



San Juan Community Home Trust Strategic Plan

2015 – 2020

An Update

Friday Harbor, WA
December 10, 2015

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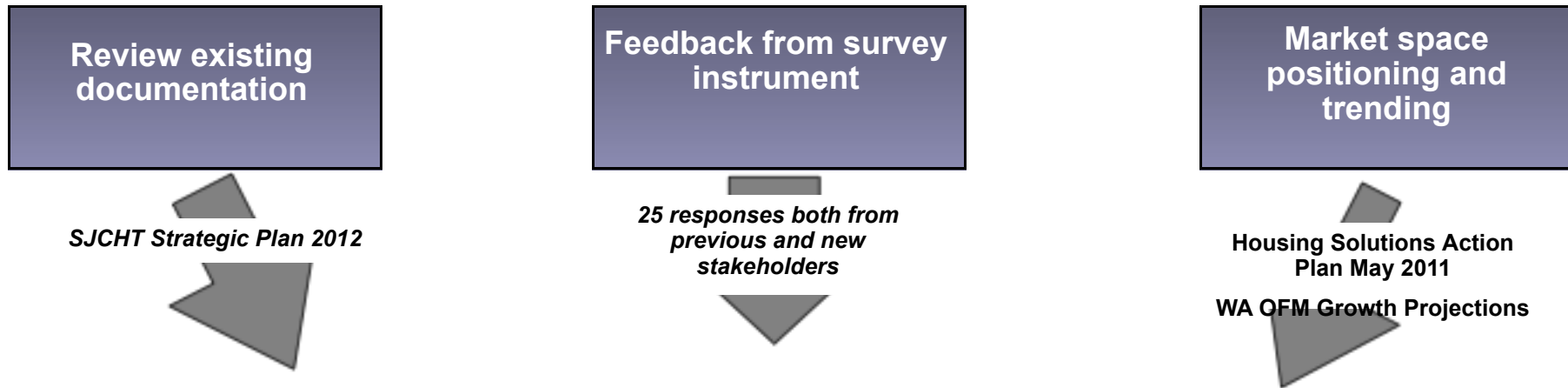
Why a strategic plan update?

- 4 We are nearly three years into our existing strategic plan
- 4 Nearly all current Board members came on after last update
- 4 We are well into our third neighborhood (Sun Rise Phase 2) and we are considering our future priorities
- 4 The need for affordable housing (of all types) continues to grow and government's ability to respond remains limited
- 4 The continuing paucity of government funding to subsidize affordable housing development is forcing us to consider new sources of, and approaches to fundraising
- 4 Taken together, this became the right time for a comprehensive strategic planning update

A central theme in updating our plan has been staying connected with the Community

- 4 We are a community-based organization
- 4 We impact, and are impacted by a wide range of people and organizations – whether directly or indirectly
- 4 We continue to receive a lot of feedback on how we are doing and what else we should be doing
- 4 The environment is changing for everyone else too
 - Increasing need for affordable housing
 - Decreasing funding sources and levels
 - Reduction in legislative priority for affordable housing

We pursued a three-pronged approach that led to an offsite in late-Sept.



SWOT Analysis

(Strengths, Weaknesses, Opportunities, and Threats)

“Make or Break” Issue Refinement

Updated Goals

Updated Objectives

This document is confidential and is intended solely for the use and information of the client to whom it is addressed.

San Juan Community Home Trust

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The SWOT analysis was done based on inputs from a variety of stakeholder groups -- feedback from each group was very similar

<p style="text-align: center;"><u>Strengths</u></p> <ul style="list-style-type: none"> • Successful delivery of two permanently affordable housing communities which contributes to long-term stability within the community • Ability to create “buzz” with each new project • Reputation for on-schedule, on-time performance • The commitment of our major donors/supporters • Dedicated, passionate Executive Director • Engaged Board (partially) • Already have land for another 100+ homes • Innovative sewage treatment system (scalable) 	<p style="text-align: center;"><u>Weaknesses</u></p> <ul style="list-style-type: none"> • SJCHT has too little “voice” in affordable housing related issues • Inadequate engagement with the community (PR, education, advocacy, partnerships) • Too large a workload for one individual to perform • Board performance/leadership is uneven • Insufficient fundraising • Insufficient accountability to donors, members, community
<p style="text-align: center;"><u>Opportunities</u></p> <ul style="list-style-type: none"> • Expand portfolio to address broader affordable housing needs of the community; consider rentals • Pursue collaborations that recognize relative skills of housing development versus service provision • Become an active affordable housing “voice” for San Juan Island; expand our political advocacy • Pursue smarter ways to accomplish broader workload • Strengthen Board • Strengthen homeowner involvement in the Home Trust • Engage the Business Community More 	<p style="text-align: center;"><u>Threats</u></p> <ul style="list-style-type: none"> • Federal/state funding constraints and shifting legislative priorities; lack of County participation • Worsening housing affordability and yearly rental availability exacerbate an already serious problem • Shifting demographics shift types and amounts of affordable housing needed • Inability to identify adequate resources/partnerships to address a broader affordable housing agenda • Delay of the County connector road which limits our ability to build any further homes

Our strengths -- delivering permanently affordable home ownership opportunities to a critical segment of San Juan Island's population

4 Stakeholders are appreciative of the SJCHT's accomplishments

- Delivering high quality, permanently affordable housing to low-to-moderate income individuals and families
- Contributing to the long-term stability of the community by retaining people who may otherwise have left the island
- Generating more “buzz” (community interest) about housing affordability in general and support for the Home Trust with each successful project
- The Sun Rise Phase 2 “home recycle” effort is seen as innovative and generating new levels of awareness and excitement about housing affordability
- Performing a role that isn't being adequately addressed by anyone else

4 They also value the vision, hard work, and dedication of a small group of people that have been responsible for this success

- An Executive Director who has been able to maintain operations, oversee development, and conduct sales with a minimum of staff support
- A growing number of Board members who are providing the energy, leadership, and oversight to ensure successful delivery
- A reputation for focus and on-schedule, on-time performance

Our strengths -- delivering permanently affordable home ownership opportunities to a critical segment of San Juan Island's population (cont'd)

- 4 In general, stakeholders believe that the SJCHT is well-positioned for the future**
 - Already own sufficient land to build another 80+ homes in the Sunrise Community
 - The innovative sewage treatment (LOSS) system can be incrementally scaled-up to meet the growth of the Sunrise Community
 - The SJCHT enjoys the confidence of Federal and State funders, as well as a growing set of donors that will be critical to future developments
 - The SJCHT is also seen as the only viable alternative on San Juan Island to address the broader affordable housing needs
 - The Board is strengthening and being proactive in working with the Executive Director to determine SJCHT's future path

Our weaknesses -- narrowness of scope, limited outreach to the community, and insufficient workforce

- 4 The SJCHT has limited its addressable market by its “product” definition and the source of its funding**
 - The decision to focus exclusively on single family home ownership
 - The use of the Community Land Trust (CLT) model that requires permanent affordability
 - The use of federal grants and loan guarantees that restrict owner income to 80% of AMI
- 4 Many stakeholders believe the SJCHT scope is too narrow and doesn’t address the broader, larger, and growing affordable housing needs of the community**
 - Affordable housing needs run the gamut of emergency shelter, temporary/seasonal, transitional, and permanent housing across a myriad of housing types
 - The housing affordability crisis is growing worse with an increasing population and demand, a real decrease in affordable housing stock, and a growing disparity in housing costs and personal income levels
 - Existing government (e.g., County, Town) and non-profit (e.g., Community Foundation) organizations don’t have adequate expertise/resources to address these needs and believe the SJCHT (in partnership with others) is the only viable source for solutions

Our weaknesses -- narrowness of scope, limited outreach to the community, and insufficient workforce (cont'd)

- 4 While improving, stakeholders feel the SJCHT needs to take a more prominent role in affordable housing advocacy**
 - Farmers' Market presence, presentations to groups, and participation in both San Juan Housing Bank Commission and 2015 Housing Needs Assessment Group are appreciated
 - Further education on the CLT model, its benefits, and how it works -- for the Board, the donors, the homeowners, and local government and non-profits is needed
 - More advocacy and leadership on broader affordable housing needs and/or potential solutions is desired by the community

- 4 SJCHT staffing is insufficient to meet current, not to mention future demands**
 - Day-to-day operations, development oversight, and sales responsibilities are all demanding
 - Current part-time and volunteer efforts, while helpful, are insufficient
 - Day-to-day demands leaves little time for more strategic activities
 - “Property management” activities demand too much time; alternative strategies are required
 - More partnering could help spread the workload and further the SJCHT in the community

Our weaknesses -- narrowness of scope, limited outreach to the community, and insufficient workforce (cont'd)

4 While improving, Board performance/leadership continues to be inconsistent

- Uneven commitment/engagement across Board members
- Critical skill sets (e.g., legacy giving, public relations) still missing
- Insufficient leadership and interaction with community leaders and donors
- Fundraising and Board recruitment still too focused on a few individuals

4 SJCHT homeowners are insufficiently engaged in Home Trust and broader affordable housing efforts

- Homeowners aren't fully inculcated in the philosophy and value of the CLT movement
- Consequently, many residents aren't involved in promoting, growing, or assisting in the operations of the Home Trust

Our opportunity – broaden the portfolio, collaborate more broadly, and expand education/advocacy

- 4 The SJCHT can build on its housing experience to help address the broader affordable housing needs of the community**
 - Partner with the County/Town, other non-profits and the business community to pursue a comprehensive program to plan for, develop, operate, and sustain affordable housing on San Juan Island
 - Provide leadership in housing provision across the myriad of housing needs
 - Support and work with other organizations who provide leadership in social services, operations/management, and financing of identified projects

- 4 The SJCHT also has an opportunity to leverage its expertise and credibility to become a more active affordable housing “voice” for San Juan Island**
 - Working with the County, Town, Business Community and other non-profits
 - Identifying needs, advocating solutions, providing education

Our opportunity – broaden the portfolio, collaborate more broadly, and expand education/advocacy (cont'd)

- 4 In order to take advantage of these opportunities, the SJCHT will have to find new ways of getting its broader workload done, to include:**
 - Bringing on additional staff (e.g., hires, volunteers, students/interns)
 - Exploring shared service and/or outsourcing opportunities (e.g., County/Town, collaborations with other non-profits, in-kind contributions from businesses)
 - Making better use of existing resources (e.g., CLT materials/tools, Federal/State assistance/grants and resources)
 - Finding other ways to streamline operations
- 4 Similarly, the SJCHT Board has the opportunity to leverage our market presence to:**
 - Identify potential new Board members
 - Attract and more broadly engage donors and potential donors
 - Help establish and play leadership roles in partnerships that can be created with other non-profits and the business community

Our threats -- ability to maintain momentum and focus against the backdrop of funding constraints, shifting demographics, and a growing increase in need

4 The SJCHT's focus must consider the current/future economic climate and shifting legislative/funding priorities

- The housing affordability gap continues to grow while the availability of affordable homes and annual rentals continues to shrink (exacerbated by increase in vacation rentals)
- Federal/State housing budgets are being significantly reduced and priorities are shifting from home ownership to rentals and infrastructure
- The completion of the County Connector Road will pace any further affordable housing unit on the remainder of the property that has been, or will be, donated to the SJCHT -- if not completed in the next few years, alternate building sites may need to be pursued

4 In pursuing a broader housing agenda, the SJCHT will have to pursue:

- Non-traditional sources of financing from sources not yet identified
- A larger and broader donor base at a time of reduced philanthropy and “donor fatigue”
- Partnerships with other organizations to provide the service component of the effort
- An action agenda that can focus SJCHT resources, communicate them to our stakeholders, and serve our community well
- A management structure that accommodates multiple lines of business

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Based on the analysis that was performed, seven “make or break” issue areas were identified to address in the SJCHT strategic plan

Issue Area	Issue Definition
Issue 1: Target Markets	Defining/executing our next project(s) of permanently affordable housing; commit to expansion into broader affordable housing areas (e.g., rentals)
Issue 2: Staffing/Getting the Work Done	Identifying future workload based our future direction; identifying and filling staffing needs to address that workload
Issue 3: Funding/Fundraising	Accurately projecting future financial needs to operate the SJCHT and setting up and implementing the structure to raise those funds on an ongoing basis
Issue 4: Public Relations/Outreach	“Casting a wider net” in educating and engaging the community on CLTs, the SJCHT, and broader affordable housing; attracting and assisting potential new buyers to qualify for SJCHT homes
Issue 5: Government Collaboration	Working more collaboratively with the Town/County on housing affordability issues; becoming more of an “advocate,” resolving the connector road issue
Issue 6: Board Strength	Identifying the necessary Board skills to meet future SJCHT direction; identifying, recruiting, indoctrinating, and empowering Board members; raising expectations of level of commitment/contribution expected of Board members
Issue 7: Neighborhood Management	Increasing homeowner engagement in/support of the SJCHT; increased outsourcing of property management responsibilities

In reviewing these issues, together with the results of the SWOT analysis, we reaffirmed the SJCHT Mission and Vision statements

Mission Statement

- 4 The San Juan Community Home Trust: Contributing to a vital island community through permanently affordable homes**

New Vision Statement

- 4 Building a healthy community one permanently affordable home at a time**

...which provided the backdrop for both continuing goals, objectives, and initiatives

While continuing to focus on building permanently affordable housing communities, we will work with others to see how we might have a broader impact on affordable housing on SJI

Goals	Objectives
Goal 1: <u>Target Market</u> Continue to expand the contribution and impact of the SJCHT on the affordable housing needs of San Juan Island	Complete the 12 homes of the Sun Rise 2 neighborhood; plan, design, and develop (as possible based on Connector Road restrictions or purchase of non-restricted land) Sun Rise Phase 3; evaluate the potential of developing Phase 3 as rental units
	Evaluate other affordable housing needs on San Juan Island and what SJCHT can contribute to meeting those needs; provide assistance and/or leadership as resources and expertise allow
	Investigate and enter into partnerships with organizations and/or individuals that can assist the SJCHT in the design, development, financing, and marketing/selling of new and existing SJCHT housing as well as other affordable housing initiatives that are undertaken
	Investigate and implement new methods of getting SJCHT homeowners more involved in creating and sustaining their communities
	Create a waiting list of pre-qualified potential buyers at least 2x the number of available housing units within 6 months of their readiness; pursue similar readiness approaches for any new affordable housing initiatives the SJCHT may pursue.

Better understanding our future direction (and it's impact on workload) will allow us to identify and pursue the staffing resources necessary to meet our mission

Goals	Objectives
Goal 2: <u>Getting the Work Done</u> Develop and sustain the capacity to meet the operational and project workload of the SJCHT	Identify the labor needs required to execute routine SJCHT operations as well as projects identified in the strategic plan; review Executive Director job description and workload and transfer some duties to others
	Identify and pursue staffing resources to fill SJCHT labor needs through a combination of full- and part-time hires, volunteers/interns, Board committee(s) participation, in-kind donated services, and outsourcing or shared services arrangements
	Develop and implement a more strategy-driven planning and budgeting process that supports routine operations, allows successful incremental accomplishment of the SJCHT strategic plan, and more accurately identifies fundraising needs
	Provide opportunities for staff development through training and/or participation in regional CLT events
	Begin a succession planning process that allows for the orderly transition of the SJCHT Executive Director in accordance with her timeline

Broadening and deepening the SJCHT's funding sources, in concert with better projections of future funding needs, will ensure more predictable and sustainable financial operations in the future

Goals	Objectives
Goal 3: <u>Fundraising</u> Grow and sustain the funding sources and relationships necessary to meet future SJCHT operational and developmental needs	Expand our membership and donor base, as well as the level of annual giving, by at least 10% per year
	Develop a Large Donor Program that identifies, develops, recognizes, and strategically engages our most significant contributors; add at least 1 new large donor per year
	Establish a planned giving program that will provide tax-effective opportunities to donate money and/or real property in an ongoing and/or legacy manner to fund ongoing operations and development; achieve fund(s) level of at least \$1M within 5 years
	Expand both public and private grant-writing proposals to fund home subsidies, infrastructure, special projects, and operations by at least 20% per year

Broadening and deepening the SJCHT's funding sources, in concert with better projections of future funding needs, will ensure more predictable and sustainable financial operations in the future (cont'd)

Goals	Objectives
Goal 3: <u>Fundraising</u> Grow and sustain the funding sources and relationships necessary to meet future SJCHT operational and developmental needs	Hold at least one Board-sponsored fundraising event during the year both to raise funds and recognize donors; raise at least \$20,000
	Engage the business community and identify ways for them to support Home Trust activities (e.g., house or rental unit sponsorship, donations for operations, advertising/support for employee home purchases)
	Identify/pursue at least one other fundraising opportunity per year
	Require all Board members to take an active role in achieving our fundraising goals, including contributing financially at whatever level is possible; provide fundraising training for Board members to assist them in their efforts

More effective and consistent communications will educate our community on the challenge of housing affordability, the importance of the SJCHT mission and our need for their support

Goals	Objectives
Goal 4: <u>PR & Outreach</u> Develop and sustain a growing network of supporters for the SJCHT and its mission through effective public relations and outreach	Develop a public relations/communications strategy that includes well-defined messages for the market and a variety of delivery methods that will raise awareness of the CLT model in general, and the SJCHT in particular
	Actively support and provide appropriate leadership in community collaborations to address broader housing affordability issues and solutions on SJI
	Create, maintain, and utilize multi-lingual outreach materials (e.g., speaking presentation, information brochure(s), media packet, advertising spots)
	Develop a list of media contacts to cultivate/educate
	Regularly update and maintain SJCHT website. Investigate other media/outreach approaches (e.g., Facebook page, blogs, survey instruments, online petitions) to communicate and/or solicit feedback from the community

More effective and consistent communications will educate our community on the challenge of housing affordability, the importance of the SJCHT mission and our need for their support (cont'd)

Goals	Objectives
Goal 4: <u>PR & Outreach</u> Develop and sustain a growing network of supporters for the SJCHT and its mission through effective public relations and outreach	Commit to and complete at least 4 (one/quarter) public speaking engagements per year using a combination of SJCHT and external speakers
	Conduct regular outreach at community events (e.g., Farmers' Market, County Fair, parades)
	Increase the percentage of Salal and Sun Rise homeowners who are actively involved in the SJCHT and its outreach activities; consider annual community educational event (e.g., LOSS system tour, community gardening) at our communities
	Use completed projects to showcase SJCHT accomplishments; hold a community open house event at the completion of each project
	Provide ongoing homebuyer outreach, education, and counseling in order to pre-qualify homebuyers/lease holders for SJCHT housing projects

Working towards a more effective collaboration will enable the SJCHT to better help address Government's (and other Non-Profits') goals related to affordable housing on San Juan Island

Goals	Objectives
Goal 5: <u>Government Collaboration</u> Engage and get commitment from Local/Regional Government and other Community Leaders to assist the SJCHT in meeting its mission	Facilitate community-based collaborations that influence Town and County policies, regulations, organizations, and budgets associated with affordable housing
	Maintain active, ongoing dialogue and build productive relationships with Town, County, State, and Federal legislators and housing organizations to aid in successful execution of our mission
	Work with the Town, County, and other affected stakeholders to identify funding sources, aid in submission of grant proposals, and facilitate solutions to other issues related to the Buck Annexation connector road
	Identify and actively engage in state and regional affordable housing forums to keep apprised of current/planned legislation, identify best practices, and solicit support for SJCHT initiatives
	Become more aware and engaged in local/regional government activities related to affordable housing, both to contribute positively to related discussions in Board meetings and to become effective advocates for affordable housing issues.

Strengthening and empowering our Board will be critical to meeting the future, potentially more diverse, needs of the SJCHT

Goals	Objectives
Goal 6: <u>Board Strengthening</u> Strengthen the capacity of the Board to effectively govern and meet the future needs of the SJCHT	Identify skills/backgrounds needed on the Board based on our strategic direction and recruit new Board members to fill skill gaps and/or meet representational goals or those specified by the By-Laws
	Execute the majority of the Board's business through committees that include both Board and non-Board members; use the Board and its meetings for review and approval of committees' work and other governance responsibilities
	Update Board orientation materials and provide education for all new Board members to include Board responsibilities (especially legal and fiduciary), a general understanding of CLTs, and the specific materials related to the SJCHT (e.g., strategic plan, By-Laws, annual budget); develop Top Ten Frequently Asked Questions related to the CLT model and the Home Trust for Board members
	Establish an ad hoc Nominating/Recruitment Committee to identify and recruit candidates with critical skills necessary for the Home Trust to effectively carry out its mission.

Strengthening and empowering our Board will be critical to meeting the future, potentially more diverse, needs of the SJCHT (cont'd)

Goals	Objectives
Goal 6: <u>Board Strengthening</u> Strengthen the capacity of the Board to effectively govern and meet the future needs of the SJCHT	Hold an annual Board retreat to review progress against annual operating and strategic plans and make changes as necessary; use the meeting to enhance Board teambuilding and recognize contributions made by Board members
	Provide opportunities for Board development through training and/or participation in regional CLT events

Getting our homeowners more involved will empower local neighborhood accountability while helping them to better embrace the underpinnings of the Community Land Trust movement, thus requiring less Home Trust Management intervention

Goals	Objectives
Goal 7: <u>Neighborhood Management</u> Create a more effective neighborhood management structure that addresses both property management and homeowner engagement	Develop/execute a homeowner engagement strategy that better orients owners to the philosophies/expectations of living within a CLT model, provides education on various aspects of homeownership, and facilitates neighborhood collaboration and conflict resolution; ensure that C,C&Rs are properly written to enable this strategy
	Establish an approach to property management that provides consistent oversight and support to homeowners while reducing the workload on Home Trust Management.

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Next Steps

- 4 Develop initiative/action plans for each of the objectives for the seven defined SJCHT goals; as such, identify:
 - Action plan elements associated with each initiative/action
 - Associated schedule for action plan elements
 - Proposed owners for action steps
 - Measures/metrics to judge action step completion
 - Resources/coordination needed
- 4 Prioritize objectives & action steps and establish an implementation timeline
- 4 Finalize performance measures associated with the goals and objectives
- 4 Obtain Board approval of the strategic plan