

MONTANA



BILLINGS FAMILY SERVICE

Billings, MT (2018)

Billings Family Service (“Family Service”) has been working to prevent hunger, homelessness, and poverty in Yellowstone County since 1906. Family Service provides healthy food boxes for low-income families and seniors, rent and utility assistance, back-to-school backpacks for children, and education scholarships. The organization’s in-house thrift store, Family Treasures, also provides access to affordable clothing and housing items and features a 50-cent-or-less “Clothing Quarter.”

As one of the longest-running nonprofits in Montana, Family Service operated out of a 17,000-square-foot location for more than 30 years. During that same time, Yellowstone County’s population grew by more than 40 percent and the organization struggled to meet the increasing needs of the community in its cramped quarters. Family Service needed an expansion for years, but had been limited by the capital it could raise through donations and the amount it could service at a bank. The organization faced a tough decision – it needed to expand, but the available financing would only cover the cost of a larger building, which would still be inadequate for the growing demand.

The NMTC-financed acquisition and substantial remodeling of two buildings (completed in October 2019) allowed Family Service to introduce new programs, significantly expand its existing services, and meet community demand. The new, two-building facility doubles the size of the Family Treasures thrift store and also greatly enhances the food box program, which had been turning away clients in need for years due to limited space. A grocery area allows clients to select their own food, providing families with more choice and dignity, cutting down on waste, and increasing the program’s impact and efficiency.

Family Service uses a portion of the new space to provide workforce training services, and it also partners with local employers and workforce development entities to provide job training tailored to medium- to higher-paying professions that do not require a two-year degree. There is growing demand in the Billings area for skilled jobs in flooring installation, HVAC installation and repair, plumbing, and information technology. Helping clients build the skills to acquire jobs in these high-demand fields significantly increases client income and could ultimately help decrease demand for Family Service’s programs.

NMTC financing from MoFi made this project possible. Family Service secured a \$4.7 million loan using a combination of capital campaign cash and a bridge loan from Western Security Bank. The bank’s NMTC equity investment generated another \$2 million.

FINANCING

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NMTC Financing: Montana Community Development Corp dba MoFi: \$6.7 million
Equity Investor: Western Security Bank, a Division of Glacier Bank

IMPACT

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- 35 construction jobs
- Created and retained 32 permanent jobs, 100% of which pay above the living wage and include benefits, and 82% accessible to low-income individuals.
- Emergency and workforce training services for more than 28,000 people in the Billings area.
- 82% of the jobs are accessible to area low-income residents.
- The new client-choice food box program accommodates 50% more clients.

COMMUNITY

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- Median income: 43.77% of the AMI
- Designated Food Desert

“Billings has a very high population of people who are just getting by. In the last six years, the number of households we serve has tripled. Without the New Markets Tax Credits from MoFi, we would have had to choose: afford the new buildings and cut back services, or keep operating within the limitations of our small facility.”

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Jane McCracken, Director of Campaign Development, Billings Family Service