



Bear Paw Development Corporation
of Northern Montana

ANNUAL REPORT 2017



Friends of Bear Paw Development,

Challenging times in rural Montana require dedication, creativity, grit and patience. This formula is applicable to private industry and the public sector and has certainly kept Bear Paw Development relevant and engaged for nearly 50 years. As we work with entrepreneurs, government officials and others who want to make northern Montana a great place to build a business and raise a family, we are humbled by the support we receive year in and year out. Thank you!

Last year, we worked with our many partners to secure \$8.9 million for worthwhile projects in our region. We also helped to create or retain 195 jobs. While impressive, these numbers don't tell the whole story.

Through last year's targeted investments and strategic alliances, we believe our work will have a lasting impact for decades to come.

Our commitment to create a better, more vibrant economy for our region is as strong as ever. This Annual Report is a snapshot of the good work in which we were engaged last year to achieve that goal, working alongside the partners we consistently rely upon to build communities and grow the private sector.

We are excited and energized about the future of this special part of Montana. We hope you are too!

Best regards,



Deborah Callahan
President



Paul Tuss
Executive Director

CONTENTS

- 4 Blue Ridge Brewing
- 6 B Social Bar and Lanes
- 8 Boys & Girls Club of the Hi-Line
- 10 Harlem Wastewater Project
- 12 Hi-Line Law, PLLC
- 14 HM Salon & Spa, LLC
- 16 Bear Paw by the Numbers
- 18 Board of Directors/Staff

"Ultimately, we love where we live and we want to make it just a little bit better. Hopefully Blue Ridge Brewing will be a place where community members and those passing through can come relax, have a pint, and connect with one another."

Bryan Shores, Co-Owner
Blue Ridge Brewing

1. WHEAT 3.75% ABV
2. AMBER 4.08% ABV
3. BELGIAN WIT 3.8% ABV
4. STOUT 3.8% ABV
5. I.P.A. 6.0% ABV





BLUE RIDGE BREWING

MALTA

A hoppy change is coming to the hip town of Malta! At least that's how Bryan and Brianna Shores describe their newest business venture in their beloved hometown. Blue Ridge Brewing, named after a prominent ridge on the ranch where Bryan grew up guiding trophy elk hunts as a kid, is slated to open in the spring of 2018. The brewery was constructed by Bryan, attached to his popular metal sign business. Blue Ridge has established a founders 'mug club,' features rugged tin and copper décor, and, of course, is adorned by antlers galore.

Bear Paw Development's Food and Agriculture Development Center became involved with Blue Ridge when contacted by our partner organization, PhillCo Economic Growth Council, about an ambitious couple seeking assistance to secure financing for a proposed brewery. Shortly thereafter, Bear Paw's FADC set to work with the Shores to develop business financials for their application to the Montana Department of Agriculture's widely popular Growth Through Agriculture grant/loan program. While developing their financials, the Shores also worked with Bear Paw's Loan Department to secure funds for this start-up venture. Blue Ridge Brewing is sure to be a place for family, friends, neighbors and colleagues to gather in merriment and carry on the tradition of community that makes the Hi-Line such a special place to call home.



B SOCIAL BAR AND LANES

FORT BENTON

The bowling alley in Fort Benton has been a longstanding establishment and has served as a source of fun, entertainment and, most importantly, league bowling for local residents and visitors for many years. In early 2017, Jack's Bar and Lanes went up for sale. This was when a young couple, Trapper and Julie Bowers, decided to take on the property and give it new life as B Social Bar and Lanes.

The Bowers, who have Montana roots, had been living and working in South Carolina for several years when they decided to move to Fort Benton to be closer to family. They had always wanted to start a business of their own and saw a great opportunity in the local bowling alley. Trapper and Julie came to Bear Paw Development to further develop their plans for taking over the business and making it their own. The Bowers also obtained financing for the purchase of the property through Bear Paw's USDA Intermediary Relending Program.

Trapper and Julie renamed the business B Social Bar and Lanes. Not only have they continued the tradition of league bowling, but have extended their hours of operation and expanded their services to include open bowling and a restaurant and lounge.



"We are excited about this new adventure in Fort Benton, owning and running a business of our own, and we found a great partner in Bear Paw Development to help us get started."

Julie Bowers, Co-Owner
B Social Bar and Lanes



"Bear Paw has always been a great partner. This is not our first project with them and I'm sure it won't be our last."

Krista Solomon, Executive Director
Boys & Girls Club of the Hi-Line



BOYS & GIRLS CLUB OF THE HI-LINE

HAVRE

Through the City of Havre, Bear Paw Development submitted a Community Development Block Grant Public Facilities application for renovations to the Boys and Girls Club of the Hi-Line. The application was successful and the City was awarded \$421,000 in CDBG funds. Upon award, Bear Paw helped the City of Havre and the Boys and Girls Club procure SMA Architects and Clausen and Sons Construction to complete the renovations.

The renovation is addressing several critical facility needs, including a reroof of the west wing, installation of energy efficient windows, construction of a staff bathroom, installation of a fire alarm and intercom system, and renovations to the gym. Construction began in October 2017 and will be complete in early 2018.



HARLEM WASTEWATER PROJECT REWARDS PATIENCE AND PERSISTENCE

The City of Harlem has been working on a solution to their wastewater problem for more than eight years, and due to the severity of these difficulties, received multiple violations from the State of Montana. In 2011, Montana's Renewable Resource Grant and Loan Program awarded Harlem a \$100,000 grant; in 2013, Montana's Treasure State Endowment Program followed up with a \$625,000 grant; and in 2015, USDA-Rural Development awarded the community a very generous funding package consisting of \$2.9 million in grant funds and \$1.2 million in loan funds. This resulted in the project being financed with approximately 80% in grant funds, thus allowing the city to keep a necessary rate increase to a minimum.

Following a successful sludge removal project in 2013, construction began on the main project in the fall of 2016. The project consisted of construction of a large storage lagoon, spray irrigation system, sludge disposal, and upgrades to two lift stations and the treatment plant building. The project was deemed Substantially Complete in August 2017, and Harlem is currently working to determine the best solution to remove the remaining sludge. Bear Paw Development is pleased to have been an integral partner in this effort.

"Quality infrastructure is the cornerstone for community vitality and economic growth. The City of Harlem is proud to partner with Bear Paw Development, funding agencies, engineers and contractors to meet the critical needs of our community. High levels of communication and quality workmanship are the foundation of successful projects."

Bill Taylor, Mayor
City of Harlem



"Taking on my own practice was a big step for my career, and with the help of Bear Paw, I knew I had the support I needed to start my own business."

Jennifer Forsyth, Owner
Hi-Line Law, PLLC





Hi-Line Law, PLLC

HI-LINE LAW, PLLC

HAVRE

Jennifer Forsyth was born and raised in Havre, and now has her own practice, Hi-Line Law, PLLC, in the Havre community. Jennifer received her undergraduate degree from the University of Montana and her Juris Doctorate degree from the UM School of Law and was admitted to the Montana Bar in 2009. She has been practicing for eight years.

Jennifer worked alongside another lawyer for several years before purchasing the practice. Bear Paw Development was able to assist Jennifer with financing the purchase through its Revolving Loan Fund Program. Jennifer offers services in estate planning, corporate and business law, buy-sells and other real estate transactions, landlord and tenant actions, probates, civil litigation, and collections.

Located at 410 Third Avenue in Havre, the Hi-Line Law, PLLC property originally served as a gas station many years ago and underwent cleanup with the assistance of the Montana State Petrofund in 2007. Not only has Jennifer maintained a thriving law practice, but her office building is an excellent example of a successful brownfields redevelopment project. Hi-Line Law, PLLC provides a much needed service to the area, is locally owned and operated, and retains three jobs for the Havre community.



HM SALON & SPA, LLC

HAVRE

Harold Blake Whitford, Jr. envisioned opening his own salon when he graduated from cosmetology school. That vision became a reality when he and his mother, Melody Bernard-Whitford, purchased Elite Tan & Style in 2016. Located in Havre's Holiday Village Mall, they changed the name to HM Salon & Spa. HM Salon provides all hair services, including Brazilian Keratin Treatment, the only salon in the area certified for that service. HM Salon also offers tanning, full body waxing, as well as professional makeup application.

In 2017, Bear Paw's Small Business Development Center assisted the Whitfords in fine tuning their business plan and helped with financial projections for a grant application to the Indian Equity Fund from the Montana Department of Commerce. They were awarded funding later in the year to purchase new equipment. Harold and Melody continue to grow their business, offering new services to a wide area of northern Montana.



"We want to extend our sincere gratitude to Joe LaPlante for assisting our small hometown business reach new possibilities by guiding us along the process for the Indian Equity Fund grant. We can't put into one paragraph all the wonderful things he has done for us, including helping with our accounting."

Melody Bernard-Whitford, Co-Owner
HM Salon & Spa, LLC

BEAR PAW BY THE NUMBERS

\$8,959,691



Funding coordinated in 2017 through grant writing, revolving loan fund investments, bank financing and other sources for business start-ups and expansions and community enhancements, including local government infrastructure.

Leveraged funds from outside sources in 2017 for every \$1 of local government investment in Bear Paw Development.

\$85.33



195



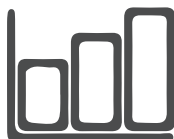
Jobs created or retained by private industry and others in 2017 through business advising, technical assistance, business lending and project management by our Small Business Development Center, Loan Department, Food and Agriculture Development Center and Community Development Department.

Number of business owners or aspiring entrepreneurs counseled by our Small Business Development Center in 2017.

124



381



Number of loans to entrepreneurs since inception of Bear Paw's Loan Department to finance business start-ups and expansions.

Estimated number of jobs created or retained due to business lending activity over the past 30 years.

1,460



\$136,500,051



Funding coordinated by Bear Paw Development since 2006 for projects in Bear Paw's Economic Development District through state, federal and local government sources, as well as through banks, revolving loan funds, owner equity and other investments.

Business lending by Bear Paw Development, plus leveraged funds coordinated by our organization, for more than 315 private sector start-ups and expansions over 34 years.

\$59 Million



BOARD OF DIRECTORS

Debbie Callahan <i>President</i>	Member At-Large
Jim Ghekiere <i>Vice President</i>	Liberty County
Doug Kaercher <i>Secretary</i>	Member At-Large
Charlie Kulbeck <i>Treasurer</i>	Blaine County
Scott Ross	Town of Chester
Richard Sangrey	Rocky Boy's Indian Reservation
Loretta Bell	Fort Belknap Indian Reservation
Carol Floren	City of Chinook
Bruce Christofferson	Phillips County
Diane McLean	Hill County
Daren Schuster	Chouteau County
Leona Kienenberger	Little Shell Tribe
Shyla Jones	City of Malta
Rebecca Shackelford	City of Harlem
Tim Solomon	City of Havre
Rick Morris	City of Fort Benton
Colby Baumgarn	Town of Big Sandy
Rhonda Brewer	Member At-Large
Ron Young	Member At-Large
Dave Skiff	Member At-Large
Morb Wicks	Member At-Large
Wayne Wardell	Member At-Large
Ashley Stuart	Member At-Large
Greg Kegel	Member At-Large

BEAR PAW STAFF

Paul Tuss	Executive Director
Stefnie Redding	Director of Operations
Samantha Chagnon	Loan Technician Brownfields Coordinator
Joe LaPlante	Small Business Development Center Director
Taylor Lyon	Food and Agriculture Development Center Director
Tiffany Melby	Director of Loan Services
Eryn Nissen	Community Planner
Michele Turville	Director of Community Development

SMALL BUSINESS DEVELOPMENT CENTER INVESTORS

Independence Bank	First Security Bank
US Bank	First Bank of Montana
First State Bank of Malta	

BUSINESS INVESTMENT PROGRAM PARTNERS

CTA Architects Engineers	NorthWestern Energy
Great West Engineering	BNSF Railway
Morrison-Maierle, Inc.	Town Pump, Inc.

DESIGN & PHOTOGRAPHY

Metcalf Media - Design
Crystal Kinsella - Photography
Cindy Rae Gatzmeier - Photography





BEAR PAW DEVELOPMENT CORPORATION

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Building Partnerships For Community & Economic Development