size Class 6 = 100-249 employees;
 Size Class 7 = 250-499 employees;
 Size Class 8 = 500-999 employees;
 Size Class 9 = 1,000 and over employees

Although this report is accurate, Monarch School recently closed its doors. As an alternative, therapy-based program school in Heron, it was a major employer on the west end of the county.

Food and Agriculture Industries - Lake County

Lake County and the Flathead Indian Reservation encompass a landscape that host arable soils and annual average rainfall of 14.93 inches in 2014 which supports a diverse agricultural industry in the region. According to the 2012 USDA Census of Agriculture there were 149 Native American and 1665 white farm and ranch operators in Lake County.

Lake County has 555,766 acres of land in agricultural production in 2012, a 13% decrease since 2007. The county and surrounding land experienced a 10% decrease in the number of farms and ranches between 2007 and 2012 for a total number of farms in 2012 equaling 1,156. The average farm or ranch size is 481, which is small in comparison to the state average of 2,171 acres. Farms and ranches in Lake County sold \$77 million of farm products in 2014. Approximately \$28 million of the total farm product sales were from crops. Cattle and other livestock are a significant contribution to the economy with receipts from selling livestock and related products totaling \$40 million.

Lake County ranks #1 in Montana for fruit sales, with \$2,589,000 million in sales from cherry orchards. The orchards are located on the east side of Flathead Lake on Hwy 35 creating agri-tourism opportunities with farm stands along the route.

The county has the second highest number of acreage in Montana of both vegetables and potatoes, with about 4,943 acres in production. Since 2007 Lake County has fallen from 4th in Montana for dairy products to 12th in the state with sales of milk at \$980,000. The area also ranks 7th in the state for sales of horses and ponies, with \$1,211,000 in sales and is 6th in the state with an inventory of 3,904 horses and ponies. Horse enterprises are on the rise with some of the most regarded horse trainers in the nation living within the county. Lake County has substantial forage land acreage with 43,466 acres used in hay and haylage production.

Lake County population growth has had an impact on its agricultural lands commonly attributed to economic incentives to subdivide combined with unfavorable agricultural market conditions. There has been an increase in the number of small diversified farms that are more intensively managing fewer acres. It was reported in the 2012 Census that 58 farms sold product directly to retail outlets, 79 farms produced and sold value added commodities and 17 farms operated CSA (Community Supported Agriculture) on their farm. Land use management is on the rise with 265 farms practicing rotational or management intensive grazing. Farm and ranch producers within the western Montana region have spent more producing crops and livestock than they earned by selling these products even though there was a market value increase of 12% of products sold in 2012. Total gross farm income in 2014 was \$77,032 million and total production expenses was \$80,431 million resulting a net loss of \$-3,339 million. Overall, this means farm families rely heavily on off-farm jobs to make ends meet and for healthcare benefits. In Lake County many of the farmers rely on other income with 16% of farm operators having occupations other than farming as their primary occupation to maintain their farming operations.

Food and Agriculture Industries - Mineral County

Only a small portion of Mineral County's land base is suitable for agricultural production. Subsequently, food and agriculture related enterprises are a minor component of the local economy. The vast majority of these enterprises are small to medium sized family concerns which produce small grains, hay, cow/calf, hogs, horses and timber. With the county land base being 92% public land there is little opportunity for full-time employment in agriculture. The Tricon Mill in St Regis provides a ready market for local logs. The number of horses kept for recreational purposes also provides a ready local market for the quality hay that is produced. With the exception of hay, small grain and cow calf operations, most agriculture is for personal consumption or supplementary income. These enterprises have been negatively affected by pressures to subdivide and fluctuations in the beef industry.

Land prices have remained high in the area and the limited growing season precludes any potential new startup operations. Family generational transition of property and operations lends a high level of uncertainty to the future of the land suitable for agricultural production. High costs of inputs and lack of access to markets and working capital prevent feasible startup or takeover of current operations. The potential loss of funding from the federal Secure Rural Schools Act places the county services that support economic development and agriculture in danger due to lack of sufficient tax base. There is no logging or other resource extraction revenue from the 82% of the land managed by the Forest Service, or any indication of assistance potential from the state government for counties in the state that are dependent on these funds.

According to the 2016 USDA Census of Agriculture, in 2012 Mineral County had 17,049 acres of land in agricultural production; with only 95 operations that makes the average farm or ranch size 179 acres. Farms and ranches in Mineral County sold \$1,107,000 of farm products in 2012; 77% of that total was livestock sales. The average value of agricultural products sold per farm in 2012 was \$11,656, an increase of 34% from 2007. Recent trends indicate there are opportunities to stabilize the agricultural sector and diversify the economic base of the area.

Opportunities

Accessibility to locally grown fresh produce is a coming trend in the area. A farmer's market is establishing a repeat presence over the past few years with an increasing participation by local gardeners selling "left-over" produce after their family's needs have been met. A nursery for native plant species is a market that remains viable with few in this region participating.

The local meat processing facility has expressed a desire to purchase locally finished cattle and hogs, which may provide an entrepreneurial opportunity in the county. The major constraint to date has been access to an affordable protein source and a large enough operation to take advantage of savings by scale. These and other potential opportunities have not been tested given the guarded condition of the local and larger economy.

Food and Agriculture Industries - Sanders County

Agriculture has been and continues to be important to the economic well-being of Sanders County. According to the Montana Department of Agriculture, as of 2015 there were 492 farms located in Sanders County, down from 508 in 20017. A total of 338,725 acres of land were designated as farm, with an average farm size of 688 acres. According to the Crossroads Resource Center, \$14,000,000 in farm products were sold in 2007, \$6.4 million as crops, \$7.6 million as livestock and related products. The county ranks first in the state with 453 acres in nursery and ornamental production and second in nursery and ornamental sales. Sanders County is third in Montana for Christmas tree sales and fifth in fruit and nut production.

Opportunities exist in expanding value-added agricultural products and direct marketing to consumers. Sales through commodity venues will likely remain important but agricultural producers would likely benefit from diversifying or changing their traditional crop marketing plans. With plentiful water, good soils and growing climate, organic farming practices should also be promoted within Sanders County to capitalize on this growing market segment. A major barrier to producers is distribution. The cost to be off the main arteries of highway travel for small business growers and value-added producers is a constant conversation. Western Growers Co-op based in the Mission Valley extends its services as far east as Plains on Highway 200.

Health and Human Services - Lake County

Healthcare

Providence St. Joseph Medical Center

Providence Health and Services is a not-for profit health system continuing the legacy of the Sisters of Providence by committing to providing an array of services to meet the needs of communities across five states including Washington, Montana, Alaska, Oregon, and California. Providence St. Joseph Medical Center, located in Polson, offers a wide array of specialties including:

- 24 hour emergency department
- Obstetrics and gynecology, family practice, orthopedics, general surgery, rehabilitation, laboratory services, diagnostic imaging, full service pharmacy, nutrition and social services, dermatology, outpatient infusion and behavioral health.
- St. Joseph Medical Center has 22 licensed and operational beds and a medical staff of 26 local

providers

- Specialty services offered include cardiologists from the International Heart Institute of Montana, oncologists from Montana Cancer Specialists, audiologists from Missoula Vibrant Hearing, surgeons from Missoula Bone and Joint and Ear, Nose and Throat specialists from Rocky Mountain ENT. Other specialties include, urology, neurology, endocrinology and nephrology.

The walk-in clinic in Polson is available seven days per week; and the Ronan Clinic offers OB/GYN and family practice services five days per week.

With 233 employees, an annual payroll of \$19,125,371 and paid benefits of \$4,781,342 it is estimated that Providence St. Joseph Medical Center has a minimum \$60,000,000 annual economic impact on the local community.

St. Luke Community Healthcare

St. Luke Community Healthcare is a nonprofit community-owned network of healthcare providers that delivers complete care for all stages of life from pre-natal to extended elderly care. The 25-bed St. Luke Community Hospital has an Emergency Department staffed with physicians on-site 24 hours a day, 7 days a week and handles nearly 9,000 ER visits per year. In addition, the Ronan hospital also provides a walk-in convenient care clinic that is designed for those who cannot get in to see their regular doctor but who do not require an emergency room visit.

The 14 primary care providers deliver family practice, pediatric, internal medicine, obstetrical, gynecological, and varicose vein medical care through four network-owned clinics in Ronan, St. Ignatius and Polson. All four clinics provide laboratory and x-ray services. Cardiology, urology, nephrology, neurology, neurosurgery and OB/GYN specialists visit the clinics on a monthly basis.

The St. Luke Surgery Center offers same-day or in-patient OB/GYN, endoscopic and laparoscopic procedures in addition to cosmetic, cataract, reconstructive and general orthopedic surgery. A full-time general surgeon provides a broad range of surgical procedures so that patients do not have to leave the valley for any planned procedures. The newest St. Luke imaging department service line is nuclear medicine, the first of its kind in the Mission Valley. It's the latest addition to the state-of-the-art technology at the Ronan hospital that includes 64-slice CT scanning, digital mammography, mobile MRI and 3D/4D ultra-sound imaging. All aspects of the healthcare network are tied together by the advanced digital Picture Archiving Communication System (PACS) that gives providers instant access to diagnostic images generated anywhere in the St. Luke network.

St. Luke Community Oxygen and Durable Medical Equipment deliver oxygen supplies and quality durable medical equipment from walkers to hospital beds. In addition, certified therapists evaluate and care for patients with special respiratory needs. Cardiologists from the Montana Heart Center are on-site at St. Luke each month to assist patients requiring cardiac rehabilitation. St. Luke Community Healthcare has also expanded and completely remodeled the physical therapy and fitness center. Sleep studies, audiology, women's rehabilitation, occupational and speech therapy add to the complete range of services available through St. Luke Community Healthcare. The 75 bed extended care facility includes a transitional care unit and adult day care.

St. Luke Oncology Infusion Center opened in the St. Luke Community Hospital in September of 2017. For those individuals who require infusion or oncology services, this can now be done locally, rather than having to travel to Missoula or Kalispell.

St. Luke Community Healthcare, through a grant from the Montana Healthcare Foundation, is in the process of implementing an Integrated Behavioral Health Program, which uses a holistic approach in the process of patient care. The philosophy is to treat the whole person, both physically and mentally.

In 2017, St. Luke Community Healthcare was recognized with quality awards by Mountain Pacific Quality Health. The awards were for “hospitals that demonstrate high performance in current national focus areas, including implementing the Centers for Disease Control and Prevention Core Elements for outpatient antibiotic stewardship and improving care transitions, medication safety, adult immunization rates and patient and family engagement and satisfaction.”

St. Luke Community Healthcare has over 40,000 patient visits per year throughout the network. With almost 400 employees, it is estimated that the St Luke Community Healthcare has a minimum \$100 million economic impact on the local community, considering an overall economic 1.67 multiplier on a payroll of \$23.3 million and expenses of \$38.9 million⁶.

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Ambulance

The Polson Emergency Company is a privately owned ambulance service that provides emergency response for Polson and surrounding area. Volunteer ambulance services and first responders cover the remainder of the county. Air ambulance is available from both Kalispell and Missoula. The county 911 center dispatches all ambulances. As the need grows, volunteer services may have to give way to private service with full-time paid staff in order to assure prompt and professional service to a growing population.

Human Services and Community Services

Food Pantries

Food pantries in Ronan, Polson, St. Ignatius and Arlee provide basic food items to those seeking their assistance and are maintained with strong volunteer support and donations. Services provided are free and open to all.

Lake County Human Rights Coalition

For two decades, this coalition has worked to promote understanding and community across the area. They have hosted educational activities and provided community events on topics such as bullying, racial diversity, hate crimes and leadership.

Helping Hands

This organization is affiliated with the Polson Ministerial Association. Helping Hands maintains and

⁶ Using Bureau of Economic Affairs RIMS II data released 2010

assists with emergency fund requests for food, housing, rent, medical equipment and medications. The program operates with community support and seeks to fill in the gap for those who don't qualify or can't access other services.

SAFE Harbor

SAFE Harbor is the only agency between Missoula and Kalispell that provides shelter and support services to victims of domestic violence, stalking or sexual assault. It also operates a homeless shelter. All services are free and open to all. For nearly 20 years the program has focused on helping victims by providing shelter, a 24-hour hotline, financial assistance, transportation, advocacy and support services for them to transition on to the next phase of life.

Cheerful Heart

This organization provides free non-medical services for Lake County residents with cancer. Assistance is provided with transportation, shopping, meal preparation, hospital visitations, yard work, pet care and respite. Volunteers are always needed.

Mission Mountain Enterprises

A nonprofit that provides residential services, community and organizational employment and personal and social services for people with disabilities.

Health and Human Services - Mineral County

Healthcare Services

The Mineral County Hospital District is organized under the laws of the state of Montana as a nonprofit corporation and is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code. The district appoints five of the nine voting directors to the Board of Missoula Community Health Services, Inc., doing business as Mineral Community Hospital. The hospital is a component unit of the district. The district provides approximately \$498,000 per year for operations and maintenance to the hospital through a hospital district levy that will last.

The hospital is comprised of Mineral Community Hospital, Tamarack Health Clinic, and Mountain View Village. Mineral Community Hospital is a 25-bed acute care hospital, and Mountain View Village is an 11-room assisted living facility located next to the hospital. The Tamarack Health Clinic provides primary and preventative healthcare, and maintains a mobile clinic serving St. Regis, DeBorgia and other west-end communities. ~~A clinic building is under construction in St. Regis and will be open for services in 2012. The Jack Lincoln Memorial Clinic opened in St. Regis in 2012.~~ With an employee base of 95, the hospital's annual salary and benefit payout in 2009 was \$3.5 million. The medical staff includes two primary care physicians and five physician assistants. Visiting specialists include cardiology, general surgery and podiatry. It is the second leading employer in Mineral County, behind Tricon Lumber and Manufacturing.

MCH is the primary healthcare provider in Mineral County, the sole provider of acute care services,

Commented [KK8]: Is something missing here, like a date? "That will last until 20xx:?"

the sole provider of skilled and long term care (18 long term care beds) and the primary provider of outpatient and physician services. In 2011, MCH became the number one trauma-receiving center for critical access hospitals in the state, and number four for all hospitals in Montana. Located on the Interstate 90 corridor with some of the most dangerous driving conditions, including a mountain pass, the hospital regularly receives multiple trauma cases, but only has a three-bed emergency room and one operating room to provide care. The lab is trying to operate in less than half of the space it needs; storage closets have been converted to offices and the radiology supervisor's office was relocated to a bathroom to make room for a CT scanner.

The Mineral County Hospital and the Mineral County Hospital District have developed plans for a complete renovation of its antiquated and rapidly disintegrating facility. Planning and development of financing of the first phase of this project is nearly complete and construction is expected to begin this year. The facility is anticipating being designated a teaching health center/hospital under collaboration with the Pacific Northwest University of Health Sciences College of Osteopathic Medicine, further expanding its services and economic impact within the County.

Health and Human Services - Sanders County

The population of Sanders County is aging, with 25% of the county population is age 65 or older. Many younger residents are leaving or expected to leave the county in search of employment or educational opportunities. New residents migrating to the county are primarily at or near retirement age. Healthcare is an important issue for Sanders County.

Medical

The Clark Fork Valley Hospital and Family Medicine Network, a not-for-profit community healthcare organization, serves Sanders County. It was the leading private employer in Sanders County in 2010. The critical access hospital is located in Plains, where it also provides a fully-staffed primary care clinic and a residential long-term care facility. In addition, CFVH provides primary care and rehabilitation services through its clinics in Thompson Falls and to the Eastern Sanders County Hospital District through its recently reconstructed clinic in Hot Springs. A third primary clinic in Noxon at the far western end of Sanders County was closed by CFVH due to the high cost of operations and sparse user population, but has been re-opened as the Bull River Clinic under the umbrella of Bonner General Health based in Sandpoint, ID.

The remaining medical facilities in Plains and Thompson Falls are anticipated to continue operating as they do today for the foreseeable future. Treatment for difficult or specialized medical conditions that cannot be treated by the Clark Fork Valley Hospital and Family Medicine Network is available outside the county in Kalispell, Missoula, Spokane or other medical facilities. Through cooperative care agreements, CFVH utilizes ambulance and A.L.E.R.T. helicopter services to transport urgent care patients to Missoula, Kalispell or Spokane hospitals. The hospital participates in the rural visiting physicians program and is connected through Vision-net to other hospitals and services throughout the area.

Looking to the Future

CFVH is committed to the future and is working on several fronts to improve service to the citizens

in Sanders County. To help counter the negative impacts resulting from closing its clinic services in Noxon, it is collaborating with the Sanders County Council on Aging to extend transportation services (van transports) to ensure people throughout the county have access to medical care. The Eastern Sanders County Hospital District has raised matching funds for reconstruction of the clinic in Hot Springs. SCCDC secured CDBG public facilities funding for the \$800,000 project and completed construction in 2013. The final product increased the availability of primary care throughout that community and draws patients from a considerable distance in regional communities because of the updated facilities. Ambulance services are provided throughout the county by services in Thompson Falls, Plains, Hot Springs and Noxon. The county also hosts *Care Flight* and *Life Flight* air ambulance services (ALERT).

Sanders County and local economic development organizations will continue to support the expansion and/or improvement of healthcare services within the county by assisting with planning and funding.

Human Services and Community Services

Clark Fork Valley Hospital employs two full time mental health professionals as well as coordinating care through several agencies. Local agencies include: Sanders County Coalition for Families, Montana Western Mental Health Center, Sanders County Council on Aging, Sanders County Public Health/WIC, as well as local licensed mental health providers.

The Council on Aging is located in Hot Springs, and works in conjunction with the Polson Agency for Aging office. The Council on Aging is the umbrella for all senior centers in Sanders County and is responsible for all meals at the senior centers, Meals on Wheels, homemaking services and information and assistance services. Active senior citizen centers throughout the county can be found in Plains, Thompson Falls, Trout Creek, Noxon, Hot Springs and Dixon. The centers serve as gathering place for senior events and celebrations, serve regularly scheduled meals, and host social activities.

Thompson Falls Community Trails has recently completed an expansion of the existing trail system. There is now a connection from the outlying Thompson Falls State Park to the existing Powerhouse Loop trail system which connects to downtown and residential Thompson Falls. There has been a very positive response to the availability of these trails with indication of increased positive community health and social welfare. State Park officials have seen record numbers of visitation to the park in the summer of 2017, when the new trail section opened. The expansion of the trail system is expected to have a positive effect on the health of Sanders County residents that choose to use the trails with a subsequent reduction in demand for some healthcare services.

Natural Resources and Energy Development - Lake County

The bulk of Lake County lies within the exterior boundaries of the Flathead Indian Reservation and there are limited amounts of natural resources available for development on private, state and federal lands within that area. There are small woodlots, forested ranch lands and tree farms that produce timber and post and pole material for their own use or for local and regional mills on an opportunity basis. There are several local wood products manufacturers who sustain themselves primarily on such sources of wood.

Significant areas of forest and related natural resources are located north and east of the reservation. The largest of these is the lower Swan River Valley which has some of the most productive timberlands in northwestern Montana. These areas are largely part of the Flathead National Forest but also include the Swan River State Forest, significant small private in holdings and large tracts of timber industry-owned lands. Timber harvest continues to be the primary extractive use of these lands though at less than historic levels. These lands are also highly valued for water supply, hunting, fishing and other recreational uses. Other than as a potential source of biomass fuels there is no obvious potential for energy development on these lands.

The energy requirements of Lake County are primarily met with Northwestern Power Grid electricity distributed by the CSKT managed utility, Mission Valley Power. An exception is the Swan River Valley portion of the county which is served by both Flathead and Missoula Electric Cooperatives.

Natural Resources and Energy Development - Mineral County

Forestry and the forest products industry are an important part of the heritage and economic base of Mineral County. Over 84% of the county is in timberland representing a total of 657,725 acres, of which 636,073 timbered acres (81.2%) are National Forest, 83,609 timbered acres (10.7%) are in private ownerships, and the remainder in state and other public ownerships. Timber harvest in the county across all ownerships equaled 16 million board feet in 2014, just 4% of the total state harvest in that year. As in most of western Montana where mountain forests are in a mix of public and timber industry ownership, an extensive system of roads is in place and considerable investment has been made since the 1950s in sustainable timber production. However, changes in industry practices coupled with changes in the forest products markets over the past two decades resulted in significant downsizing and restructuring in the local forest products industry. Even so, forestry and forest products remain a major component of Mineral County's economic base.

Mining is also an important part of the heritage of Mineral County but it ceased to be important to the economic base of the county when nearly all of the areas mines went out of production in the early 1900s. There are currently 140 active mining claims on file in the county and it is possible that sufficiently high prices for copper, gold, silver and other precious metals may stimulate new mining activity. New requirements to reclaim mined lands and other costs associated with production, however, make this unlikely in the near term.

Mineral County is dependent on outside sources for nearly all of its home, business and manufacturing energy needs. Currently power is distributed to the area by Northwestern Energy and the Missoula Rural Electric Cooperative. Northwestern Energy provides both electric and natural gas to the central and western portions of the county while the Missoula Rural Electric Cooperative supplies electricity to the eastern third. There may be potential for small scale hydropower or generation of power in localized power plants using biomass fuels, though there have been no specific proposals for this type of energy development. As with mining it will probably take a significant increase in the price of energy to make any such proposals feasible.

Other uses of the area's natural resources including domestic and agricultural water supply. Hunting, fishing and recreation also contribute to diversifying Mineral County's economic base.

Natural Resources and Energy Development - Sanders County

The use of natural resources for economic benefit is a significant component of the overall economy in Sanders County. Existing water, forest and range land resources have the potential to sustain levels of energy, food and material goods production that can be either used locally or exchanged outside the region to provide the goods and services needed by its inhabitants. Volatility in regional, national or global markets and changes in industry standards or practices, however, can undermine economic stability at the local level.

With a history of public and private timberland development similar to that of Mineral County, the forestry and forest products industries in Sanders County also experienced a major downsizing and restructuring over the past two decades and are only starting to rebuild. Nonetheless they contribute significantly to the economic base of the county. The abundance of publicly accessible mountain forests and streams also continue to provide non-extractive and amenity natural resource uses to economic benefit for the area.

Like Mineral County, Sanders County has a history of mining activity and a large number of inactive mining claims. One large mining industry company, Hecla, is in the process of permitting a major mine development, the Rock Creek Mine, in western Sanders County. They have provided some employment in the region for over a decade as they have done exploratory work and collected data needed for mine construction and the permitting process. A preliminary impact study has been done and public meetings have been held with the proposal generating a lot of controversy due to concerns over potential impacts and collateral affects to environmental values and local communities. Projected economic benefits include 300 mostly high-paying jobs projected to be held by one third of residents in Bonner, ID and Lincoln and Sanders, MT. Increased services are projected to be required of local businesses over a 30 year estimated project lifespan. The proposal is currently under review by regulatory agencies.

With two large corporate-owned hydropower generating facilities, Sanders County has in place energy development that is benefiting the local economy with jobs, taxes and other revenues. A Thompson Falls school power plant is also in place that is designed to burn biomass fuels. Thompson Falls is also a terminal point for Phillips-Conoco's Yellowstone Pipeline with oil storage facilities east of the downtown area. It appears that energy development will constitute a significant portion of Sanders County's economic base at least for the near term.

Tourism - Western Rural Development Region

Tourism is regarded in a special way in the region. Within the three counties and reservation's geographic boundaries, there are snow-crested mountain peaks, numerous reservoirs, the country's largest freshwater lake west of the Mississippi, major systems of rivers and streams, and great opportunities for wildlife viewing. Tourists and visitors are welcome to enjoy a wide range of activities including hiking, fishing and guided horseback trips and camping; however, they are asked to visit in a way that is respectful to the people and cultural sites of the Confederated Salish and Kootenai Tribes, respectful of the land, its creatures, the environment, and respectful of future generations who will live in this beautiful areas.

Tourism as an industry is particularly important to any community richly endowed with natural resources and attractions, but lacking in industrial and technical employment opportunities. Today, that might describe the region as a whole. The tourism industry, one of the region's five major industries, has shown continual growth and promises to become more important to the area's economic well-being in the future. The economic impact of the tourism industry is difficult to measure accurately because of its diversity that stretches from the obvious campgrounds, motels, service stations and supermarkets and then filtering to retail businesses, art galleries and real estate sales.

The region has historically participated in the tourism industry from the sidelines, as a "pass through" area for visitors headed for such destinations as Glacier National Park. The area has not been vigorously promoted as a destination stop, but that is improving. Thousands of visitors journey along I-90 corridor from points west, through Mineral County, along the Clark Fork and Flathead rivers in Sanders County, the shores of Flathead and Swan Lakes and past the Mission Mountains and the Bob Marshall Wilderness areas in Lake County as they drive the highway corridor between Yellowstone and Glacier National Parks, yet few stop to enjoy the vast recreational opportunities available here. Dozens of smaller lakes, hundreds of miles of rivers, streams and trails, and excellent public golf courses are also available for visitors' use. Recreational activities include boating, sailing, fishing, hunting, photography, hiking, snowmobiling, painting, cross-country skiing, camping, backpacking, riding - the list of outdoor activities is endless and the unused potential is enormous. In addition, there are several excellent museums depicting the rich history of the area.

The Mission Mountain Range is the largest of the many ranges surrounding the valley, and site of the Tribal Wilderness Area. Areas not included in the protected cultural sites offer incomparable hiking, backpacking, mountain climbing and wilderness camping. Fees from recreation permits required for use of tribal lands help to maintain the wilderness in its pristine state. These varied resources and activities give the region and the reservation an individual community's unique personalities. Working together for the betterment of the tourism business will continue to enhance and preserve this uniqueness.

In 2016, Montana's over 12 million non-resident visitors:

- spent **\$3 billion**
- directly supported **34,670 jobs** statewide
- generated **\$181 million** in state & local taxes
- lowered taxes on each Montana household by over **\$426**

<http://www.voicesoftourism.com/research/>

Overall, recent studies suggest that regions such as this, endowed with natural beauty and outdoor amenities, can leverage these assets to promote tourism and to attract creative workers seeking a better quality of life, thereby encouraging new residents, new business activity and economic growth. It is our collective intent to increase our focus on tourism as a means of economic development.

I. Public Input

Overview of Process

From July through November of 2017, Lake County Community Development Corporation and the CEDS Planning Committee planned and prepared the CEDS document collecting data for each region including data from other recent studies. An online CEDS survey was distributed in in September and October 2017 with 603 respondents. In November 2017 an independent consultant, Ned Cooney, facilitated an Action Planning Process for the CEDS Planning Committee and a draft plan was developed. In December 2017, the final document was prepared.

Challenges and Opportunities

Based on survey responses, focus group participation and the growth policy review, the following strengths and weaknesses were identified for the entire region.

Strengths - Opportunities

- Outdoor Recreation - Natural Beauty - Glacier National Park - Lakes - Mountains
- Tourist destination
- Work force with strong work ethic
- Quality health care - becoming a regional health care center
- Quality of life - small town living, friendly
- Flathead Valley Community College
- Kalispell Core Area and Whitefish Downtown
- Glacier Rail Park
- Partnerships - Working together - Community involvement

Weakness - Challenges

- Lack of affordable housing -workforce housing
- Low paying and part-time jobs due to seasonal/tourist economy
- Sprawl, strip development, unregulated growth
- High air fares
- Remote - Long distance from major markets
- Aging infrastructure - Need investment in roads, sewer . . .
- Slow Internet - Lack of broadband options
- Lack of workforce to fill skilled positions
- Lack of adequate daycare services at non-traditional times

Vision – Where do we want to be?

MISSION

:

To enhance the quality of life and economic well-being of all residents of Western Rural Development Region and the Flathead Indian Reservation

VISION:

The partners of the Western Rural Development Region are committed to the continuing development of a coalition that is based on trust, mutual respect for differing opinions, ongoing monitoring of voiced needs from and support for our citizens, our local communities and businesses, and a system of communication and openness that involves local, tribal and county governments and local development and community organizations. Our vision is for a region that encompasses a thriving and diversified economic base that supports good-paying jobs for its citizens; protects the integrity of the environment; contributes to the redevelopment of our rural communities and business centers; and ensures a continuation of the quality of life that is near and dear to the hearts of all who live here. We believe that in order to ensure the development of thriving communities, we have a shared responsibility to foster and nurture programs and projects that embrace the principles and stewardship of our social, economic and natural environments.

The Western Rural Development Region’s Comprehensive Economic Development Strategy (CEDs) is meant to be a “living” document. Many conversations have taken place to provide context and information regarding the CEDs planning process, which ultimately has led to a group of commonly agreed upon projects emerging as priorities.

The following section is just part of the vision for the Western Rural Development Region– we are “setting the table” for the future. While all of the strategic focus areas are not within the scope of WRDR (or LCCDC), the organization can still provide information obtained in community meetings processed to appropriate agencies and organizations. Additional projects and priorities will appear as necessary; however, the following focus area tables provide a roadmap for economic development within the region.

VALUES:

We value business growth while maintaining a high quality of life and our environment.

We foster a collaborative relationship within the region’s business community.

We nurture a close working relationship with the Confederated Salish and Kootenai Tribes, Lake, Mineral and Sanders Counties, and local governments.

We execute our mission in a manner that is ethical, legal and fiscally responsible.

We pursue opportunities that support economic development self-sustaining operations.

We perform our duties using best practices management principles and strive for continuous improvement.

PRIORITY AREAS

The overall goal of the Western Rural Development Region’s coalition is to develop priority areas and tasks that reflect the objective of strengthening our communities and the need to diversify the region’s economy.

Priority Area 1: Community Development.

Priority Area 2: Business Development.

Priority Area 3: Food Economy.

Priority Area 4: Cooperative Development

Priority Area 4: Growth Areas

Action Plan – How do we get there?

The following is the 5 Year Action Plan for the Western Rural Development Region for the calendar years of 2018-2022.

The action plan is a way to organize, quantify, and evaluate the progress of the priorities, activities and expected results for the next five years. In the following chart we outline activities to be completed, timeframes, lead agency, partners, and expected results. Some of these have yet to be completed as projects unfold, but it is an important piece of this “road map” because it helps to develop priorities, accountability, progress, and evaluation in the planning progress.

Funding

Funding comes from various sources including, but not limited to grants from the state and federal government, as well as funds and loans. Additional funding comes from the private sector in the form of loans and in-kind donations. For some projects it’s difficult to identify where funds will come from, due to grant scheduling and/or multiple potential funding sources. WRDR will consider any and all sources of funding to fund the action items in this section and recognizes that our involvement and pursuit of activities listed in this plan are dependent on the funding landscape and return on investment.

**CEDS 5 Year Action Plan 2018-2022
Western Rural Development Region**

Priority Area 1: Community Development

Activities	Timeframe	Lead Agency	Partners	Expected Results
Provide Technical Assistance to community champions and fee-based grant research/writing/management services for community projects including conducting feasibility studies.	Ongoing	LCCDC	Local EDOs CSKT MT Dept. of Commerce	•Funding will be secured for infrastructure projects that are reinvested in the Revolving Loan Fund. •Infrastructure needs are addressed because of increased outreach by local EDOs.
Address the following infrastructure priorities: •Roads •Broadband •Public Safety •Housing	Ongoing	LCCDC	Local EDOs CSKT Local Govt	•Tourism increases due to infrastructure changes and improvements. •Community members and decision makers have information and expertise to make good decisions about community needs and projects.
Represent the economic development perspective at various venues serving in the role of convener, advocate, educator, and data collector.	Ongoing	LCCDC	Local EDOs CSKT	•Existing facilities are utilized and downtown/main streets are thriving. •The Quality of Life in our region is enhanced.
Develop relationship including interagency (federal, state governments and tribal leadership).	Ongoing	LCCDC	Local EDOs CSKT	•Increased organizational capacity to deliver community development services in the region.
Provide media outreach regarding community projects and regional services.	Ongoing	LCCDC	Local EDOs CSKT ED Chambers of Commerce	
Support professional development of LCCDC staff and partners to provide community development.	Ongoing	LCCDC	Local EDOs CSKT ED MVNN MNA MEDA	

CEDS 5 Year Action Plan 2018-2022
Western Rural Development Region

Priority Area 2: Business Development

Activities	Timeframe	Lead Agency	Partners	Expected Results
Provide business development Technical Assistance for new and expanding businesses through one-on-one consultations and workshops with LCCDC as umbrella and each local EDO enhancing the reach and impact.	Ongoing	LCCDC	Local EDOs CSKT USDA	<ul style="list-style-type: none"> •Business development opportunities are supported. •New businesses are started. •Existing businesses are retained and expanded.
Convene resources, gather data and secure lending capital for new and expanding businesses.	Ongoing	LCCDC	Local EDOs CSKT Banks Credit Unions USDA CDFI MBOI CDBG MT/ID CDC	<ul style="list-style-type: none"> •More jobs are created or retained in our region. •Increased capacity of regional businesses. •New businesses are attracted to the region. •The availability of capital for lending is built and preserved.
Provide fee-based grant research/writing/management services for new and expanding businesses including gathering data and conducting feasibility studies.	Ongoing	LCCDC	Local EDOs CSKT MT Department of Commerce	<ul style="list-style-type: none"> •Increased organizational capacity to deliver business development services in the region.
Support professional development of Business Development Center staff and partners to be able to provide Technical Assistance and Education.	Ongoing	LCCDC	MEDA OFN Network	

**CEDS 5 Year Action Plan 2018-2022
Western Rural Development Region**

Priority Area 3: Food Economies

Activities	Timeframe	Lead Agency	Partners	Expected Results
Provide business and cooperative development Technical Assistance for new and expanding food businesses through one-on-one consultations, workshops and grant writing.	Ongoing	MMFEC	Local EDOs CSKT USDA Dept. of Ag FADC Network	<ul style="list-style-type: none"> •Effective local/regional food processing infrastructure is available. • New Agricultural enterprises and food businesses are assisted in their development.
Convene resources, gather data to increase opportunities in the Farm to Institution Program	Ongoing	MMFEC	Local EDOs NCAT AERO Schools Hospitals	<ul style="list-style-type: none"> •More food is produced and sold from our region including a robust Farm to Institution Program. •Agritourism is promoted and new enterprises developed.
Secure lending capital for new and expanding food businesses.	Ongoing	MMFEC	Local EDOs CSKT Banks USDA Dept of Ag	<ul style="list-style-type: none"> •MMFEC is and its Food and Agriculture Development Center are recognized as experts in food economy in the region.
Increase opportunities for Agri-tourism through outreach and education	Ongoing	MMFEC	Local EDOs CSKT AERO MDOA CFAC	<ul style="list-style-type: none"> •Increased organizational capacity to deliver food business development services in the region. •MMFEC has expanded facility capacity and improved operational management.
Produce food and value-added food products at MMFEC Food Processing Facility.	Ongoing	MMFEC	FADC Network WMGC	<ul style="list-style-type: none"> •MMFEC is established as the go to resource for food safety in the state.
Build the capacity of MMFEC processing facility, fiscal and operational management	Ongoing	MMFEC	MMEC	
Support professional development of MMFEC staff to be able to provide Technical Assistance and education.	Ongoing	MMFEC	FADC Network USDA MEDA	

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Priority Area 4: Cooperative Development

Activities	Timeframe	Lead Agency	Partners	Expected Results
Research, collect and disseminate principles, facts and technical knowledge related to cooperative business development.	Ongoing	LCCDC	USDA	<ul style="list-style-type: none"> •Cooperative development opportunities are supported. •New cooperatives are started. •Existing cooperatives are retained and expanded. •Increased organizational capacity to deliver cooperative development services in the region.
Provide Technical Assistance and support to emerging and existing cooperative development projects that improve the economic conditions of the region through workshops and one-on-one facilitation.	Ongoing	LCCDC	USDA	
Provide technical expertise and assistance to support cooperative to cooperative collaboration.	Ongoing	LCCDC	RMFU USDA MCDC	
Build capacity and resources in developing cooperative projects through broad collaborations, partnerships and cooperative development networks.	Ongoing	LCCDC	USDA Cooperation Works! MCDC NWDCD MFU MEDA	
Support professional development of MMFEC staff to be able to provide cooperative development Technical Assistance and education.	Ongoing	LCCDC	USDA Cooperation Works!	

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Priority Area 5: Growth Areas

Activities	Timeframe	Lead Agency	Partners	Expected Results
Identify potential growth areas that were included in the CEDS Survey.	Year 1	LCCDC	Local EDOs Local Governments	•An Action Plan is developed that reflects the counties served in the Western Rural Development Region. •Increased communications about issues and project needs in each County. •Increased regional capacity of local EDO staff and better understanding by regional communities of the services available to them.
Facilitate one annual public meeting of needs in each County to inform local governments and the public on potential grant or funding programs and identify community needs.	Annually	LCCDC	Local EDOs Local Governments	
Respond to new projects or programs identified throughout the year.	Ongoing	LCCDC	Local EDOs Local Governments	
Research models for cooperatives to address growth areas and develop organizational capacity to provide cooperative development services in growth areas. Specifically cooperative solutions to affordable housing.	Ongoing	LCCDC	MT Department of Commerce Local Housing Agencies	

Appendix A: Survey Summary

A total of 603 people responded to the survey. Figure 1 indicates the distribution of respondents within the region

Figure 1: Location of Survey Respondent

