

IX. DEVELOPMENT STRATEGY

A. Program and Project Selection

1. Assumptions

Agricultural Production

The Lower Yellowstone Irrigation Project will continue to supply water to valley farmers in Richland County, thereby keeping the land highly productive. We will keep monitoring the endangered species, the pallid sturgeon, and how modifications to the Intake diversion dam will impact the system.

Value-added agricultural products continue to be important to the economy in Richland County; therefore ways need to be found to create additional value-added products here instead of shipping the raw product elsewhere.

World prices for raw products produced here will affect local growers, although locally little can be done to change market prices.

Research and exploration into the feasibility of a small ethanol plant utilizing wheat, barley, sugar beets or corn are being considered as a potential means to diversify our agricultural economy.

Mineral Extraction

Oil and gas activity in Richland County will continue to increase as the drilling activity expands from the Williston area. The production support services will also increase for several years to come.

Existing coal production in Richland County will remain stable; other existing reserves probably won't be mined in the near future, unless market demand increases substantially.

Livestock

Cattle prices should remain relatively stable in the near future. A market exists for value-added meat products. Additional opportunities exist for the recruitment of more dairies, also.

Tourism

Visitation to the Fort Union Trading Post & Fort Buford will continue to increase annually as these sites are promoted and publicized.

The wide open spaces of Montana, “Big Sky Country,” will continue to appeal to people nation-wide. The search for the Montana Moss Agates, river floating, game hunting and fishing opportunities in Richland County will be drawing cards for tourists.

Communications

New developments in computer technology and telecommunications will make it possible for rural areas to compete with urban areas to a certain extent in economic development and job growth in small communities.

Continued efforts to develop post-secondary education opportunities with Jr. Colleges will improve our ability to compete with other regional trade centers. Emerging needs from within the oil industry sector are beginning to drive additional programming.

Manufacturing/Processing

Shipping costs, transportation and the distance factor make it unfeasible for many types of manufacturing in Richland County.

Potential exists for certain types of value-added products – agricultural in particular – to be processed here.

Manufacturing businesses that support the oil industry have a better opportunity to locate in Richland County, with the increase in production.

Business

Existing businesses have been creative and weathered the economic explosion in recent years. The top challenge remains the lack of employees. The downtown businesses are unable to compete with the wages and benefits of the oilfield industry.

Sidney now competes with Williston to be the center of commerce and growth for the area, although other communities in Richland County provide most the needed services for their residents.

There has been an increase in entrepreneur, self-employed businesses in Richland County, and the Revolving Loan Fund has been able to assist with 61 jobs.

Healthcare

There will be an increase in the percentage of elderly residents, and these elderly people will need a variety of healthcare services. In addition, due to the influx of population, the emergency services and clinics has seen dramatic increases.

Quality of Life

The quality of life in Richland County will continue to be an asset, however; education, community services, law enforcement and local government are all challenged with the additional population increase to the services.

2. Goals

Long –Term

Retain existing businesses and continue to support the healthy economic base of Richland County.

Recruit businesses to Richland County, which will increase the number of stable, long-term jobs.

Continue to market the Revolving Loan Fund to help attract and fund new and existing businesses.

Expand community facilities.

Develop ways to create and market value-added agricultural products.

Increase educational opportunities for county residents through University system and other post-secondary institutions, using telecommunications and other technology.

Promote and develop Richland County’s tourism potential terms of Fort Union visitation; and hunting and fishing opportunities.

Support the growth policy and land-use plan.

Short-Term

Work with Richland County Commissioners and Sidney City Council in promoting tax incentives to encourage business start-ups and expansions. Support the efforts of updating and increasing the infrastructure needs county-wide.

Continue skills development in business recruitment, loan packaging and local business assistance.

Offer grant writing assistance for economic development projects.

Sponsor workshops for business owners, which would expose them to resources available locally and on state level.

Ultimate

Strengthen and expand the local tax base.

Increase the number of stable, long-term jobs in Richland County.

Increase the level of income to both employers and employees in Richland County.

Improve Richland County's image and instill pride in residents as to quality of life and what they have to offer.

Educate public to look at potential projects in terms of community as a whole, rather than splintered special interest groups.

3. Criteria to Guide Resource Utilization

- A. Since both the Montana Community Development Block Grant Program and the U.S. Economic Development Administration grant programs give preference to projects that create job opportunities for the low-to-moderate income sector of the labor market, the CEDS Committee and Richland Economic Development Corp. will prioritize projects which would provide jobs for the unemployed and underemployed. Priority would also be given to jobs and job training opportunities for single mothers and displaced homemakers, which are most prevalent of the chronic unemployed.
- B. Priority will be given to business retention, since statistics show that it is ten times easier to retain an existing business than to recruit a new one. Montana Dept of Commerce statistics indicates it is easier to retain current business/expansion than to recruit with higher success rate. Value-added agriculture products and byproducts from oil and gas will be targeted as potential development areas.
- C. Development is possible in any community throughout Richland County. However, since the majority of the population base is located in Sidney, one can assume that this geographic setting would be the most suitable to accommodate development efforts. One should not overlook that Fairview has the infrastructure in place to accommodate development as well. Community services, water and sewer system, etc. are all in place in Fairview as well as Sidney. Lambert and Savage, which are unincorporated and have minimal community services, would have a difficult time attracting new business, unless it was a home-based enterprise.
- D. The Richland Economic Development Corporation would, in most cases, be the sponsoring organization for development projects. The REDC would

work jointly with the Richland County commissioners, Fairview and/or Sidney City Councils as needed. Capital Improvement plans would likely be the responsibilities of the local government involved. In some cases, the manager of a development project may be the business itself, depending on the project.

B. Course of Action

One-year Plan (2012 – 2013)

1. Housing

REDC will work with the Richland County Housing Authority, the Richland County Commissioners, the City of Sidney, the towns of Fairview, Lambert and Savage, the realtors, and other organizations interested in expanding the availability of housing to the residents of Richland County.

2. Infrastructure

REDC will work with the Richland County Commissioners, the City of Sidney, the Towns of Fairview, Lambert and Savage to identify funding resources to update, replace or construct the aging infrastructure.

3. Business Development

REDC will continue to provide the market research, tools, and updated information to developers and businesses seeking to build or expand in Richland County. REDC will continue to be one of the first, one-stop, guidance resources for start up businesses.

Five-Year Plan (2012 - 2017)

1. Revolving Loan Fund

Richland Economic Development Corp. has created a start-up fund with match money and contributions received from Richland County to provide financing to qualified businesses.

In rural communities there has been a shift in economic development from business recruitment to business retention and expansion. With statistics showing that business recruitment efforts have a success ratio of about one percent, few small towns will be successful in plant relocation competition. More emphasis by small town economic development groups such as the REDC is the expansion and retention of small firms that are

basic to the area's economy. However, more equity and less debt capital is now needed since small firms typically cannot handle additional debt.

This start-up fund has addressed these objectives: 1. Create additional job opportunities for the residents of Richland County. 2. Leverage other private and public funds for business development when possible. 3. Provide opportunities for existing businesses to expand.

The Revolving Loan Fund has been successful in retaining and expanding existing businesses and attracting new entrepreneurial businesses to the county. Ultimately, it has increased the number of stable, long-term jobs in Richland County.

2. Junior college

It is the CEDS committee's consensus that if Sidney is to become a regional trade center for eastern Montana and northwestern North Dakota, steps must be taken to provide post-secondary education opportunities for county residents. The committee goal is to partner with a junior college or branch of a major university.

With current funding problems with education statewide, this concept at face value may seem almost impossible. However, with advances in telecommunications, it may be possible to provide courses via satellite, phone modems, etc. with a minimum of investment. REDC would support efforts by the Job Service Employer Committee and others to involve educators at every level in the planning and decision-making processes.

It's difficult to estimate what such an undertaking might cost. Funding would be sought at the local, state and federal level, and this type of project would lend itself to grant funding from foundations and corporative givers. This project would satisfy the long-term goal of increasing educational opportunities for Richland County residents.

Priorities

Projects that will create and or save jobs for Richland County will be given top priority. Business expansion projects would rank higher in priority than percentage not only here but also nation-wide in rural areas.