## TOURISM GRANT PROGRAM MONTANA DEPARTMENT OF COMMERCE

The Tourism Grant Program awards funds to projects that strengthen Montana's economy through the development and enhancement of the state's tourism and recreation industry. Grants are awarded annually to projects that develop and enhance tourism and recreation products that have the potential to increase non-resident visitation.

The Tourism Grant Program is funded by the 4% Lodging Facility Use Tax commonly known as the "Bed Tax," which is collected from guests of hotels, motels, bed and breakfasts, guest ranches, short-term vacation rentals, resorts and campgrounds.

Of the 61.7% collected bed tax distributed to the Montana Office of Tourism and Business Development, approximately \$750,000 is awarded annually to projects through the Tourism Grant Program.



Shelby Carousel Photo by Sagebrush Studio Photography

## ENTITIES IN MONTANA THAT ARE ELIGIBLE TO APPLY FOR A TOURISM GRANT INCLUDE:

- A primary, registered 501(c) organization
- A tribal government
- A city or county government

Eligible entities cannot use funds as a pass-through for ineligible entities, which include for-profit businesses, individuals, and other state or federal agencies.

The asset/proposed project must be owned by the entity applying for the grant or the applicant must have a long-term lease with automatic renewal in place [such as for placing or constructing signage on municipal land or an enhancement project that is within a commercial facility].

## FUNDS ARE AWARDED TO TOURISM AND RECREATION PROJECTS IN THESE CATEGORIES:

- Arts / Culture / Heritage Preservation: projects that preserve, protect, or restore Montana's arts, culture, and/or heritage treasures.
- Visitor Facility Upgrades / Construction: projects that will enhance the non-resident visitor experience and increase expenditures.
- Niche Product Development: projects of interest to non-resident visitors as identified in the Montana Destination Brand Research located at <a href="https://www.marketmt.com/\_shared/">https://www.marketmt.com/\_shared/</a> Marketing/docs/brand-research.pdf.

Qualified applicants must demonstrate a match of actual and committed money and in-kind investment if applicable in the proposed project. The match is \$1 applicant to \$2 grant award. For example: if the project costs \$9000 to complete, an applicant requesting \$6,000 grant award must demonstrate they have \$3,000 committed to the completion of the project as match. Reasonable in-kind services, in-kind labor, and/or volunteer hours can count up to 25% of applicant match yet the remaining 75% of applicant match must be committed cash.

A key component of a successful application to the Tourism Grant Program is for the applicant to demonstrate the proposed project has the invested support of community and tourism partners. Such partnerships build sustainability and assist with destination marketing upon successful completion of the project.

Applications are accepted via an on-line platform on the launch date of the annual application cycle. The application window closes at midnight MST on the end date of the application cycle. The timeline of the application, review and project for the cycle for the fiscal year is available at <a href="https://MarketMT.com/Programs/Industry-Services-and-Outreach/Tourism-Grant-Program">https://MarketMT.com/Programs/Industry-Services-and-Outreach/Tourism-Grant-Program</a>.

From the date of award, funded applicants have until June 1 of the following fiscal year to complete the project, therefore Tourism Grant Program funds are typically not appropriate for front-end construction projects, projects that are still in the fundraising or planning phase, and/or non-shovel-ready projects.

## MONTANA OFFICE OF TOURISM AND BUSINESS DEVELOPMENT

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