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February 2, 2018

Charles Robison, State Director  
Montana State Office  
U.S. Department of Agriculture, Rural Development  
2229 Boot Hill Court  
Bozeman, MT 59715

**Subject: Retaining Kalispell's rural designation**

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Dear Mr. Robison:

I have recently learned that Kalispell is at risk for losing its status as a "rural" area under the definition of the U.S. Department of Agriculture, which would adversely impact our ability to access rural development loan programs. I would like to offer some points for your consideration for why Kalispell should retain this rural designation for this next 5-year approval period.

**Kalispell has rural density.** Kalispell resides in Flathead County, Montana, a sparsely populated county of 5,087 square miles estimated at 98,082 residents (U.S. Census, 2016). This works out to 17.9 people per square mile *or 1 person for every 35.75 acres*. Furthermore, Kalispell represents just 23 percent of the county population despite the fact that it serves as the regional trade center, county seat, and regional health care center. Together these two facts illustrate the widely dispersed nature of the population of Kalispell and the Flathead Valley. It is important to note that just a little over one-third (36%) of the county's population lives in incorporated areas of Flathead County.

**Non-resident visitors are attracted to Kalispell for its rural and uncrowded characteristics.** Non-resident tourism is a major contributor to the Kalispell economy. As the official non-profit tourism agency that represents the City of Kalispell, we are keenly focused on visitor attitudes and perception about our market. Research by the Institute for Tourism and Recreation Research at the University of Montana (2016) indicates the reasons that visitors come to Kalispell. The first reason is Glacier National Park (82%). But reasons two and three are distinctly rural in nature: mountains and forests (78%) and open

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spaces/uncrowded areas (52%). This sample size of 476 survey respondents, which equaled to 17.6% of all nonresident visitors, representing a total of 2,170,951 people. Travelers come to Kalispell for its rural and uncrowded characteristics.

**The Kalispell business community puts a high priority on agricultural businesses and values.** The Kalispell Chamber has an active Agribusiness Committee of 21 members which produces the annual 4H and FFA Livestock Auction, supports farm-to-table initiatives, and promotes Ag Day. The 4H and FFA Livestock Auction at the county fair is produced by the Kalispell Chamber is our largest project of the year by dollar volume. In 2017, the event raised \$515,000 for students in a five-hour period, indicating the tremendous support our community has for ag education and values.

Ag uses still comprise some of the largest land uses in downtown Kalispell. CHS elevators and supply store are located in downtown Kalispell and comprise the larger of the two remaining users of the railroad spur through downtown Kalispell. Additionally, the county fairgrounds are also located right in downtown Kalispell.

**Kalispell is geographically rural.** Kalispell resides in a county that is nearly 80% in public ownership, surrounded by Glacier National Park, Flathead and Kootenai National Forests, and the Bob Marshall, Scapegoat, and Great Bear Wilderness areas. The Middle Fork of the Flathead River is designated as a wild and scenic river system. We are 120 miles from the closest segment of the interstate highway system in Missoula. Kalispell has an outstanding community college, but is the only community in the state with a population of 20,000 people without a 4-year college.

**Conclusion.** I could go on, but I think the point is clear: Kalispell is a rural community based on population density, geography, the built environment, and in the eyes of visitors, residents, and businesses. Feel free to contact me if you should have any questions.

Warm Regards,



Joe Unterreiner, President/CEO  
Kalispell Chamber of Commerce  
Convention and Visitor Bureau