



BIG * SKY
CHAMBER OF COMMERCE
CONVENTION & VISITORS BUREAU

Meeting Minutes

Big Sky Chapel

Big Sky, Montana 59716

406-995-3000

July 23, 2015

www.bigskychamber.com

Call to Order: 3:03 P.M.

Intro: Discuss the main projects the Chamber will focus upon in this fiscal year.

Public Comment: No Public Comment

VBS Liaison Report

Kitty Clemens, Executive Director

- In the July meeting, VBS elected several new board members: Krista Traxler, Director of Marketing at Yellowstone Club and Crystal Snook, owner of Mountain Maven.
- July 1 is the beginning of the fiscal year. VBS board did an audit on the current advertising campaign. The campaign is doing better than last year. Businesses have indicated that business is stronger than last year.
- There will be a press FAM tour with journalists from all across the country. There will be two tracks to the FAM tour: adventure and serenity.
- The journalists will be at a sponsor tent for the Arts Council. Kitty invites all of Town to stop by and meet the press FAM.

ACTION ITEMS

Board Vacancy

David O'Connor, Board President

- David explained there is a board vacancy due to John Richardson leaving the board.
- Kevin motioned to appoint Paul Robertson, General Manager of Lone Mountain Ranch, for the vacant board position. Brandon Bang seconded the motion and with all in favor, the motion passed.

Approval of Minutes

David O'Connor, Board President

- A motion to approve the minutes was made by Sarah Griffiths and seconded by Kevin Germain. With all in favor, the motion passed.

New Conflict of Interest Forms

David O'Connor, Board President

- David explained the need for the Chamber Board to sign annual conflict of interest forms. Conflict of interest forms are filled out and signed every year as a procedural item, but they are very important for the organization's transparency.
- David tabled the official signing of the Conflict of Interest forms until the end of the meeting and will pass out those forms for the board to sign at that time.

INFORMATION ITEMS

Chairman's Report

David O'Connor, Board President

- Chamber board introduced themselves and their titles to the community.
- David explained the range of projects the Chamber is currently working on. He stated that many of the Chamber's projects are publicized in different ways including the Resort Tax website, Chamber Chat news and stand-alone emails and encouraged the public to sign-up for those publications if they had not done so already.

TEDD Planning Process

Kevin Germain, Chamber President

- Kevin is pleased to see such a good turn out. Kevin has been working for over a year on the feasibility project. 6 people are also working on it. There are about 30 stakeholders on the project. Kevin introduced Brian Caldwell and Rob Gilmore.

What is a TEDD?

- TEDD is a Targeted Economic Development District. TIF is the funding mechanism to start a TEDD. The purpose is to remediate and invest in infrastructure deficiencies. In 2013, the Montana state legislature made TIF available to unincorporated communities. Kevin wanted to clarify that a TIF does not increase taxes.
- One of the benefits of a TIF is it keeps tax dollars local and invested in our community.

- The purpose is to diversify Big Sky's economy. Kevin noted Big Sky has an economy dominated by tourism. Bringing in a value added industry will diversify our economy and create a broad base of employment opportunities. Examples of value added industries include: high tech, ski manufacturing, fly and fly fishing manufacturing. Kevin also noted Big Sky lacks the capital to fix its own infrastructure deficiencies.
- Kevin discussed the Tax Increment Financing Chart and setting the tax base.
- Benefits include: private industry incentive to relocate to Big Sky, a stronger and broader tax base, an increase in property values, local control of TIF values. TEDD or TIF has a 15 year life span and it does benefit existing taxes.
- The proposed TEDD would be located in both Madison and Gallatin counties.
- Kevin mentioned there are 50 TIF districts in Montana and five in Bozeman alone. A TEDD is eligible for bonding.
- **Question from public:** How would the creation of a TEDD effect the existing taxing districts? Kevin's answer: It is not meant to affect existing tax districts.
- Kevin went over the approval process noting both county commissioners must approve the TEDD in order for it to be enacted.
- **Question from public:** Who would manage the TEDD? Kevin's answer: There would be a single board that manages the TEDD much like the Resort Tax Board where local people would control local dollars.

TEDD Planning Process

Rob Gilmore, Think Tank

- Rob Gilmore, Economic Development Consultant at Think Tank believes a TEDD is a great financing tool for funding. He explained Think Tank will be working out an impact analysis. Rob will be examining the question: What kinds of jobs and what kinds of taxes will be brought from the TEDD?
- Think Tank examined a number of the industry sectors that could be in a valued added industry in a TEDD.
- Think Tank will then narrow down the analysis to see what type of likely mix of valued added industries will bring if a TEDD is formed.

TEDD Planning Process

Brian Caldwell

- Brian Caldwell is putting together the review and approval process for the county commission. He explained a TEDD is tool being used by local Montana communities throughout the state.
- Both the process and steps to create a TEDD need to be duplicated in both Madison and Gallatin Counties to create a TEDD in Big Sky. Think Tank and representatives of the TEDD subcommittee will be seeking input in upcoming Town Hall meetings for the final report to Gallatin County and Madison County.
- Brian explained next steps: 1. Resolution of Necessity – outlines all the infrastructure deficiencies 2. Comprehensive Development Plan – how we will invest the increment dollars 3. Paperwork Associated with Satisfied State Statute.

- **Question from public:** Who would be appointment to the TEDD board? Kevin's answer: the board is appointed by the county commissioners.
- **Question from public:** A Big Sky Water and Sewer board member commented that he is concerned the Big Sky Water & Sewer District could lose control of money for the Water & Sewer funds. He asked: How do we ensure the Water & Sewer District will not lose money as a result of the TEDD? Kevin's answer: Ralph Garrison will be conducting a study on the existing businesses and services in order to ensure their current funding won't be taken away as a result of the formation of a TEDD.
- Public Comment and questions regarding the TEDD followed.
- **Question from public - Gary Herman:** Will it be a requirement that those on the board must reside in Big Sky? Kevin's Answer: The requirement for the TEDD board will be adopted in the county, but it is our intention that the board members should reside in Big Sky.
- Brian Caldwell further noted: Regardless of the board makeup, their authority is used for the comprehensive development plan in Big Sky, which will be created by the TEDD subcommittee, consisting of local community members, and presented to both counties.
- **Public comment - Steve Johnson:** Steve Johnson noted most current communities with TIF are incorporated and noted there are no comprehensive TEDDs to look to for examples, only urban renewal districts.
- **Question from public - Gary Herman:** How much more money will we get as a result? Brian Cadwell's Answer: The scale of the increment district is equal to that of the Downtown district in Bozeman. That is based on a 3% growth rate.
- **Question from the public - Laura Bell:** Does the TIF include plans for increasing public safety? Kevin: The TIF/TEDD does include plans to improve public safety.
- **Question from public - Laura Bell:** What businesses have approached the Chamber and what are their deficiencies? Kitty's Answer: People who want to telework and don't have sufficient broadband. Home builders that are interested in building workforce housing who do not have access to water and sewer where they are trying to develop.
- **Question from public - Joe O'Connor:** What is the criteria that the county will use? Kevin's Answer: we do not have the ordinances drafted and vetted, but hope to have this at the next meeting. He further explained this is the first of three Town Hall meetings on the topic. Kitty expanded on Kevin's answer stating she believes we need to go to the statute and review the verbiage which includes the make-up of how the board is created and how we can influence the make-up of that board.
- **Question from public:** Who will pay off the bond if the TIF is not able to be repaid? Brian Caldwell's Answer: There is an option to readjust the tax base to repay the bond.
- **Question from public - Jamie Kabisch:** Would this be a revenue bond or a general obligation bond? Kitty replied: It is a revenue bond. It is not something that would fall on the tax payers if the bond could not be repaid with TIF funds.
- **Question from public:** Which should come first? The TEDD district or incorporation? Brian Caldwell clarified: The proposed boundary of the TEDD goes well beyond the density requirements for incorporation. This is not a mutually exclusive proposition.

- David O'Connor wanted to clarify the Chamber Board is not pursuing a stance on incorporation because the community has not indicated whether or not incorporation is best for our community and our members.
- Kitty also mentioned having a TEDD in place does not preclude incorporation.
- David further expanded: This is the Chamber of Commerce and many times we are the default public forum for topics such as incorporation, but we are here to discuss the TEDD and not incorporation.
- **Public comment - Steve Johnson:** There is a political risk from county commissioners to allow for an unincorporated community to create a TEDD.
- **Question from public:** Can the TEDD subcommittee and its consultants create a clearer idea in the next meeting on what funds leave for Helena and which stay in our community? Kevin's Answer: That is something the committee could work on.
- **Question from public:** Will a TEDD/TIF district used to improve schools end up lower the property taxes? Kevin's Answer: This is possible, but there is no guarantee.
- **Question from public - Cheryl Ridgley:** Can you address the process on what is going on with the Madison County zone? Kevin's Answer: He will be reviewing that process in his next topic.
- Kevin stated outreach and communication will be ongoing and continuous.
- Next steps include:
 1. Tax Impact Analysis
 2. Secondary Value Added Industries
 3. Interview with Select Industries
 4. Madison County Zoning
 5. Prepare Community Comprehensive Development Plan
 6. Submit Community Comprehensive Development Plan
- David mentioned public who would like to be included on the steering committee can email Kevin Germain at Kevin@moonlightbasin.com
- David strongly encourages any and all in the public to participate in the planning process.

CDBG Grant, Community Housing Planning

Kitty Clemens, Executive Director and Tripp Lewton and Ben Lloyd Comma Q

- David noted again that these topics, TEDD and workforce housing, are priorities to the Chamber because they are priorities for our members.
- Kitty introduced Tripp Lewton and Ben Lloyd from Comma Q.

How We Got to Where We Are on Housing:

Tripp Lewton, Comma Q

- The Big Sky Chamber of Commerce began with idea exchanges in the community. The Chamber asked the Resort Tax for support to hire Economic Planning Systems for the initial feasibility study. EPS went through a whole housing process including researching our community's demographics.

- At the end of the planning process, EPS and the Chamber adopted the Workforce Housing Plan which outlines options to address the needs of the Big Sky community.
- The main question posed: How do we create housing for our year round residents of all ages, incomes, and abilities?
- Comma Q created a Preliminary Architectural Support study (PAR) and released a competed RFP from federal Community Development Block Grant Funds (CDBG). Comma Q and Big Sky are the only planning grant for housing in currently process for Gallatin County. With the help of Comma Q, the Chamber is looking at what has the highest likelihood of success for Big Sky.
- The Preliminary Architectural Report is a planning grant . Comma Q clarified there is currently no construction funded with this effort. The PAR must be completed first.
- Tripp reviewed the specific format for the CDBG grant, which includes:
 1. Problem definition
 2. Analysis of alternatives: helps Comma Q understand different unit types and different dwelling types
 3. Preferred alternative: Comma Q examines all the alternatives and then finds the alternative that would be most successful. Then, there will be a demonstration process.
- Portion of funds: To qualify for the demonstration process, individuals or families must be below 80% AMI and 60% AMI. There could be 12 to 18 for home ownership and 30 to 32 for long term rental units under this proposed preferred alternative plan. Various options are available.
- Comma Q's findings: the unit costs that are most viable are higher density units. Higher density units are more affordable for the community, but despite that Comma Q and the Chamber does see the need for detached units.
- Buildings costs are in the \$300,000 to \$340,000 range per unit. A townhome is slightly higher building cost of around \$359,000 for the units.
- Tripp Lewton noted Comma Q's plan is a demonstration project that can be replicated throughout the Big Sky community.
- Total project costs is 4.2 million to 5.5 million dollars for the first phase effort.
- The goal is to create more homes for those who are commuting and want to live in the Big Sky community
- Some next questions include site and location: Where would a potential development be?
- Comma Q did go through a site analysis project and requested submissions for sites. There were 8 properties submitted; however, no properties have been finalized and none have been purchased. Each had many unique aspects but no site has been selected.
- Comma Q is trying to create a financial model and site location that will be available for additional CDBG funds.

Tracy

Special Projects Coordinator, Human Resource Development Council.

- Human Resource Development Council (HRDC) is based out of Bozeman and has 38 active development programs including Streamline Bus, Head Start, the Gallatin County and Big Sky Community Food Bank and affordable housing initiatives.

- Tracy works primarily with affordable housing. Her tasks aim to close the funding gap associated with housing in this community. She stated that PAR helps organizations like HRDC learn about our communities in order to create the best plan for workforce housing. She also noted CDBG can be used for households with less than 80% of AMI.
- Tracy also noted HRDC's Home Program can be used. The Home Program also includes a down payment assistance program up to \$30,000.
- Tracey discussed the options of Community Land Trusts. These homes could remain in a community land trust in perpetuity.
- She also discussed low income housing tax credits which serve households with less than 40% AMI.
- Tracy noted that private financing will also take a roll in the creation of workforce housing. The project will not be able to move forward without loan assistance from a bank.
- Tracy also discussed the option of shared infrastructure costs to complete the project.
- We would also ask for land donations to assist in the creation of this project. With all the land being so expensive, we do need to ask for land donations.
- Next Steps include: HRDC and Comma Q will be wrapping up the analysis phase and will be moving into the preferred alternative phase in order to fine tune the housing model. Then there will be a public meeting to share all of the findings. Finally, the completed report will be handed off to Gallatin County and be submitted.
- Comma Q shared cost estimates for various housing products.

Question from public: What is the square footage of the units? Tripp's Answer: 2 bedroom, 1 bath units are under 1,000 square feet and 3 bedroom, 2 bath units are under 1,500 square feet.

Question from public - Laura Bell: Do any of the big players in the community, Yellowstone Club, Montage Hotels & Resorts, and Big Sky Resort have plans for their own employee housing? Kevin's Answer: He not able to comment at this point or comment on behalf of other businesses in the community.

191 Corridor Planning Process

David O'Connor, Board President and Kitty Clemens, Executive Director

- The overarching issue is Big Sky's entryway is not sufficient for our community. It does not create a sense of place or arrival. Moving the visitor center to Hwy 191 greatly helped with arrival, but we do want to create a transportation corridor plan for that area without the support of the community.
- Kitty explained there are proposed major milestones for the transportation corridor process. As with TEDD and housing, we have many community members that are interested in volunteering on the transportation corridor planning process. We are hoping for more volunteers to assist in this process.
- We are looking at the corridor on how we can work in tandem with Northwestern Energy's Jack Rabbit to Big Sky Project. Northwestern Energy's project will not reach past Dudley Creek this year but will in 2017. As we plan, we will take advantage of Northwestern Energy in the area.

- The Chamber is also looking for potential landowners to give easements so that we can create an entryway monument to our community.
- We are also looking to MDT for encroachments and documents for the corridor. We are hoping to remove many of the old light poles and replace them with light poles that are similar to the light poles that hold banners on Hwy 191. We are looking for a completion of these goals in 2017.
- David reminded the public that the Chamber only takes on many public works projects in the absence of a municipality and does so as long as there is community and member support.
- He also notes it is important that we are open and transparent since we do use public funds for these projects.
- **Question from public - David Fowler:** Has there been any design work on the project? Kitty's Answer: at this point we have not created any design work.
- David O'Connor stated there have been several mock designs for the entryway monument. However, we have not completed a final design because there is no ownership or easement. David Fowler stated he would be happy to donate his time to the Chamber to create the design for the entryway monument.
- David publically stated bringing Kitty on board at the Chamber has really helped the organization attain multiple grants and funding sources outside the community and county, an achievement that the organization had accomplished in such volume in the past. The Big Sky Chamber of Commerce now has more options for federal funding because of Kitty's high level of expertise.
- David encouraged all community members to make public comment in many and various forums in our community and on the state level in order to show their support for various initiatives. David noted that Montana is unique in the numerous opportunities for public comment it affords its residents.

Director's Report

Kitty Clemens, Executive Director

Draft Financials

- The financial report is in the board books. It is a draft because the Chamber is finalizing the closing of the end of the fiscal year and is awaiting for more invoices before we can officially close the financials.

Host Week

- Host Week took a big leap forward this year with 6 more offers and 500 more participants. Kitty believes we have provided an environment for employees to gain better understanding of our travel product and provide better customer service to our guests.

Destination Marketing & Economic Development

- Kitty shared an example from new research on destination marketing and the “image lift” measurement for a destination related to image lift. Oxford Economics and Longwoods conducted the research for 7 destinations and all had the same results.
- Community attributes that economic developers tout for job creation receive an “image lift” from travel marketing. These issues include: A good place to live, a good place to start a career, and a good place to retire among other things the the lift is typically exponential when someone sees the advertising and has visited the destination.

Visitor Center Numbers

- Visitor Center numbers were up a great deal in May. The visitor center did hold an End of Season Shred Party event. However we have seen a noticeable extension of our summer season this year beginning in early May for several reasons. More lodging providers are able to host visitors in May. The National Park Numbers are huge for May and June this year. The Centennial celebration for the United State national park system is this September, so we can only expect those markets to increase.
- We do believe the exchange rate effected the Canadian Market this season. However, the domestic market is still strong.

Chet Huntley’s Donation, Gateway Foundation

- The Chamber is extremely grateful for the donation of the late Chet Huntley’s desk, typewriter, phone, lamp and a number of historic documents donated by the Big Sky Gateway Foundation from Chet’s godson, Kevin Mueller.
- We will be preserving the documents carefully over the next several weeks.
- We have had more contact from other family members and will be receiving more items to add to the collection.

Annual Dinner Meeting Recap - Big Sky Big Idea

- The Chamber received numerous complements from members attending the event. Many stated it was the best dinner to date.
- Arri scanned a historic letter written by Chet Huntley to send to keynote speaker, Stephen Kircher, as a thank you.

Upcoming Important Dates

- Shannon will be heading this year’s Golf Tournament on September 11th. Shannon has over 20 years of experience as the General Manager of Charleston Golf as a part of the Charleston Convention & Visitors Bureau.
- The Chamber will also be holding another business expo in the fall. We will be speaking with Big Sky Resort to set dates for the expo. We will have some compelling speakers for the Business Expo and it is shaping up to be a great event.

- Sarah stated the Lone Peak High School Booster Club might want to speak with Shannon on sponsoring a hole for the golf tournament. The booster club was considering have a golf tournament of their own, but would be prefer to sponsor a hole in order to avoid too many events overlapping in a short period of time in the community.

TABLED ACTION ITEM

- The Chamber Board of Directors present read, signed and reviewed the conflict of interest forms. Board members who were not present must sign the conflict of interest form at a later date

Adjourn

- A motion to adjourn was made by Sarah Griffiths and seconded by Kevin Germain. With all in favor, the meeting adjourned at 5:09 p.m.

Respectfully submitted,

Marci Lewandowski
Visitor Services Manager
Big Sky Chamber of Commerce



Subject: Welcome Center Visitation Numbers – Mid Grant Cycle Report

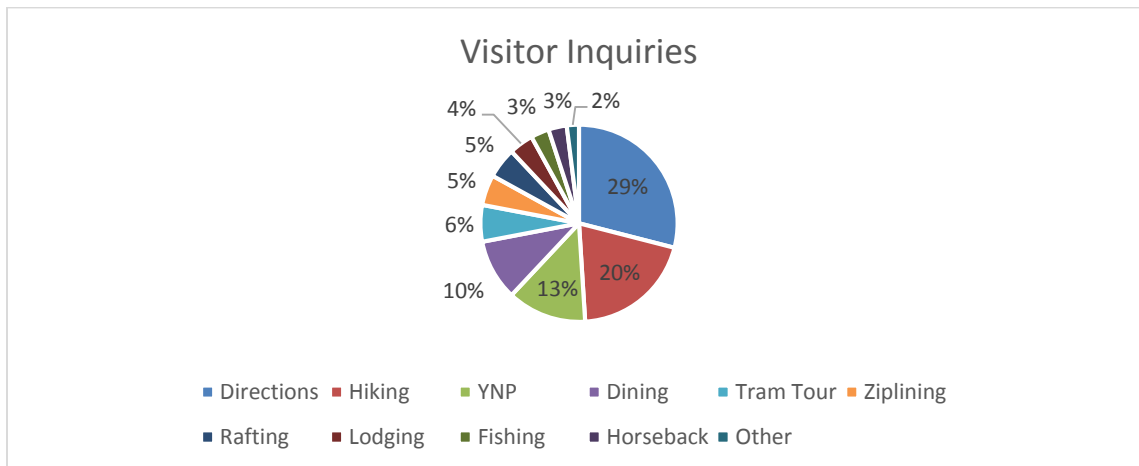
SUMMARY EXPLANATION

A mid-grant cycle report shows the top states and visitor center numbers from the Friday before Memorial Day until July 30.

- Top 10 States for visitors include:

Ranking	State
1	Minnesota
2	Montana
3	California
4	Canada
5	Texas
6	Washington
7	Georgia
8	Illinois
9	Florida
10	Ohio

- Top requests are:



- Also recorded was the percentage of visitors staying in Big Sky. 53% of visitors reported staying in Big Sky, while 48% reported staying elsewhere including Bozeman, West Yellowstone, or just passing through.
- We noticed only 34% of visitors reported staying in Big Sky from Memorial Day until May 31, with more than half reported staying in Big Sky in June and July.

Visitor Services Report August 2015

People Counter			
Month	Year	Per Month	Daily Avg.
June	2014	1265	42
July	2014	3193	103
August*	2014	2421	78
September	2014	1638	54.6
October	2014	1881	60.6
November	2014	872	29
December	2014	761	25
January	2015	712	28
February	2015	772	27
March	2015	835	27
April	2015	920	31
May	2015	3302	106
June	2015	3250	108
July	2015	3282	106

