

**Montana
Department of Natural
Resources & Conservation**

Forestry & Trust Lands Division



Challenges Study Group
Housing Task Force
February 12, 2024

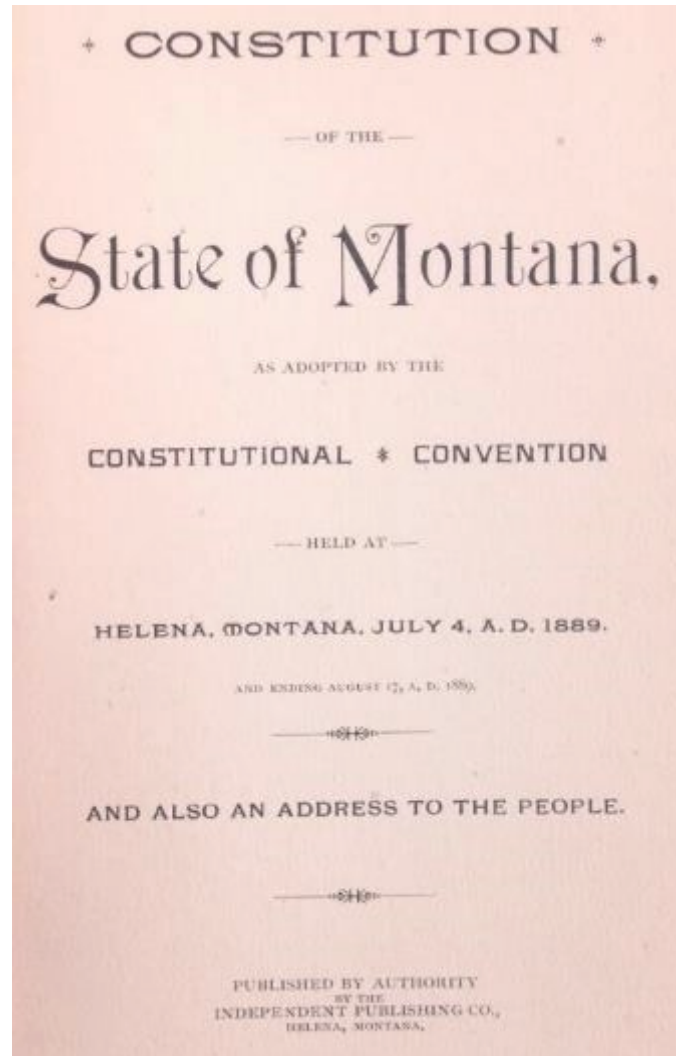
Deidra Kloberdanz
Real Estate Management Bureau Chief

Real Estate Development on State Trust Lands

- State Trust Lands Background & Obligations
- Overview of Real Estate Development
- Commercial Leasing Process
- HB 819
- Preliminary development assessment



State Trust Obligations



- Enabling Act
- Montana Constitution, Article X
- Montana Code Annotated, 77-1-901
- Role of the Land Board



Real Estate Management Bureau



- Easements
- Rights of way
- Land acquisitions
- Sales and exchanges
- Short-term licenses
- Long-term leases



Real Estate Management Programmatic Plan

The real estate plan established three goals for real estate development on state trust lands:

- 1) share in expected community growth;
- 2) plan proactively; and
- 3) increase revenue for trust beneficiaries.



Commercial Leasing Process

- Property identified
- Feasibility research
- Project work
- Land valuation



Commercial Leasing Process

- Request for proposal (RFP)
- Proposal evaluation
- Option to Lease or Lease

** Land Board approval is required for any new commercial lease with a fee over \$50,000 per year.*



FREQUENTLY ASKED QUESTIONS

Commercial Leasing & Affordable Housing Opportunities on State Trust Lands

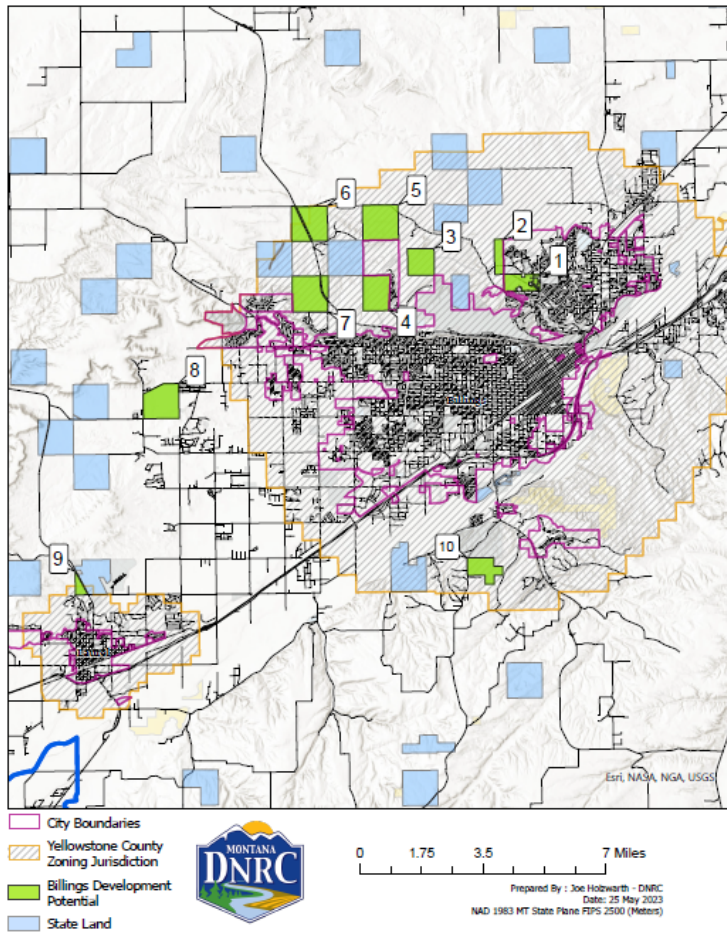
Does HB 819 mandate any procedural changes to the commercial leasing program?

No, the DNRC will continue to work within the existing framework of statute and rule to accomplish its constitutional mandate of generating revenue for the trust beneficiaries.

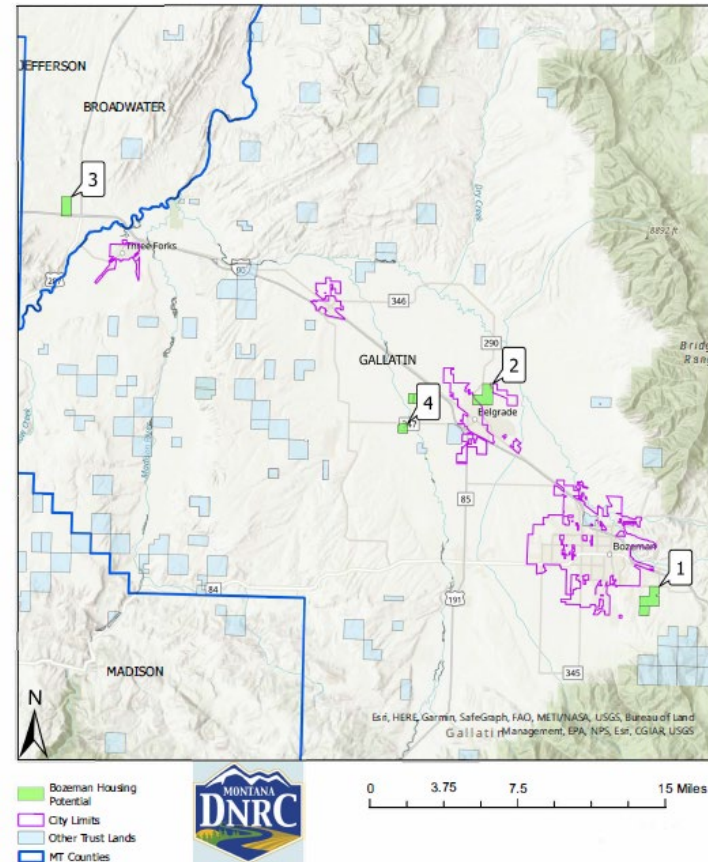


DESI

Trust Lands with Development Potential
Billings Region
Yellowstone County



Trust Lands with Development Potential
Bozeman Region



Potential Challenges for Affordable Housing Development on State Trust Land

- State Trust Lands Fiduciary Duty
- Commercial Leasing Process
- Community Support
- DNRC Staffing & Workload



Contact

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More info

<https://dnrc.mt.gov/TrustLand/surface-leasing-licensing/commercial-development>

