

BBER February 7.2023

VENTUREBOLDLY

Kalispell is Growing Up Slower...but steady as she goes

DISCOVER
Kalispell
CHAMBER

Opening Night – Wachholz College Center

The Silos



Stats -

2021

- Kalispell Population – 26,110
- Flathead County – 107,384
- Poverty Rate – 13.27%
- Median Sales Home Price - \$550,000 (406mls.com)

2022

- Kalispell Population – 25,947
- Flathead Population – 108,386
- Poverty Rate – 17.80%
- Median Sales Home Price- \$569,000 (406mls.com)

Flathead County has grown 19.20% since 2010.

Montana ranks 2nd in the nation for largest percentage of in-migration from 2020 to 2022.

Net in-migration of 41,000 people from 2020 to 2022, which represents 3.8% of our population.

2022 Kalispell Business & Community Highlights

- March 24, 2022 – Kalispell pushed Bozeman out of the Number 1 spot as the fastest growing Micropolitan city in the US.
- Investor group, MT Hotel Dev Partners, has moved forward with plans for ownership of a major downtown parking garage with retail on the bottom and housing on top. Plans for The Charles Hotel are in process with submittal to the City coming soon.
- Greenway Development Group cut the ribbon on the Meridian Apartments in Kalispell – a 180 unit development. Cleared the sight and plans for the Parkline Towers unveiled. The old Ford Dealership site above the entrance to Evergreen and on the Park Line Trail. 224 Units with planned completion in 2024.
- Wachholz College Center opens its doors.



2022 Kalispell Business & Community Highlights



- Pioneer Baseball's newest team, Glacier Range Riders - The Kelly family hosted Opening Day June 14, 2022. Facilities and Club House continued expansion and are set to be completed for the 2023 season.
- With the rise in interest rates, we have seen a cooling of the market in Kalispell and the Flathead. Realtors and mortgage lenders continued to see sales, but more days on market, lower selling prices, and higher levels of inventory – a welcomed cool-off by buyers.
- Glacier Park International Airport experienced a 1% increase in enplanements over 2021 and the highest number ever. Due to lack of crews and high jet fuel prices, we lost two airlines in 2022. The terminal expansion broke ground and Phase 1 is to be completed in 2023. The cost for phase 2 has increased substantially so grants are being written and there may be adjustments to phase 2 to deal with these increases.

Kalispell Economy



- Healthcare
- Technology & Innovation Manufacturing
- Tourism
- Economic Impact:

NON-RESIDENT SPENDING IN FLATHEAD COUNTY

1,999,585

Non-resident visitors in 2021

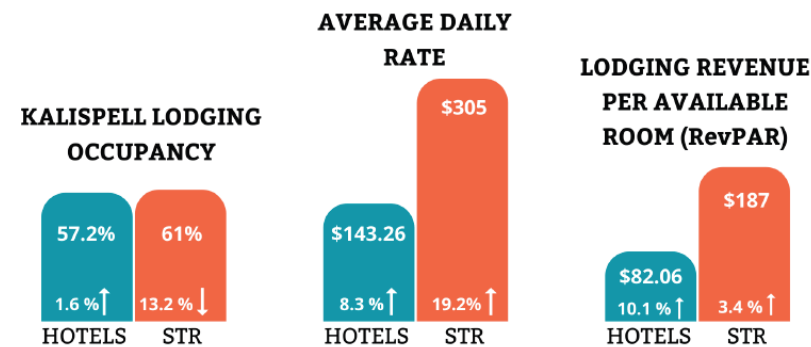
Those visitors spent **\$685 million** in
Flathead County

Where are visitors spending?

Restaurants & Bars
Retail
Outfitters & Guides
Accommodations

ITRR, Zartico

ECONOMIC DEVELOPMENT THROUGH TOURISM



* STR=Short Term Rentals in Kalispell City Limits
* % increase/decrease YOY

Smith Travel Research and AirDNA

CREDIT CARD SPENDING IN KALISPELL BY NON-RESIDENTS

2022 (Q1 - 3) \$179,075,058 | +22% YOY

TOP DMA'S FOR CREDIT CARD SPENDING IN KALISPELL BY NON-RESIDENTS:



73% of credit card spending in Flathead County by
out-of-state visitors is spent in Kalispell.

Visa Destination Insights, Zartico

POLICOM RATINGS...NO. 6...up from 9!

543 Micropolitan Areas

543 Micropolitan Areas	2023	2022	2021	2020	2019
Bozeman, MT (McrSA)	1	1	1	1	1
Heber, UT (McrSA)	2	2	2	3	34
Lebanon, NH-VT (McrSA)	3	3	20	12	19
Jackson, WY-ID (McrSA)	4	13	5	33	12
Laconia, NH (McrSA)	5	10	18	13	13
Kalispell, MT (McrSA)	6	9	21	10	14

“Economic strength is the long-term tendency for an area to consistently grow in both size and quality.”



Employment



Flathead Valley 2021

Unemployment – 2.3%

Labor Force – 49,842

Employed – 48,679

Total Population – 107,384

Flathead Valley 2022

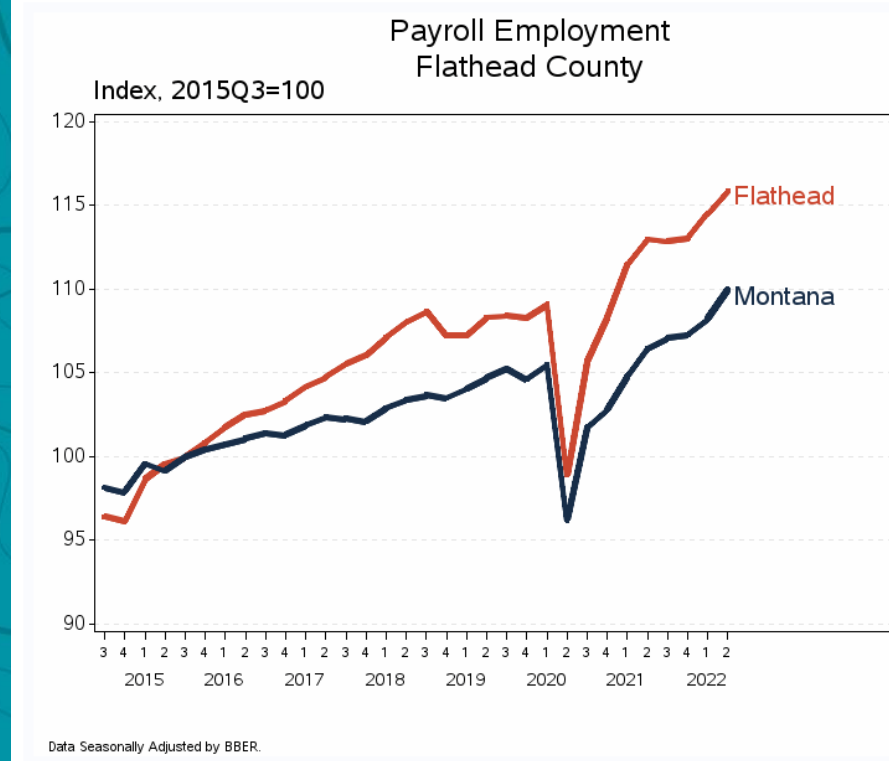
Unemployment – 3.0%

Labor Force – 51,041

Employed – 49,534

Total Population – 108,386

COUNTY EMPLOYMENT GROWTH vs STATE



Cost of Living Comparison

compared to national average

Kalispell	Overall Housing	94.06% 117%
Helena	Overall Housing	98.3% 108.7%
Missoula	Overall Housing	96.8% 132%
Bozeman	Overall Housing	96.8% 187%



The calculations are based on the total cost of energy, food, healthcare, housing and transportation, among other factors.
Source: salary.com



WORKFORCE,
WORKFORCE,
WORKFORCE

HOUSING,
HOUSING,
HOUSING



City of Kalispell Permit Activity

	2017	2018	2019	2020	2021	2022
Total Building Permits Issued (all types)	290	280	281	406	300	245
Commercial, Office, Industrial, Utility	79	80	67	58	67	39
Residential	180	181	210	340	221	194
Government, Public/Quasi Public,	10	12	3	4	9	9
Health Care	21	7	1	4	3	3
New or Significant Commercial, Office, Industrial or Utility Permits (\$250,000 or greater)	21	20	21	15	16	14
Value of New or Significant Commercial, Office, Industrial, Utility & Remodel or Additions	\$ 39,641,500	\$ 21,156,047	\$ 25,785,792	\$ 21,142,601	\$ 23,980,208	\$ 15,369,135
New Residential Units	195	215	244	460	878	613
Single Family, Townhouse and/or Duplex units	151	133	160	300	229	137
Multi-family units	44	82	84	160	649	466
Value of All New Residential Units	\$ 25,558,959	\$ 36,283,902	\$ 41,728,860	\$ 79,393,670	\$ 130,763,112	\$ 88,783,054
New or Significant Additions to Public/Quasi-Public, Health Care Permits (\$250,000 or greater)	11	15	2	2	2	5
Value of New or Significant Public/Quasi-Public or Health Care	\$ 32,813,597	\$ 29,433,706	\$ 2,300,000	\$ 24,000,000	\$ 1,152,280	\$ 8,643,631
Total Value all Construction Types	\$ 104,600,358	\$ 91,429,643	\$ 65,849,456	\$ 126,139,717	\$ 160,799,756	\$115,131,617

Multifamily Market

- The data indicates 60% of the rental population cannot afford the average rent in the Flathead Valley. 9% of the renters meet the affordability index requirement for the average rent and the remaining population exceeds the affordability index requirements.
- Studio apartments – average \$1,000/month
- 1 Bedroom/1 Bath – average over \$1,250/month
- 2 Bedroom/1 Bath – average over \$1,650/month

Rental Households Affordability		
Income	Total	Affordability
0-10000	386	\$208
10,000-20,000	736	\$417
20,000-30,000	879	\$625
30,000-40,000	603	\$833
40,000-50,000	445	\$1,042
50,000-60,000	450	\$1,250
60,000-75,000	628	\$1,563
75,000-100,000	436	\$2,083
100,000 +	557	N/A

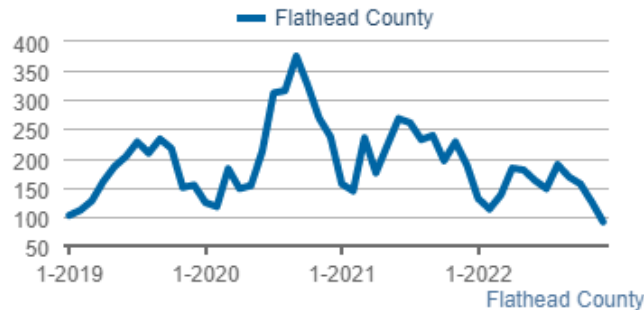


Kalispell Sales Stats

Flathead County Sales Stats

Montana Regional MLS | MRMLS

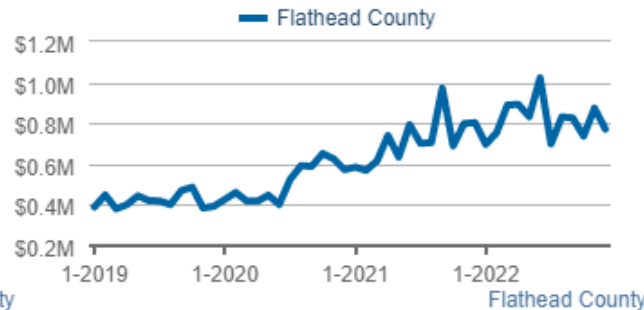
Closed Sales



All data from the Montana Regional MLS. InfoSparks © 2023 ShowingTime.

Montana Regional MLS | MRMLS

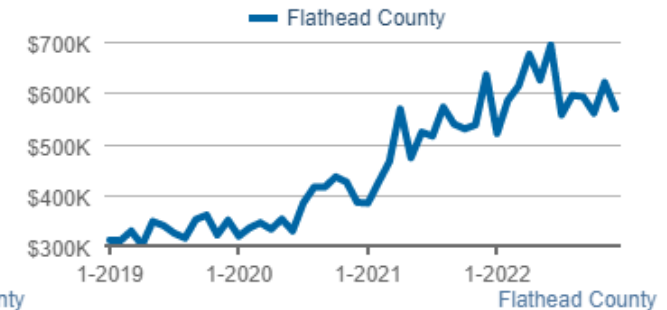
Average Sales Price



All data from the Montana Regional MLS. InfoSparks © 2023 ShowingTime.

Montana Regional MLS | MRMLS

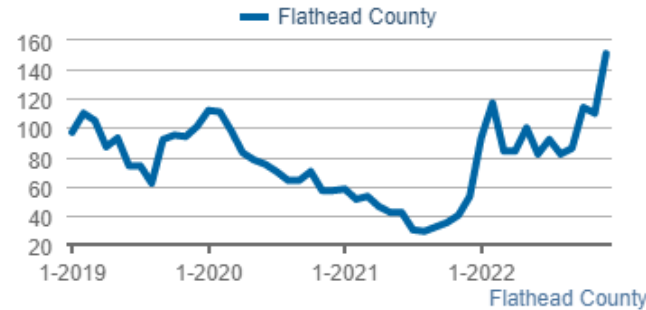
Median Sales Price



All data from the Montana Regional MLS. InfoSparks © 2023 ShowingTime.

Montana Regional MLS | MRMLS

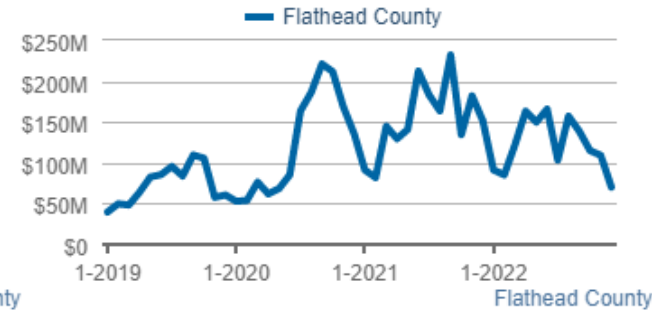
Average Days on Market



All data from the Montana Regional MLS. InfoSparks © 2023 ShowingTime.

Montana Regional MLS | MRMLS

Dollar Volume of Closed Sales



All data from the Montana Regional MLS. InfoSparks © 2023 ShowingTime.

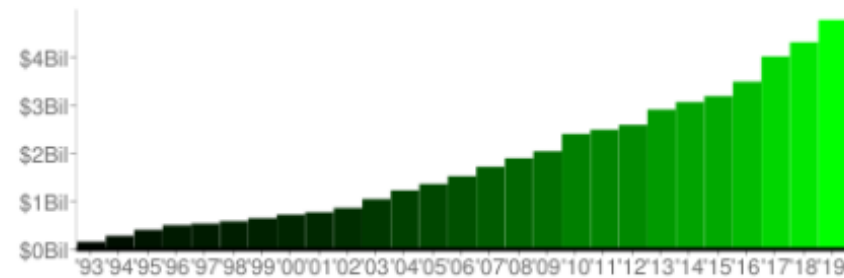
HowMoneyWalks.com

Montana

Gained \$4.99 billion in annual AGI*

Wealth Migration 1992-2019

\$465 of adjusted gross income gained in the last 53 seconds.



Gained Wealth From:

\$1.63 billion	California
\$556.82 million	Colorado
\$289.57 million	Washington
\$214.40 million	Illinois
\$180.28 million	Texas

Lost Wealth To:

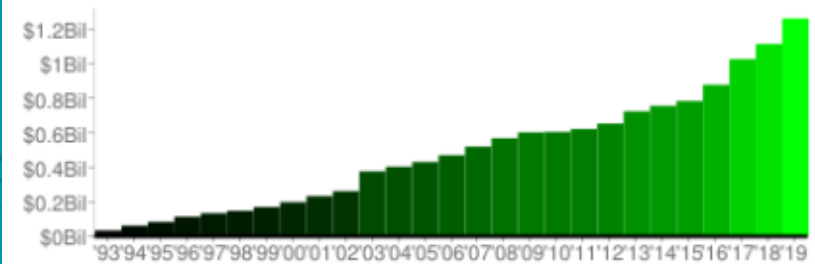
\$127.24 million	Arizona
\$107.29 million	Idaho
\$17.84 million	North Dakota
\$8.86 million	Delaware

Flathead County (MT)

Gained \$1.32 billion in annual AGI*

Wealth Migration 1992-2019

\$167 of adjusted gross income gained in the last 1 minute and 12 seconds.



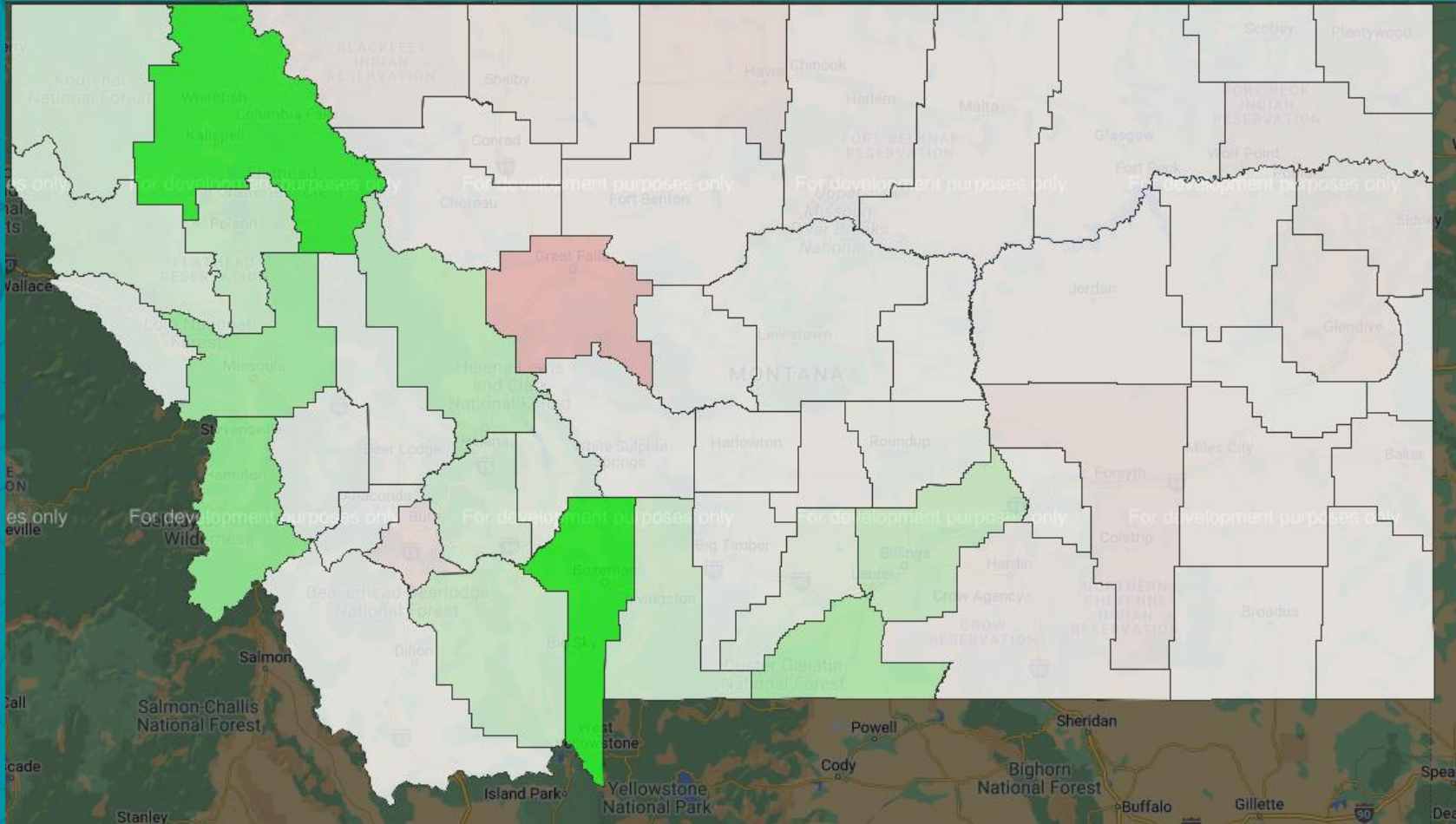
Gained Wealth From:

\$53.01 million	King County, WA
\$48.93 million	San Diego County, CA
\$44.91 million	Los Angeles County, CA
\$35.78 million	Orange County, CA
\$22.20 million	Cascade County, MT

Lost Wealth To:

\$4.09 million	Spokane County, WA
\$1.76 million	Kootenai County, ID
\$1.24 million	Mohave County, AZ
\$1.04 million	Natrona County, WY
\$853,000	Ward County, ND

At the time....Gallatin County \$1.40 billion in AGI...Flathead County \$1.32 billion in AGI.



2023 & beyond... in Kalispell

- Workforce is, and will continue to be, an issue.
- Housing affordability and supply will continue to be an issue; however, supply chain issues are REAL as are interest rates.
- Childcare accessibility, affordability, and quality will continue to be an issue (however, the Kalispell Chamber Action Plan is underway).
- Growth impacts continue to emerge and need addressing.
- Anticipate continued steady, but slowed, business and community growth.



VENTUREBOLDLY

Shameless Plug...

Join the Kalispell Chamber of Commerce... Receive our monthly Dashboard.

FLATHEAD VALLEY ECONOMIC DASHBOARD

December 2022

Made possible by



VENTUREBOLDLY

HOUSING/REAL ESTATE



December Flathead County

Median Home Price: \$569,000 -8%
Homes for Sale: 560 +5%
Closed Sales: 91 -41%
Days on Market: 151 +37%
Dollar Volume: \$70.2m - 29%

Credit: 406MLS.com

Multi-Family Average Rents Per Month



2 - Bedroom \$1,660
1 - Bedroom \$1,250
Studio \$1,000

These are averages of the apartment rents of new units built within the last 2 years based on property surveys.

Total population of Flathead Valley - 108,454
Kalispell - 26,110

LABOR

Labor Force: 51,041

Employed: 49,534

Unemployed: 1,507

Unemployment Rate: 3.0%

Employment participation rate: 63.4%

This means 60% of people working are competing for housing, food, transportation with the 40% who are not reliant on working here.



TOURISM

OCC
ADR

	Jul	Aug	Sep	Oct	Nov	Dec
OCC	77.2	76.6	79.3	67.7	61.4	38.9
ADR	55.8	71.1	73.3	51.1	41.5	30.5
	-10.0	7.9	8.1	52.3	-1.8	9.0



GNP RECREATIONAL VISITS

NOVEMBER YEAR OVER YEAR
20,914

↓ -26%

YEAR TO DATE
2,894,146

↓ -6.5%



GLACIER PARK INTERNATIONAL AIRPORT ENPLANEMENTS

DEC '22 23,258
DEC '21 23,323

↓ -0.3%

YTD '22 420,506
YTD '21 416,224

↑ 1.0%



CITY OF KALISPELL

Number of Permits Issued - YE

As of 12.16.22	2022	2021
Multi Family Units issued	464	608
Single Family Units issued	137	240



MADE THE TOP 100 LIST OF MT LARGE EMPLOYERS

Applied Materials
Big Mountain
Glacier Bank Corp
Logan Health
PayneWest
Western Building Center
Weyerhaeuser



SMALL BUSINESS MATTERS - MT

128,180 - Small businesses
99.3% of business
250,680 small business employees
66.8% of Montana employees
Source: US SBA

DID YOU KNOW...

Montana ranks 2nd in the nation for largest percentage of in-migration from 2020 to 2022. Net in-migration of 41,000 people from 2020 to 2022, which represents 3.8% of our population.

In Partnership



Your Chamber - 710+ members strong

