MONTANA
DEPARTMENT OF COMMERCE

BUSINESS RESOURCES DIVISION

BIG SKY ECONOMIC DEVELOPMENT TRUST FUND

CATEGORY I: ECONOMIC DEVELOPMENT JOB CREATION PROJECTS APPLICATION GUIDELINES

EFFECTIVE JULY 1, 2013

Governor Steve Bullock

Meg O'Leary, Director

301 South Park Avenue
P.O. Box 200505
Helena, MT 59620-0505
Phone: (406) 841-2744
Fax: (406) 841-2731

Website: www.bstf.mt.gov

TABLE OF CONTENTS

INTRODUCTION **3**

STATEMENT OF PURPOSE 3
PROGRAM FUNDING 3

SUMMARY – CATEGORY I: ECONOMIC DEVELOPMENT JOB CREATION PROJECTS **4**

PROGRAM CONTACTS **5**

SECTION I DEFINITIONS **5**

SECTION II ELIGIBILITY **7**

A. ELIGIBLE APPLICANTS 7
B. ELIGIBLE ASSISTED BUSINESSES 8
C. ELIGIBLE USES OF FUNDS 8
D. INELIGIBLE USES OF FUNDS 9
E. ELIGIBLE MATCH 9

SECTION III PENALTIES **10**

SECTION IV APPLICATION PROCEDURES **11**

SECTION V APPLICATION REVIEW **14**

SECTION VI PROCEDURES TO ACCESS FUNDS **14**

APPENDIX A: APPLICATION FORM – ECONOMIC DEVELOPMENT PROJECTS **17**

APPENDIX B: BSTF BENEFIT CERTIFICATION **21**

APPENDIX C: HIRING PLAN SPREADSHEET **22**

APPENDIX D: APPLICATION CHECKLIST **23**

APPENDIX E: CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT **24**

INTRODUCTION

Statement of Purpose

The Big Sky Economic Development Trust Fund (BSTF) program is a state-funded program created by the 2005 Legislature. The program's legislative purpose is to assist in economic development for Montana that will:

- Create good-paying jobs for Montana residents,
- Promote long-term, stable economic growth in Montana,
- Encourage local economic development organizations,
- Create partnerships between the state, local governments, tribal governments, and local economic development organizations that are interested in pursuing these same economic development goals,
- Retain or expand existing businesses,
- Provide a better life for future generations through greater economic growth and prosperity in Montana, and
- Encourage workforce development, including workforce training and job creation, in High-Poverty Counties by providing targeted assistance.

Program Funding

Interest earnings generated from the Big Sky Economic Development Fund are available for financial assistance to local and tribal government entities and economic development organizations through application to the Department of Commerce (Department). Applicants can request either a grant or loan from the program.

Category I: Economic Development Job Creation Projects 75% of BSTF earnings shall be awarded to local governments and tribal governments in the form of grants or loans to assist businesses in creating net new eligible jobs.

The Montana Department of Commerce does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals, who need aids or services for effective communications or other disability-related accommodations in the programs and services offered, are invited to make their needs and preferences known. Please provide as much advance notice as possible for requests.

SUMMARY – Category I: Economic Development Job Creation Projects

1. **Eligible Applicants** - Local and tribal governments are eligible to apply for BSTF Category I funding. Local governments include a county, consolidated government, city, town, or district or local public entity with the authority to spend or receive public funds. Tribal governments include any state or federally recognized Indian tribe within the state of Montana.

2. **Eligible Assisted Business -** In order to qualify as an end recipient of BSTF financial assistance, businesses must create net new eligible jobs that pay an average weekly wage that meets or exceeds the lesser of 170% of Montana's current minimum wage or the current average weekly wage (see page five for definition) of the county in which the employees are to be principally employed, including the value of employee benefits.

3. **Funding Award Maximums and Match Requirements**

   Applicants **not** in a High-Poverty County are eligible to apply for up to $5,000 for each eligible job created, and are required to provide a **$1 for $1** (100%) cash match**.**

   Applicants in a High-Poverty County are eligible to apply for up to $7,500 for each eligible job created and are required to provide a **$1 for $2** (50%) cash match.

- A new eligible job that pays at or above the county average wage is potentially eligible for the maximum award.
- A new eligible job that pays at or above the state average wage in a county where the county average wage is above the state average wage is potentially eligible for the maximum award.
- A new eligible job that pays 170% of the state minimum wage BUT this wage rate is less than the county average wage is potentially eligible for 1/3 of the maximum award. The potential award amount is incrementally increased as the new eligible job wage approaches the county average wage.

   To assist applicants with projecting potential awards the BSTF program has developed a "potential award calculator" that can be found on the program's website at: http://bstf.mt.gov/awardcalculator.mcpx.

4. **Application Deadline** - Category I applications will be accepted on an open-cycle basis until all available funds are committed to approved projects.

5. **Application Review** - Applications will be reviewed based upon the criteria provided in these guidelines, which explain how eligible applicants can apply for BSTF funding. Project funding ceilings will be determined by the availability of funding and the quality of the proposed project.

   Potential applicants are encouraged to read these guidelines and then contact BSTF staff to discuss program requirements, project eligibility, and funding availability.

PROGRAM CONTACTS

Big Sky Economic Development Trust Fund
Montana Department of Commerce
301 South Park Avenue, Room 107
PO Box 200505
Helena, MT 59620-0505
Telephone: (406) 841-2744
FAX: (406) 841-2731
E-mail address: docbstf@mt.gov
Montana Relay 1-800-253-4091
TTY: (406) 841-2702

Big Sky Economic Development Trust Fund Staff

Nancy Faroni
Section Manager
Big Sky Economic Development Trust Fund
Primary Sector Workforce Training Grant Program
Telephone: (406) 841-2744
E-mail address: nfaroni@mt.gov

Alyssa Townsend-Hudders
Program Specialist
Big Sky Economic Development Trust Fund
Telephone: (406) 841-2748
FAX: (406) 841-2731
E-mail address: ath@mt.gov

Debra Davidson
Program Specialist
Big Sky Economic Development Trust Fund
Telephone: (406) 841-2792
FAX: (406) 841-2731
E-mail address: ddavidson2@mt.gov

SECTION I DEFINITIONS

Assisted Business – The business that is the end recipient of BSTF financial assistance received through a cooperative endeavor with a local or tribal government. The business must commit to creating the corresponding level of net new eligible jobs (see definition below).

BSTF Required Wage Rate – The wage that will be used to determine whether new jobs meet program eligibility requirements to qualify for BSTF Category I program assistance. A new job must pay an average weekly wage that meets or exceeds the lesser of 170% of Montana's current minimum wage or the current average weekly wage of the county in which the employees are to be principally employed. The value of employee benefits can be included in

this wage. The current average annual, weekly and hourly wage thresholds may be obtained through the BSTF program web site at www.bstf.mt.gov or may be requested from the Department. These figures are based upon the average weekly wage data produced by the Montana Department of Labor and Industry for the most current year available.

Basic Sector Company –

- A business that generates more than 50% of their total dollar sales from outside Montana; or
- More than 50% of their product or services enters into the production of products exported outside of Montana; or
- A business defined as a "value-adding business" by the Montana Board of Investments.

Contractor– A contractor is an individual engaged by a business to provide a specific set of services. A contractor is not an employee of the assisted business. He/she is a self-employed person who operates their own business, usually as a sole proprietor, or he/she could be an employee of a proprietor. He/she is hired for a specific task or project, negotiates their own pay rates, pays their own income and payroll taxes and purchases their own benefits individually.

Employee Benefits – means health, welfare and pension contributions that meet the requirements of the Employee Retirement Income Security Act of 1974, 29 U.S.C. 1001,et seq.

In-kind Contribution – A contribution of donated time and effort, real and personal property, and goods and services. This type of match is not considered as part of the $1 for $1 or $1 for $2 match requirement for Category I Economic Development Job Creation Projects. Category I applications must utilize a cash match (see match definition), which may include other state and federal grant or loan funds, cash contributions from the assisted business and/or the eligible applicant.

Match – New, unexpended cash funds available at the time of application that will be invested at the Montana project site by the local or tribal government and/or the assisted business within the contract period (2 years). Generally, investment made in the business at the project location no earlier than six months prior to the BSTF funding approval could be considered eligible match.

New Eligible Job –

A **net new** job created by the assisted business which employs an individual:

- A job that is new to the company and has not been filled prior to the BSTF notice of award effective date,
- Is a permanent, full time job, meaning a predominantly year-round position requiring an average of 35 hours of work each week,
- The new job pays the BSTF required wage rate. See page five (5) for the definition for the BSTF required wage rate.

The term does **not** include replacement jobs, part-time jobs, seasonal jobs, temporary jobs, or contractors.

Net New Job Example --
On the BSTF funding date the assisted business has 100 jobs filled by full-time employees. Two months later the assisted business fills 10 new jobs with full-time employees. Now the assisted business has 110 jobs filled by full-time employees and therefore has 10 net new jobs. Five months later the assisted business fills two new jobs with full-time employees and terminates five jobs the assisted business now has 107 jobs filled by full-time employees and therefore has seven net new jobs.

Project Site – The location in Montana within the jurisdiction of the eligible applicant at which the BSTF funds will be expended and the new eligible jobs will be created.

High-Poverty County – A county in the state of Montana in which 14% or more of people of all ages are in poverty as determined by the U. S. Census Bureau estimates for the most current year available. A current map of counties that meet the High-Poverty County definition and are eligible to receive BSTF funding at the higher level may be obtained at the BSTF program web site www.bstf.mt.gov or may be requested from the Department.

Temporary Employee – A temporary employee is an individual employed by a Temporary Staffing Agency that agrees to work on short term work assignments for other companies. Temporary employees are not eligible for BSTF funds.

Tribal Government – One of the seven federally recognized tribal governments of Montana and the Little Shell band of the Chippewa Indians.

SECTION II ELIGIBILITY

A. **Eligible Applicants** for BSTF Category I: Economic Development funding include:

1. Incorporated cities or towns,
2. Counties,
3. Consolidated governments,
4. Tribal governments (includes any state or federally recognized Indian tribe within the state of Montana), and
5. Public districts or local public entities with the authority to spend or receive public funds.

Special purpose agencies, such as Certified Regional Development Corporations and other economic development organizations, are **not** eligible to apply directly to the Department for Category I funding; however, they may be involved in implementing and administering a project through a partner organization, if the eligible applicant agrees to such an arrangement.

As determined by the Department, eligible applicants or those they choose to partner with, must have the management capacity to undertake and satisfactorily complete the proposed project and assure proper management of BSTF awards.

The Department shall not award funding to any individual, organization, or governmental unit that is currently in default of the conditions of any loan or grant contract previously executed by the Department.

B. **Eligible Assisted Businesses** include:

1. A basic sector company (see definitions); or

2. Any other for-profit or non-profit business entities that:

- Are engaged in business activities that will provide a significant positive economic impact to the community, region and/or the state beyond the job creation involved, and/or

- Provide a service or function that is essential to the community, region and/or the state of Montana.

Due to the high likelihood of local and/or regional competition, businesses that compete locally, regionally and/or within the state such as **hotels, motels, and retail operations will generally be considered ineligible for BSTF funding**. These types of businesses may be eligible where certain mitigating circumstances exist, i.e. a grocery store in a small town in a sparsely populated area where there is no other competition.

C. **Eligible Uses of Funds** --Funding for other uses which do not meet the stated criteria below may be eligible at the discretion of the Department. Please contact BSTF staff to discuss. Eligible uses of funds include funding for the reimbursement of the following expenses:

1. Purchase of Land, Building or Equipment for the direct use of the assisted business,

2. Lease rate reduction for lease of public or privately owned real property for the direct use of the assisted business,

3. Relocation Costs incurred in connection with moving the assisted business's physical assets to Montana,

4. Employee Training: Direct costs associated with education or skills-based training for employees in new jobs at the assisted business. All necessary and incidental costs of providing new job training and education directed to the new eligible jobs are eligible for reimbursement. This includes all direct training costs, such as:
   a) Program promotion,
   b) Instructor wages, per diem, and travel,
   c) Curriculum development and training materials,
   d) Lease of training equipment and training space,
   e) Miscellaneous direct training costs (such as employee training-related travel),

f) Administrative costs,
g) Assessment and testing,
h) In-house or on-the-job training, and
i) Subcontracted services with approved training providers.

Eligible training costs that are not direct costs attributable to specific new jobs (such as instructor costs, curriculum development and administrative costs) must be pro-rated and allocated to each eligible employee in a new job receiving training for which reimbursement is requested.

Salary or wages paid to an employee during training are **not** eligible for BSTF employee training funds.

5. Administration.

Local and tribal governments, with Department approval, may utilize a portion of the BSTF award for eligible administrative expenses. The total project administrative expenses reimbursed with BSTF funds **shall not exceed five (5) percent, or a maximum of $30,000** of the total BSTF funds awarded per project.

D. **Ineligible Uses of Funds** include costs associated with:

1. The transfer or relocation of jobs from one part of the state to another part of the state,

2. Salary, wages or benefits of employees of the assisted business, or

3. Generally, expenses incurred before the award date.

Please contact BSTF program staff for any questions regarding the eligibility of a proposed business activity prior to submitting an application to the Department.

E. **Eligible Match**: Generally, investment made in the business at the project location no earlier than six-months prior to the BSTF funding approval could be considered eligible match. Match (See definitions) that is equal to or greater than:

- $1 for $1 (100% match) of BSTF funds received for businesses **not** in a High-Poverty County, or

- $1 for $2 (50% match) of BSTF funds received for businesses in a High-Poverty County.

The following will **not** be considered as match:

- Investment made earlier than six-months before BSTF funding approval, without the written consent of the Department to incur project costs, will **not** be eligible to satisfy the match requirement,

- Existing assets purchased earlier than six-months before BSTF funding approval (Note: Existing assets that are physically relocated to Montana may be considered),
- In-kind services,
- Refinancing of existing debt,
- Projected operating cash flow,
- Existing equity,
- Existing bank line of credit amounts (Note: Increases in lines of credit contingent upon the receipt of BSTF funding may be considered).

SECTION III PENALTIES

Generally, funds are disbursed as jobs are created, relieving most of the risk to the local government or tribal government. However, if the local government or tribal government request the funds before the jobs are created, and the Department agrees to that request, the local or tribal government and the assisted business receiving BSTF financial assistance are liable for the full amount of the award that is advanced by the Department, if the assisted business:

A. Fails to create or maintain the number of net new eligible jobs as specified in the executed contract and assistance agreement,

B. Fails to inject the required amount of match into the project as specified in the executed contract and assistance agreement, or

C. Ceases operations at the Project Site.

The penalty may be payable in one lump sum or in installments, with or without interest, as the Department deems appropriate.

Award withdrawal - The Department reserves the right to withdraw a commitment of any BSTF funds for projects not ready to proceed within six (6) months after the date of tentative award.

SECTION IV APPLICATION PROCEDURES

Potential applicants are encouraged to contact the Department to discuss their proposed project with BSTF program staff.

Deadline: Economic development job creation project applications will be accepted on an open-cycle basis until all available funds are committed to approved projects.

Applicants must submit One (1) original and Two (2) copies of each finalized BSTF application. The hard copies should be 3-hole punched (not spiral bound). Appendix D—Application Checklist should be included. They should be mailed to:

Nancy Faroni, Section Manager
Big Sky Economic Development Trust Fund
Montana Department of Commerce
301 S. Park Avenue, Rm 107
PO Box 200505
Helena, Montana 59620-0505

CONFIDENTIALITY AGREEMENTS

Once information is submitted to the Department, the information is subject to the public's right to know pursuant to Article II, Section 9 of the Montana Constitution. Written information is subject to the right of citizens to inspect and copy pursuant to §2-6-102, MCA, unless there is an individual privacy interest that clearly exceeds the merits of public disclosure.

Prior to any potentially confidential information being submitted, the company may enter into a confidentiality agreement with the Department and provide an affidavit so that there is a clear understanding of the rights and obligations of the company relative to protection of sensitive information in Montana. Applicants choosing to execute a **Confidentiality and Non-Disclosure Agreement and Affidavit** should – Provide a signed and notarized original, using Department form – Appendix E.

In addition to the Application Form—Appendix A, the applicant must provide the following information:

1. Business Plan

Each application must include a business plan containing information that is sufficient for the Grant/Loan Review Committee to obtain an adequate understanding of the business to be assisted, including the products or services offered, estimated market potential, management experience of principals, current financial position, and details of the proposed venture. In lieu of a business plan, the Grant/Loan Review Committee may consider a complete copy of the

current loan application to entities such as the Montana Board of Investments, the federal Business and Industry Guarantee program, or the Small Business Administration.

The financial information submitted must demonstrate that the business to be assisted is or will be an ongoing viable company that can achieve and maintain the amount of employment projected.

The Grant /Loan Review Committee reserves the right to request additional information or accept reasonable variations from the information requirements listed above, on a case-by-case basis, if necessary to make a funding decision.

2. Financial Statements

For an existing business, provide financial statements for the two most recent years of operation that includes the following:

- Balance Sheets
- Profit and Loss Statements
- Cash Flow Statements

Business start-ups and businesses operating for less than three years must provide all available financial statements.

If the last complete fiscal year of the business ended 90 days or more before the application is submitted, interim financial statements must be submitted in addition to the year-end financial statements.

There should not be gaps between the historical statements and the projected statements. The projections should use the same fiscal year periods as the historical financial statements. Applications that contain appropriate, updated, accurate financial information can be processed much more quickly than incomplete applications that require requests for additional information.

3. Projections

Please provide the following projections for two years:

- Balance Sheets
- Profit and Loss Statements
- Cash Flow Statements

Variations on the projections may be accepted at the discretion of the Grant/Loan Review Committee on a case-by-case basis.

4. Hiring Plan

At a minimum, the hiring plan should include the following information:

- Employment Levels – this must include a current listing of Montana employment levels of the assisted business, the projected increase in number of jobs and the company's annual payroll, both current and projected – at the site and for any other operations within the State of Montana. Include an estimate of pre-expansion and post-expansion annual payroll.

- Job Breakdown – **Using the Hiring Plan Spreadsheet (Appendix C)**, provide a breakdown of jobs to be created, including the number and type of jobs, specifying for each job:
    - Full-time (average 35 hours per week annually) or part-time,
    - Projected wage per hour,
    - Job titles and descriptions,
    - Description and monetary value of employee benefits (Appendix B), and
    - Highlight or identify separately, which jobs will meet the BSTF net new eligible job criteria. (*Definition page 6)*

- Timetable – include a timetable for creating the total number of jobs, as well as BSTF eligible jobs. BSTF eligible jobs are those that have an hourly wage that will be greater than or equal to the average county wage, excluding benefits.

- Business Commitment – include a written commitment from the assisted business that they will comply with the Hiring Plan.

5. Benefit Certification Form (APPENDIX B) (REQUIRED ONLY IF THE BENEFITS ARE TO BE INCLUDED IN THE CALCULATION TO MEET THE BSTF REQUIRED WAGE RATE).

6. Training Plan (ONLY IF THE PROPOSED USE OF FUNDS IS FOR WORKFORCE TRAINING)

At a minimum, the training plan should include the following information:

- Description of the training curriculum, including information on who will be providing the training,

- A budget for the proposed training. The budget needs to support the amount of BSTF training funds requested, and a

- Schedule for completion of worker training.

7. Local Government or Tribal Government Resolution—a formal local government or tribal government resolution supporting the project and authorizing the application to the BSTF Program is required at the time of application.

The Department reserves the right to request additional information or accept reasonable variations from the information requirements listed on a case-by-case basis if necessary to make a funding decision, especially if the project contains unique items that may require different information than requested above.

SECTION V APPLICATION REVIEW

To determine the merit of each application and the eligible uses of BSTF funds, the Department Grant/Loan Review Committee (Committee) will review all applications from eligible applicants and will make recommendations to the Director of the Department, who will make the final decision concerning funding awards.

Applications that are received and accepted as complete, and have received staff analysis and recommendations, will be submitted to the Committee at the next Committee meeting. Applications will be reviewed by the Committee, and if approved by the Committee and the Director, will be funded.

If funded, a letter of tentative award will be sent to the applicant and the assisted business stating what amount was approved for funding and any conditions that apply to the award. The date of the funding decision by the Committee will be the beginning date of the BSTF contract and assistance agreement period.

SECTION VI PROCEDURES TO ACCESS FUNDS

A. **Award Letter** – The Department, upon the Director's approval of the funding requested, will mail a tentative award letter to the applicant notifying them of the BSTF commitment. Program staff will also issue a letter stating all start-up conditions that will apply to the award.

B. **Contracts** – The appropriate contracts for an award include, but are not limited to: a contract between the Department and the local or tribal government, as well as an assistance agreement between the local or tribal government and the assisted business. These contracts will include the performance criteria necessary for BSTF funds to be expended and released.

C. **Disbursement of Funds** – Once all start up activities have been complete and the project has reached Release of Funds status, the following items must be submitted to the Department in order to request funds:

1. The Request for Payment Form,

2. Project Progress Report detailing progress towards achieving the hiring objectives and project goals that were described in the application as well as describing any difficulties encountered in working towards these goals,

3. Approved documentation verifying eligible costs were incurred,

4. Documentation of matching funds expended to date,

5. A Status of Job Report for Job Creation Projects spreadsheet, and

6. A Job Creation Report Certification. This attests that the new jobs meet or exceed the BSTF program eligibility requirements.

The Department may request additional documentation, when in the exercise of its judgment such documentation is needed to confirm performance.

Sample forms are available on the Program website at http://bstf.mt.gov

APPENDICES

APPENDIX A: APPLICATION FORM – ECONOMIC DEVELOPMENT PROJECTS

MONTANA DEPARTMENT OF COMMERCE
BIG SKY ECONOMIC DEVELOPMENT TRUST FUND (BSTF)
CATEGORY I: ECONOMIC DEVELOPMENT JOB CREATION PROJECT

Please reference the Application Guidelines for a complete explanation of required application information. Requirements:

- *Submit 1 original and 2 copies (3-hole punched, not spiral bound or double-sided).*

I. APPLICANT INFORMATION – LOCAL/TRIBAL GOVERNMENT	
Name of Local/Tribal Government Entity	
Federal Tax ID Number	
Chief Elected Official (Full Name & Title)	
Contact Person (Full Name & Title)	
Address (Street, City and 9-Digit Zip Code)	
County	
Phone Number	
Email Address	
Fax Number	

II. ASSISTED BUSINESS INFORMATION	
Legal Name of Business to Receive Assistance	
Address of Project Location	
Contact Person (Full Name & Title)	
Address (Street, City and 9-Digit Zip Code)	
Phone Number	
Email Address	
Business North American Industrial Classification System (NAICS) or Standard Industrial Classification (S.I.C.) Code	
Business Federal Employer Identification Number (FEIN)	
Business Project Status (Startup, Expansion, Relocation, etc.)	

III. PROJECT SUMMARY INFORMATION	
Total Project Cost (Must match the Sources and Uses form)	
Type of Assistance Requesting (Grant or Loan)	
Amount of BSTF Funds Requested The maximum total BSTF funding may not exceed up to $5,000 per new eligible job for counties not defined as a High-Poverty County or up to $7,500 per new eligible job for counties that meet the High-Poverty County definition. Current poverty map and Award Calculator Map can be found on the program's website at www.bstf.mt.gov	
Total Matching Funds	

(see Section I – definition of Match) The matching funds must be investment by the local or tribal government and/or the assisted business at the Montana site no earlier than six months before the BSTF award and must be equal to or greater than $1 of local funds for every $1 of BSTF (100%) funding received for counties not defined as a High-Poverty County or $1 of local funds for every $2 of BSTF funds (50%) for counties that meet the High-Poverty County definition.	
Proposed Use of BSTF Funds: Eligible Activities Listed in Section II C. of the Application Guidelines	
Total Number of New Jobs to be created	
Total Number of New BSTF Eligible Jobs to be created.	
Hourly wage range for BSTF Eligible Jobs to be created. Include the lowest hourly wage rate and the highest wage rate. If benefits are to be included in the calculation to meet the BSTF required wage rate (page 5) –Appendix B—BSTF Benefit Certification is mandatory.	

IV. PARTNER ORGANIZATION (IF APPLICABLE)

Economic development organizations may be involved in implementing and administering a project if the eligible applicant agrees to such an arrangement. If a partner organization will be involved in the project, please provide the information in this section.

Contact Person (Full Name & Title)	
Organization	
Address (Street, City and 9-Digit Zip Code)	
Phone Number	
Email Address	
What are the partner organizations responsibilities relative to completing the proposed project?	

V. PROJECT INFORMATION

Please describe, in detail, the project. Include the following:

a. *The nature of the proposed project,*
b. *The nature of the assisted business,*
c. *For what the BSTF financial assistance would be used (ex: equipment purchase, lease rate reduction etc.),*
d. *Identify the entities involved in completing the proposed project, including management of the project/staffing plan,*
e. *An implementation plan/timeline for project activities start-up through closeout, and*
f. *Provide any relevant historical information on this project or the region it would support.*

Business's Current Employment Level in Montana	

Business's Current Employment Level at the Project Site	
Employee Benefits: See Appendix B (if ERISA eligible benefits are included in the calculation to meet the wage requirement)	

VI. PROJECT ECONOMIC IMPACT STATEMENT
Please provide a summary of the impacts (both positive and negative) the project would have on the state, regional and community economy as well as any services or functions that the business provides to the community, region or state. Also identify if the business associated with the project is competing with any local or regional existing businesses.

VII. PROJECT SOURCES & USES OF FUNDS					
	SOURCE: BSTF	SOURCE: Match	SOURCE:	SOURCE:	**TOTAL REQUESTED**
Administration (up to 5%, max $30,000)					
ACTIVITY BUDGET					
Machinery/Equipment Purchase					
Land Purchase					
Lease rate Reduction					
Employee Training					
Other:					
TOTAL PROJECT	**$**	**$**	**$**	**$**	**$**

- Provide a total project cost breakdown.
- Provide a narrative, including the source, use and status (on hand, awarded, committed, applied for), of all funds to be utilized in satisfying the program matching funds requirements.
- Provide a description and documentation detailing how all project costs were verified, specifying how and by whom they were determined (such as who prepared the cost estimates, equipment lists) and describe the reasonableness and completeness of the cost estimates.
- Provide written commitments to make the investments (match) as described. The commitment should be from the local or tribal government and/or the assisted business.

The Department will withhold ten percent (10%) of the total authorized award amount for administration, until all tasks outlined in the contract have been completed and approved by the Department.

VIII. CERTIFICATION BY LOCAL GOVERNMENT AND BUSINESS

As the responsible authorized agents of ***Local or Tribal Government Applicant:*** , and ***Applicant Business:*** **,** we hereby submit this Big Sky Economic Development Trust Fund Application.

The information presented in this application is, to the best of our knowledge, true, complete and accurately represents the proposed project. We understand that additional information and documentation may be required. In addition, we understand that the local or tribal government applicant and the assisted business receiving BSTF financial assistance are liable for the full amount of the award that is advanced by the Department if the assisted business: fails to create or maintain the number of net new eligible jobs as specified in the executed contract and assistance agreement, fails to inject the required amount of match into the project as specified in the executed contract and assistance agreement, or ceases operations at the Project Site.

☐ **The Applicant designates (*Name and Phone number*) as the authorized contact for any additional Department requests for the release of additional information regarding this application for BSTF funds.**

Local or Tribal Government Applicant: will accept responsibility for management of the project and compliance with Big Sky Economic Development Trust Fund regulations.

Applicant Business: will accept responsibility for compliance with applicable Big Sky Economic Development Trust Fund regulations as specified in this application.

Local or Tribal Government

Name (typed): _____

Title (typed): _____

Chief Elected Official

Signature: X _____

Date: _____

Assisted Business

Name (typed): _____

Title (typed): _____

Authorized Representative

Signature: X _____

Date: _____

APPENDIX B: BSTF Benefit Certification

Assisted Business: _____

For the purpose of the BSTF Program "employee benefits" means health, welfare, and pension contributions that meet the requirements of the Employee Retirement Income Security Act of 1974, 29 U.S.C. 1001, et seq.

BENEFIT	DESCRIBE BENEFIT	Estimated Value (per hour)
Example:	**Example:**	**Example:**
Holiday	Employees receive 3 paid holidays per year.	$0.11
Medical	We pay 70% of the premium cost for the employee, employee's spouse & children. (Average cost of $500/month)	$2.88
Life Insurance	We provide $10,000 life insurance policy and we pay the entire premium.	$0.03

I hereby certify that the above benefits will be made available to our employees and meet the requirements of the Employee Retirement Income Security Act of 1974, 29 U.S.C. 1001, et seq.

Signature of Authorized Signor:_____ Date:_ _____

Printed Name and Title of Authorized Signor:__ _____

Below is an example on how to make the conversion

Example:

Benefit: Holiday (3 days)

1. Need to determine the yearly benefit (3 days x 8 hours = 24 hours)
2. Need to figure the individual employee's yearly benefit

   Take the yearly benefit times the employees hourly rate of pay

   24 hours x Employee A rate of pay of $10/hour = $240 yearly benefit
3. Need to convert the yearly benefit to an hourly rate.

   Take the yearly benefit and divide by 2,080 which is the number of hours that a full time person would work in a year (40 hours/week x 52 weeks) ($240/2080 = $0.11)

   Hence, the hourly rate for the holiday benefit for employee A would be $0.11/hour

REMINDER: In order for a benefit to be included in the BSTF wage calculation the employer must certify that the benefit meets the requirements of the Employee Retirement Income Security Act of 1974, 29 U.S.C. 1001, et seq.

APPENDIX C: HIRING PLAN SPREADSHEET

Highlight the jobs that you have determined to be BSTF eligible.

Number of Employees for each job title	Job Title	Job Description	Full Time (BSTF, 35+ hours per week)	Expected Hire Date	Projected Hourly Wage (without benefits)	Dollar Value of ERISA benefits*	Projected Total Hourly Wage

*If benefits are to be included in the calculation to meet the BSTF required wage rate.

APPENDIX D: APPLICATION CHECKLIST

Please include the following information with your application.

Application Requirement: Page Number/Tab

1. Application (Appendix A) _____

Have you included?

I. Applicant Information
II. Assisted Business Information
III. Project Summary
   a. The nature of the proposed activity,
   b. The nature of the assisted business, and
   c. Description of activity/activities for which BSTF funds will be used.
IV. Partner Information (if applicable)
V. Project Information—"a" through "f"
VI. Project Economic Impact Statement (both negative and positive)
VII. Project Sources and Uses of Funds form with a narrative including the source, use and status of all funds to be utilized, professional services quotes, match commitment letters, business commitment letter, etc.
VIII. Signed Certification

2. BSTF Benefits Certification (Appendix B- if applicable) _____

3. Business Plan _____

4. Financial Statements _____
5. Projections _____
6. Hiring Plan _____
7. Training Plan (if applicable) _____

8. Supporting Documentation:
(*Attach all additional Supporting Documentation) This could include letters of support from organizations, businesses or communities as well as any other documents you feel is beneficial.*

(Description) _____
(Description) _____
(Description) _____

Local Government or Tribal Resolution
A formal local or tribal governmental resolution supporting the project and authorizing the application to the Program is required at the time of application. _____

APPENDIX E: CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

MONTANA DEPARTMENT OF COMMERCE
REGIONAL DEVELOPMENT BUREAU PROGRAMS
CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

THIS CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT ("Agreement") is made as of the _____ day of _____, _____, by and between _____ ("Company") and its affiliates and the Montana Department of Commerce ("MDOC") and its affiliates.

WHEREAS, the MDOC has requested and/or may request verbal and written information from the Company and its affiliates regarding the Company and certain of its affiliates and Project (including without limitation the proposed _____ to be located in _____, Montana incident to discussions concerning one or more possible loan transactions or grants for the benefit of the Company. The MDOC will accept a copy of the Business Plan and any supporting documentation submitted by the Company.

NOW, THEREFORE, in consideration of the premises and the disclosure of such information, each Party hereby, intending to be legally bound, agrees to the following provisions:

1. The Company understands and agrees that, pursuant to the Montana Supreme Court's decision in *Great Falls Tribune v. Public Service Commission*, 319 Mont. 38, 82 P.3d 876 (2003), all documents filed with the MDOC by the Company are presumptively available for access by the public under the "right to know" provision of Article 2, Section 9 of the Montana Constitution. Under the decision, however, the presumption that all documents filed by the Company with the MDOC are public may be overcome by the proper showing, consistent with the court's decision.

2. If the Company submits documents or information to the MDOC that it considers confidential and wishes the documents or information to be withheld from public disclosure, it will identify which part of the documents or information it considers confidential at the time the documents or information are submitted. The Company will identify the confidential items through an affidavit that clearly states the facts upon which it believes the documents or information should be withheld from public disclosure. The stated facts must be specific enough so that reviewing authorities can clearly understand the nature and basis of the Company's claims to the right of confidentiality. A statement that all documents or information submitted by the Company are confidential, or other conclusory statements, will be ineffective to prevent public disclosure. The Company understands and agrees that the affidavit it submits is subject to public disclosure.

3. If individual documents or information are not specified as confidential or the affidavit is factually insufficient to support confidentiality, the MDOC will deem the documents or information submitted as subject to public disclosure.

4. The MDOC will take reasonable steps to protect documents or information designated as confidential and for which the Company submitted an affidavit clearly stating the factual basis for the claim of confidentiality. Upon receiving a written request from a third party to review any confidential documents or information, the MDOC will notify the Company of the request in writing. The written notice provided by MDOC will enclose a copy of the third party request. The written notice and third party request will be sent by U.S. mail and by fax to the following addresses and fax numbers:

To:	Address:
	Attention: Fax #:
With a copy to: (If required)	Address:
	Attention: Fax #:

5. It is the responsibility of the Company upon receipt of the written notice from MDOC to take such action as is necessary to protect the documents or information from disclosure, including obtaining a court order protecting the documents or information from disclosure if necessary. If the MDOC does not receive an order from a court of competent jurisdiction ordering the MDOC to maintain confidentiality of the requested information or the MDOC is not notified of other arrangements made between the Company and the requesting party within 10 days from the date of the written notice by the MDOC to the Company of the third party request, the information will be disclosed to the requesting party, notwithstanding the affidavit. The MDOC will not assert the right of confidentiality for the Company in any court, whether sitting at law or in equity.

6. The Company agrees that in the event MDOC discloses documents or information in accordance with the provisions of this Agreement, the Company will not assert any claim, liability, demand, or cause of action against MDOC for a violation of any confidentiality interest in any documents or information that it has submitted to MDOC.

7. The Company agrees it will defend, indemnify, and save harmless the MDOC against and from any and all claims, liabilities, demands, causes of action, judgments, damages, and losses, including costs and attorneys' fees associated with any action for release of documents or information submitted to MDOC by the Company, whether such action is brought in the name of the Company or a third party.

8. These programs are federal and state programs managed by the MDOC and are subject to audit and monitoring reviews by federal and state officials. The MDOC is required by federal and state regulations and laws to provide access to state and federal audit and monitoring officials in order to document compliance with applicable state and federal regulations and laws. In the event and to the extent access to information provided to the MDOC by the Company related to one of these programs and otherwise subject to this Agreement is requested by federal or state auditors, the Company agrees that the MDOC may disclose such information to such auditors, provided that (a) such information is used only by such auditors for the purposes set forth in the previous sentence, and for no other purposes whatsoever; and (b) such information in the possession of or otherwise disclosed to such auditors shall remain subject to the provisions of this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representatives as of the date first above written.

_____
(Name of Company)

By:_____ Date_____
Name:
Title:

MONTANA DEPARTMENT OF COMMERCE

By:_____ Date_____
Name: Meg O'Leary
Title: Director

APPROVED BY:

_____
Attorney for the Department

AFFIDAVIT

State of Montana)
: ss.
County of _____)

COMES NOW,_____, being first duly sworn upon his oath, deposes and states as follows:

That he/she is the _____ of _____ and offers the following in support of _____ claim of confidentiality for information submitted in support of its application to the Montana Department of Commerce for funds:

1. I am the _____of _____ and offer the following in support of _____ claim of confidentiality for information submitted to the Montana Department of Commerce.

2. _____ claims that the document titled _____ is confidential and should be withheld from public disclosure as it contains information developed by _____ concerning its business forecasts and assessments. This information is consistently maintained by _____ as confidential business information and if disclosed could prejudice _____ competitive position and could result in financial losses to _____.

3. _____ claims that the documents titled _____ including _____ are confidential and should be withheld from public disclosure as they contain information developed by _____ concerning its financial condition, including product revenues and cost of production information and other confidential pricing information. This information is consistently maintained by _____ as confidential business information and if disclosed could prejudice competitive position and could result in financial losses to _____.

_____

This instrument was acknowledged before me on the _____ day of _____, 20___
by _____.
(Company Official)

_____
Printed Name:_____
Notary Public for the State of _____
(Seal) Residing at _____
My commission expires: _____