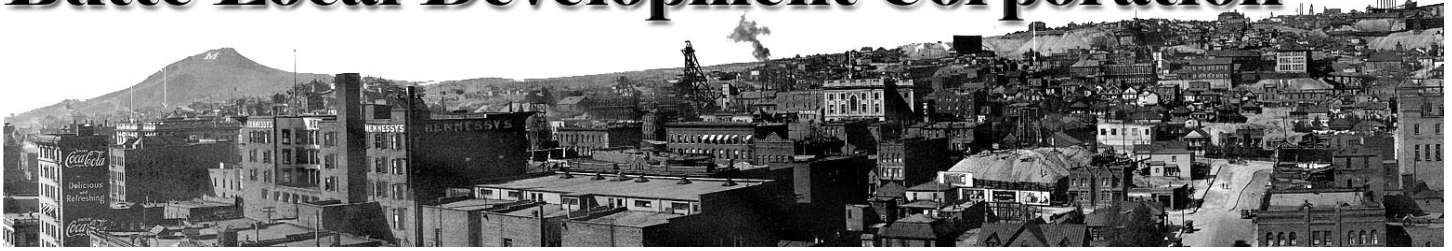


# Butte Local Development Corporation



WINTER 2006

DECEMBER 15, 2006

## BUTTE-SILVER BOW COMMUNITY BUSINESS PLAN

Butte-Silver Bow business leaders recently released the Community Business Plan which was developed to identify businesses and industries that will bring vitality to the community. The Plan was developed by the Butte-Silver Bow County, the Butte Local Development Corporation and the Butte Chamber of Commerce. Several other communities throughout the United States have developed similar community business plans using a prescribed process. Several public meetings involving a wide variety of Butte citizens were held to gather data which was used to develop the draft Plan. The Plan identifies Butte's strengths and areas where improvement is needed. Using this as a base, it then sets certain goals to attract and maintain businesses in Butte-Silver Bow. The Community Business Plan is considered a living document that will be adjusted as conditions in Butte change. It will serve as a road map for the community to follow into the future. The Plan is divided into six sections:

**Community Description**— The Plan identifies the large sector employers in Butte. St. James Healthcare tops the list at 510 employees followed closely by NorthWestern

Energy. The reopening of Montana Resources increased the workforce by 350 people.

**Community Analysis**— The basic means used to analyze Butte was to perform a community analysis. With the information gathered during the public meetings, the authors were able to put together a comprehensive overview of the community.

One of Butte's major assets is its location. Two major interstates pass through Butte: I-90 and I-15. Butte is the only place in Montana served by two transcontinental rail carriers: Union Pacific and BNSF. Butte also has access to a menu of local, state and national incentives to support economic development. Other Butte assets are its quality workforce, affordable living and many former residents wanting to return home to work.

The areas where there is a need for improvement include a coordinated community vision, housing and commercial development and community pride.

**Goals, Objectives and Strategies**— The goals developed during the public meetings centered around the need to increase the number of quality jobs, increase the average salary

and to augment the number of well trained, high quality workers available for new and existing businesses. Another goal was to develop Butte into a tourist destination by promoting existing attractions and developing new venues.

**Industry Targets**—Due to Butte's location it is an ideal place for warehouses and distribution centers. Butte also offers a great number of well educated workers that would be available to staff "back office" or technical support operations. With Butte's history of light manufacturing, there are many skilled craftsmen in the local workforce that could be employed in this industry sector.

**Resources for Business Development**—Butte offers many tools to assist with development. Montana Tech and the College of Technology offer degrees in many engineering fields, nursing, business and technical communications. Service Corp of Retired Executives (SCORE) assists business through counseling and mentoring. The Small Business Development Center (SBDC) provides assistance to new and emerging businesses. Butte offers a One-Stop Workforce Center to assist with hiring for businesses and applying for employment.

**Business Incentives**—

Local and state agencies have a variety of financial assistance packages available to support business growth. The Urban Revitalization Agency (URA) is funded through tax increment financing. This program provides matching grants and loans to eligible applicants for infrastructure improvements. The Butte-Silver Bow City-County Tax Increment Financing District (TIFID) program directs new tax dollars, which accrue from new development in the Port of Montana Business Development District. Butte-Silver Bow's TIFID was created to achieve economic growth in areas lacking development. Project developers may also apply for a property tax abatement through local government. The program would reduce local property taxes by 50% for the first five years. Over the next five years the percentage of taxes would increase 10% until the full amount is reached. Another program through which developers may apply for assistance is the Butte-Silver Bow County Executive Branch Project Development Assistance Program. The BLDC and Headwaters RC&D administer many loan funds to help expand and retain business in Butte.

For more information on the Community Business Plan call the BLDC at 723-4349, or view the Plan in its entirety at [www.buttemontana.org](http://www.buttemontana.org).



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## MASTERS GROUP INTERNATIONAL

Masters Group International has applied and been approved by the TIFID Board of Directors for assistance in building a distribution center to be located in the Port of Montana Business Development District. This will be the first distribution center in North America for Masters Group. Masters Group International recently purchased Masters Group, Ltd based in London. The distribution center will provide office products to companies such as Staples, Office Max and other retail stores. Masters Group also plans to manufacture various lines of high end office products at the Butte facility

The BLDC has loaned Masters Group \$200,000 which will be used towards working capital in order to build the distribution center. The BLDC loan will be leveraged against \$4.5 million in tax increment financing. The county will lease the building to Masters Group and they will have the option to purchase the building after ten years.

The distribution center plans to employ 50 people in the beginning of operation. After three years they project to expand employment to 130 employees in the warehousing and assembly sector.

Governor Brian Schweitzer, Chief Executive Paul Babb, Jim Smitham, Pam Haxby-Cote, Marko Lucich, Russ Connole and other state and local business leaders worked for the past year to recruit Masters Group International to the Butte Area. Jim Smitham stated, "This meets two of the five target areas in the Butte-Silver Bow Community Business Plan and will be a great addition to our community."

## **BCD TRAVEL TO LOCATE IN FORMER SATO BUILDING**

BCD Travel, the world's third largest travel management company has announced the opening of a travel reservation center in the former SATO building in Butte. BCD Travel is a leading provider of global corporate travel management. The company currently operates in 96 countries on five continents with annual sales in excess of \$12 billion. The company was founded in January 2006 through the purchase of three other travel corporations: TQ3 Travel Solutions Management Holding GmbH, The Travel Company and World Travel BTI. BCD Travel's mission is to "simplify and streamline the business of travel." BCD Travel will provide customers with personal attention, quality work and maximum value.

The business plans to open January 2nd and will employ 60 to 70 people by March 2007. With a second phase of hiring of an additional 100 employees within 12 to 18 months. With the recent closure of Sato Travel many of their former employees will be able to transition over to BCD Travel very easily. Once the Additional employees are hired BCD Travel will approach the Council of Commissioners with a request to improve County owned property south of Platinum Street for additional parking.

The BLDC along with other members of TEAM Butte were involved in the initial discussions with BCD Travel and worked together to find a solution to parking requirements that will occur as their employment expand.