NEW ORLEANS AREA HABITAT FOR HUMANITY

THREE YEAR STRATEGIC PLAN

FISCAL 2021 – 2023
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PURPOSE

From NOAHH Board of Directors President, Robert Eustis:

As an update to the initial strategic planning process begun at a Board summit in Sept. 2019, and in response to new challenges presented by the COVID-19 pandemic, NOAHH’s Board and management team implemented a crisis response planning initiative, to explore and vet new programs and operating strategies.

Economists and world business leaders agree that change always creates opportunities. The winners will be those companies that see and exploit new opportunities with foresight, courage and adaptability while inflexible companies will be the first to fail. Companies, to varying degrees, will have to re-imagine themselves with new products and services (pivot), or at the extreme, reconsider their entire business model. The NOAHH Board and management team have aggressively, objectively and confidently reviewed the organization top to bottom and developed innovative solutions to ensure NOAHH’s survival and emergence as one of the winners – with a plan to adapt the business to radical, abrupt change in every aspect of life as we formerly knew it.

Our purpose in this strategic plan is to outline a clear and compelling strategy forward, one that will financially sustain NOAHH through and beyond the pandemic, enhancing the value it delivers to all its stakeholders, including partner families, donors and the broader New Orleans community.

Specifically, many external and internal threats identified in early planning were amplified by the pandemic, and new threats emerged. This included job loss and furloughs for low income families on top of housing costs already increasing disproportionately to wages in New Orleans. Many of NOAHH’s partner families in the hospitality industry were directly impacted, exposing NOAHH’s loan portfolio to mortgage delinquencies and potential defaults. Self and government-imposed workplace health management protocols have also strained resources and created general management challenges. Fundraising, home construction and volunteer participation, ReStore traffic and associated revenue have all placed NOAHH in an unprecedented crisis management mode.

Fortunately, many of the original strategic planning infrastructure initiatives were already in progress prior to the start of fiscal ’21 and implementation of the 3-year strategic plan. These are summarized in the plan and include processes to improve employee recruitment, and retention; updating HR policies; improving financial controls and management; improving internal and external marketing and communications; collaborative innovation across the organization; critical technology updates; improving existing and developing new revenue streams; and elevated Board engagement.

This strategic plan will chart the course of NOAHH through 2023, the 40th anniversary of its founding in New Orleans. The previous accomplishments of thousands of combined staff, board members, donors, volunteers and partner families represent a profound legacy we must honor while coping with and planning for the profound economic and social challenges we face moving forward.

Robert Eustis, Board Chair
PLANNING PHILOSOPHY AND APPROACH

- Agreement on overall mission, vision and values that is sufficiently adaptive across future scenarios
- Clarify the balance between efficiency (strategically and effectively managing our current situation) and exploration (creating new opportunities and practices through innovation)
- Encouraging leadership in all directions, not just top-down but bottom-up initiative and leadership
- An outside-in approach to better anticipate external market shifts and be ready to respond
- Work with a heightened focus on the value of human capital, including better hiring practices and alignment with skills, diversity training, and employee development

MISSION, VISION AND VALUES

MISSION STATEMENT
To responsibly build communities where families can thrive, in homes they can afford.

VISION STATEMENT
Our vision for greater New Orleans is a place where everyone has affordable housing and new opportunities, creating a strong, resilient and diverse community.

VALUES

Community: Respect, Dignity, Compassion and Empowerment
Our values are shared with those we serve, our employees, volunteers, and others we work with. We recognize that when we empower an individual we empower an entire community, and we embrace efforts that support this goal. We take pride in our service and find dignity and affirmation through our work. We affirm that “family” has many definitions.

Commitment: Accountability and Integrity
We succeed as a team; we fail as a team. We affirm each other’s unique gifts and skills and understand that effective collaboration provides the greatest value to our team, the families we serve, the volunteers who work with us, and the donors whose gifts we steward. We care about the well-being of others and strive always to get things right; when we fail, we move to correct and learn from those missteps. We approach differences with courtesy and respect for others. We consider that diversity in life experiences and perspectives is an asset, not a liability, rendering rich debate and ultimately better solutions to complex problems.

Curiosity: Innovation and Adaptability
We never underestimate the importance of the tasks at hand but always look to the horizon to anticipate and prepare for what is next. We work to achieve a culture of continuous improvement that is also affirming and mutually supportive.
AFFILIATE GOALS

1. Attract and retain top talent across the organization, emphasizing leadership, innovation and commitment to mission
2. Identify the business opportunities within the economic and social chaos resulting from COVID-19 that may create greater impacts beyond what we imagined before the pandemic.
3. Achieve long-term financial sustainability and operational efficiency within a balanced budget
4. Improve the business model for scalability, providing more families access to affordable housing
5. Deliver a consistently positive partner family experience with new home designs and when possible, planned “holistic” communities, that are aligned with housing needs/varying family structures, cost-efficient, livable, inclusive of or in proximity to key amenities, sustainable, adaptable to varying lot sizes and integrate well with New Orleans neighborhoods
6. Educate and advocate why affordable housing is relevant to everyone, communicating the broader community impacts and enhancing the brand image
7. Explore opportunities to serve partner families – and attract new funders – in our service area, beyond Orleans Parish
8. Implement a robust home repair program to allow low income homeowners to age in place safely and with dignity
9. Initiate a shift to data-driven decision making across the organization.

SITUATION OVERVIEW

Affordable housing is a national crisis, exacerbated by the negative health and economic impacts of COVID-19. The New Orleans area is particularly vulnerable with its reliance on the hospitality industry, including cultural tourism and conventions. Rents and home prices have risen significantly, as have property taxes, insurance and related housing costs, combined with rising unemployment rates and stagnant or falling wages. As an affordable home provider, NOAHH is also confronting rising land and construction costs and the conundrum of relying heavily on NORA to acquire land; which in turn limits our partner families’ choices to one of the highest risk parts of the city with the poorest public transportation and lacking in services and retail. Even in the best case COVID-19 crisis recovery scenarios, housing and economic recovery will be prolonged, potentially 2 to 3 years, the problem compounded by large numbers of “gig” economy workers, high crime rates, crumbling physical infrastructure and vulnerability to hurricanes and related weather events.

In response to COVID-19, immediate measures were taken to stabilize NOAHH’s mortgage portfolio including rent and mortgage deferrals and outreach to partner families to gauge critical needs and provide general support. Partner family recruitment and intake was suspended to allow staff to focus on the current partner family portfolio and revise business strategies to stabilize the affiliate and prepare it for long term market shifts resulting from the pandemic. Volunteers and sponsored builds were put on hold, which immediately impacted two sources of revenue.

This updated strategic plan will be modified as frequently as necessary to keep the organization viable, with the expectation that new initiatives will continue to be developed and tested in reaction to the evolving situation.

A partial or significant restructure of the business model (and related staffing adjustments) spanning the crisis and recovery period of two to three years may ultimately be necessary in order to survive the crisis and position NOAHH for both recovery and growth.
STRATEGIC RECOMMENDATIONS

AFFILIATE-WIDE

HUMAN RESOURCES

OBJECTIVES

- Establish process for staff inquiries including general questions, filing complaints and emergency procedures
- Compliant personnel files
- Standard job descriptions with FLSA classifications
- Defined compensation structure for positions
- Create and implement retention strategies
- Calendar of annual trainings
- Positions are pre-screened with top three candidates provided to hiring manager
  - Communication with applicants

STRATEGIES

- Develop consistent onboarding and exit interviews
- Shift to PTO model
- Provide financial literacy training to staff
- Provide counseling referrals to staff
- Participate in small business “one app navigator” program to aid employees in enrolling their children in schools of their choice
- Research and pilot a construction staff “apprenticeship” program
- Create formal staff training and development program with benchmarks and rewards
- Implement consistent and thorough onboarding that includes training in the Habitat mission and values
- Employee retention:
  - Banded employment levels in our largest categories
  - Ensure that each department engages in cross-training to mitigate the impact of turnover or emergencies.
  - Accurate job descriptions with regular and consistent reviews and feedback meetings
- Succession planning for executive management and cross-training to achieve bench depth within each department mitigating the impact of vacancies or quarantines and retaining institutional knowledge
- Initiate quarterly all-staff meetings to promote teamwork, communication and alignment with mission
- Create and budget HR department
  - Develop the job description and hire HR administrator
SYSTEMS

OBJECTIVES

- Improve internal communication
- Enhance board engagement and streamline communication
- Update technology infrastructure
  - Technology audit and plan
  - Software and hardware updates
  - Consolidate technology platforms
- Future needs planning and budgeting for equipment
- Improve workflow planning, implementation and follow up across all departments
- Improve decision making processes across all departments
- Improve transparency around how decisions are made and processes for making big decisions

STRATEGIES

- Create dashboard and standard reporting templates for Board
  - Consider a board portal such as Boardable
- Create and utilize an annual business/operating plan for the affiliate
- Develop protocol for vetting and testing products and policies ahead of purchase or implementation
- Succession Planning
  - Interim
  - Long term
- Risk audits
  - Assess housing stock condition/health
  - Investment strategy audit
  - Risk audit of all holdings: real estate and investments
  - Insurance audits:
    - ✔ Construction/housing
    - ✔ All other policies/coverage
  - Disaster Planning: recession risk assessment (asset depreciation and liquidity), succession planning, hurricanes/weather events
  - Use all audits to make informed decisions and incorporate findings into long range planning and budgeting
  - Schedule responses to findings in such manner to allow cause-effect and ROI analysis
FINANCE

OBJECTIVES

- Improve all aspects of financial management
  - Controls
  - Security
  - Cash flow management with timely financials
  - Audit integrity
  - Activities ROI
  - Eliminate redundancy in bank accounts
- Updated software and hardware
- Maximize the Payroll system
  - Health benefits, COBRA, 401(k) administration
  - Time and attendance software
  - Reconfigure to enable export/import integration with Sage
- Implement a fixed asset software
- Implement a mortgage tracking, amortization software
- Streamline utility payment processing
- Implement paperless accounts payable processing
- Develop and train on procedures/internal controls
  - Credit card processing
  - Workers comp/incident reporting processing
- Consistent and timely month end close including accruals and reconciliations between other software
  - Grant reporting and recording
- Annual review of financial records against retention policy
- Complete audit of Chinese Drywall insurance proceeds to calculate net proceeds to NOAHH
  - Develop use of funds strategy, including using a portion to retire the balance of the Kenner ReStore loan
- Explore selling additional mortgages in the loan portfolio to improve cash position, e.g. Iberia Bank
- Greater transparency surrounding financials for senior management to secure buy-in, understanding and alignment.

STRATEGIES

- Prioritize the software needs and implement
- Prioritize & develop timeline for procedures/internal control development and training
- Clean up financials
- Create timely cash flow statements
- Coach managers in reading and using departmental financials
- Develop budgets in partnership with managers
- Put systems in place so Finance can support better decision-making with scenario planning
- Reevaluate investment strategy and shift to longer holdings now that we have secured a line of credit to address cash flow
MORTGAGE SERVICES

OBJECTIVES

● Have a licensed mortgage originator on staff as well as a staff mortgage administrator
● Purchase a mortgage tracking/amortization/escrow software
  ○ Develop repair escrow program
● Collaborate with Family Services on process and information sharing
● Provide timely communication and support to delinquent homeowners
● Proactive collection process to support delinquent homeowners
  ○ Track and address monthly delinquencies related to COVID-19

STRATEGIES

● Develop job description and/or contract negotiations and identify staff for these roles, and enroll in trainings.
● Research software, invest and implement
● Revise collection process in collaboration with our legal team, factoring in COVID-19

DISASTER PLANNING

OBJECTIVES

● Ensure Safety
  ○ Staff and AmeriCorps
  ○ Fleet and Facilities
  ○ Partner families (information and support)
  ○ Subcontractors
● Protect Financial Integrity
  ○ Backup systems and documents
  ○ Staff payroll
● Effective IT protocols and remote functionality to maintain operations
  ○ Backups
  ○ Equipment
  ○ Confirm remote login access for staff
  ○ Ensure email access on smartphones

STRATEGIES

● Develop Internal Communications Plan
  ○ Group text set up
  ○ Private facebook group
  ○ Media management and messaging
  ○ Sly app – group voicemail
  ○ Website donations
● Develop External Resource and Supplier Communications Plan
  ○ Subcontractor contacts
  ○ Vendors and wholesalers contacts
- Identify Shelter options (during recovery period)
  - Staff
  - Volunteers
  - Alternate office location
- Regional Cooperation (other affiliates)

**COVID-19 STRATEGIC RESPONSE**

The crisis response planning included tasking working groups of staff and board members to develop and assess ideas to sustain the work of NOAHH through and beyond the impacts of the pandemic. The process was structured to meet several decision criteria in evaluating concepts including:

- **Ease of Operations**
  - Internal expertise & capacity
  - Operational complexity
  - Synergy with existing work
  - Available partners for collaboration
- **Impact**
  - Fit with mission, vision and values
  - Impact on constituents & community
  - Determination if other Habitat affiliates have tested and had positive results with similar ideas
- **Return on Investment**
  - Start-up & operating costs
  - Market demand and favorable trends
  - Expected revenue and sources of funding

**WORKING GROUP INITIATIVES**

1. Build Differently
2. Economic Development Funds
3. Interest Model
4. Fund to Prevent Foreclosure & Home Repair
5. Building and Selling Doubles
6. Diversity, Inclusion and Outreach

**Build Differently**

The group explored higher density models that might be more affordable to buyers and what we might offer beyond the traditional free-standing single-family home. This includes additional research into current homeowner prospects, i.e. how many singles or couples vs families of 3 or more are among our buyers.

- Should we consider manufactured homes rather than stick-built?
- Would our typical buyer be interested in condo ownership, including cooperative ownership of community amenities?
- Would our home buyers and donors support a cottage/tiny home community?
  - What would it take to market this idea to sponsors?
- What other higher density real estate options are available, e.g. converting a former school or apartment building
Economic Development Funds

This group explored various sources of government funding and where there might be opportunities for NOAHH. These include CDFI, NMTC, CARES Act and economic development funds.

- Pros and cons of each
- Opportunities and upside
- Risks and opportunity cost
- Short, medium, long term
- Research and resources to address internal knowledge gaps

Interest Model

This group explored the pros and cons of an interest model used in different variations by other Habitat affiliates, including MS Gulf Coast and Denver.

Reasons for:

- If we can recover our investment, it will free up capital to build more
- Anticipate increased demand for our services
- Other groups will be looking at what “demand” may look like
- Could allow us to aggressively scale up

Structures in use at other affiliates:

- Most do not charge interest, but some have been for quite a while
- Access 3rd party lenders
- Offer low interest rates
- Affiliate establishes banking relationship(s)
  - Denver partners with Bank of America, 3% down payment, often supported by a grant
  - MS Gulf Coast: goal is to have 3rd party lender, but also be “lender of last resort”
  - Seattle affiliate works with a pre-vetted list of lenders

Fund to Prevent Foreclosure & Home Repair

This group explored strategies to secure funding to aid current partner families impacted by COVID-19. Funds raised would be earmarked to help homeowners make their payments, reducing both foreclosure risk and NOAHH’s financial (mortgage) exposure. This included an idea to package and sell home repair services with funds earmarked to assist current homeowners.

Building and Selling Doubles

This group expanded discussion of the Doubles concept, which has been in development for several years, its potential enhanced by the pandemic. The group framed the concept and future development.

- Identify partner families that qualify
- Enhance financial literacy training and support
- Validate the market for this type of ownership
- Explore pros and cons of having NOAHH provide rental management service for at least the first year
- Explore bridge loans, soft seconds, some version of micro finance
- Marketing: consider implications on NOAHH messaging
  - How best to make the most of this opportunity to put our families and the need for home ownership front and center as an opportunity to build generational wealth
  - With the spotlight on frontline low wage workers, program may amplify NOAHH’s relevance

**Diversity, Inclusion and Outreach**

This group explored developing a plan to better diversify NOAHH and make it a more equitable and inclusive environment for all constituents we work with and serve. The intended result is a Diversity and Inclusion (D&I) strategy to improve employee retention, morale, innovation and productivity.

- Historically NOAHH has been inconsistent and reactive in its approach to D&I, both at the staff and Board level
- Nationally, the topic is receiving a higher priority in discussions surrounding organizational health, productivity and employee retention
- In recent years, consulting firms specializing in D&I have emerged to help organizations develop purposeful strategies and staff training

**WORKING GROUP RECOMMENDATIONS**

The working groups’ strategic recommendations were discussed by NOAHH management and Board during a virtual retreat held in September ’20. The following summarizes the outcomes and recommendations.

**Build Differently & Economic Development Funds**

These two groups merged as goals and objectives aligned during planning discussions. The result was a transformative “holistic” community concept that provides multiple benefits to NOAHH’s constituents and the organization, including the prospects of new funding channels and much wider impacts across the region Habitat serves.

**Concept: NOAHH Jefferson Parish (Terrytown) Mixed Use Community**

NOAHH seeks to create a model mixed use community that will serve as a prototype for affordable urban development in other areas.

- The project will create new funding streams while also allowing NOAHH to expand the community we serve and provide economic opportunity to those historically shut out of the home buying process.
- Design with beauty, economy, purpose, dignity and sustainability.
- The project will support an opportunity for residents: employment, savings, and ready access to services and schools.

**Problem:**

- Amplified by the negative impacts of the COVID-19 pandemic, the long-term stagnation of real incomes, rising rents, and growing inequality make it difficult for low-income renters to compete for housing they can afford.
• Between 2012 and 2017, the number of units renting for > $1,000 increased by 5.0 million, while the number of low-cost units renting for < $600 fell by 3.1 million.
• *One in four* renters spent *more than half* their incomes on housing in 2018.
• The costs of housing, energy, and transportation consume most of the incomes of renters earning <$30,000.

Solution:

A multi-faceted community development on the west bank of Jefferson Parish with synergistic features

a) Highly affordable “tiny/cottage” style homes
b) ReStore
c) Community Center
d) Storage for Residents
e) Retail Rental Space (2)
f) Offices
g) Construction Warehouse
h) Opportunity to acquire land in proximity to project for additional housing, traditional single family and rentals (including owner-occupied doubles)

Funding Opportunities:

• Stakeholders want more comprehensive, sustainable communities
• Enhances opportunities for tax credit funding
• Generates sustainable revenue streams
• Creates a new fundraising platform
  o Opens Jefferson Parish to marketing and donor prospecting. The proposed project aligns with both Jefferson Parish and JEDCO’s stated strategic priorities in virtually every way.

The Community Center (potential services):

• Financial literacy training
• Job training
• Home maintenance training
• Entrepreneurship Center
• Opportunity for new community partners/stakeholders

Rental and Homeowner Tiny Home/Cottage Demand Factors:

• Location
  o Former K-Mart (7+ acres) on Belle Chasse Highway
  o 4,532 (NAICS) low-middle income jobs within 1 mile
  o Walking distance to services and amenities (4 groceries, 8 restaurants, an urgent care center, hospital, and 4 schools)
• Cost
  o Average cost of a studio apartment between 378 - 490 square feet is $650 - $700, excluding utilities
  o Average cost of a one-bedroom apartment within 70056 is $830, before utilities
  o Projected cost of a cottage is $500 for a small floor plan and $600 for a larger floor plan
Marketing Opportunities:

The prototype cottage completed in November will be exhibited at both ReStores and other strategic locations during the 4th quarter ’20 and 1st quarter ’21. The display creates the opportunity for education and feedback on smaller home designs (cottages/tiny homes) among NOAHH constituents and the general public, including prospective homeowners and renters, donors, strategic partners and community leaders across our service area. It will also attract media attention and new interest in NOAHHs work, much like the Musicians’ Village did post-Katrina. With Habitat’s work historically confined to Orleans Parish, the project provides a tremendous opportunity to open up adjacent Jefferson Parish to new supporters and program beneficiaries.

Interest Model

The group determined that the idea is complex, with additional research needed. Exploration and discussion with other affiliates will continue, but other ideas in development are higher priorities in the near term. Timing on this will depend on any rule changes to the CRA which would impact bank appetite for purchasing notes.

Fund to Prevent Foreclosure & Home Repair

Six potential concepts were explored. The group recommended that the new Advancement Director lead this important initiative, in the context of settling into the role with a new advancement plan in response to the pandemic. With staff attrition in advancement and other departments, the director will have the opportunity to further assess all ideas and restructure the department to best meet the needs of the affiliate.

1. Home Repair Services - fee-for-service model
   - Utilize Habitat staff to make the repairs and sell to patrons at retail – or slightly below
   - Similar to ABWK sponsorships, a patron could designate repair proceeds to a family in need
   - Multiple marketing and fundraising benefits
     - New donor cultivation opportunities, where buyer invites friends and neighbors to participate, introducing them to NOAHH
     - Could be adapted to a virtual build, e.g. Women’s Build, Bench & Bar, etc.
     - PR opportunities

2. Event: Virtual or in-person
   - Virtual or in-person performance fundraiser. Example: Chris Rose reads from "1 Dead in Attic: After Katrina" at Ellis Marsalis Center.

3. Event: Virtual
   - Virtual Songs from the Heart-type fundraiser. Example: Big names such as Dave Matthews perform concerts, NOAHH sells tickets. All proceeds to NOAHH.

4. Celebrity engagement opportunity
   - Share space or time with celebrities supporting the cause. Donors would spend time volunteering on Habitat sites with celebrities.

5. Package: Donation funds construction task/activity on Habitat home
Funds from donors (corporate, etc.) will cover specific tasks or building elements on Habitat projects. Donor receives video from the team with gift acknowledgement and installation. Other engagement activities possible.

6. Direct fundraising campaign
- Utilize an extensive list of lapsed donors and volunteers to conduct traditional fundraising campaigns incorporating phone calls, direct mail appeals, etc.

**Building and Selling Doubles to Partner Families**

The group proposes to develop the Doubles program, including qualification criteria and required training, to promote the program to potential applicants.

- Use an existing double(s) to implement a pilot program, with at least 1 homeowner

**Diversity, Inclusion and Equity**

This group outlined a plan with several key components:
- Increase education on the fundamentals of what D&I is and effects on the workplace
  - Staff, Management, Board, Partner Families
- Emphasis on actions relative to intentions, i.e. what we put forth publicly must match how we operate internally
- Staff surveys, using proven methods, around individual attitudes toward D&I
- Improve job descriptions and staff recruitment strategies
  - Offer internships (for example, Harbor Freight) and apprenticeships to create opportunities in the community we serve and to support a more diverse future employee base.
  - Advertise on platforms other than Indeed
  - Post jobs internally before posting externally
  - Encourage employee referrals from current staff
- Increase NOAHH minimum wage to $15/hr.
- Homeowner surveys on processes, programming (likes and dislikes) and home designs
- Interview and explore capabilities of D&I specialty consulting firms
- Emphasis on increasing vendor and Board diversity
- Keep D&I working group in place, but reduce frequency of meetings, e.g. one a month

**DEPARTMENT STRATEGIES**

**ADVANCEMENT**

**OBJECTIVES**

- Improve understanding of NOAHH’s program and its relevance to multiple constituents in the region
  - Increase awareness and understanding of NOAHH business model
- Expand regional awareness, initially leveraging the West Bank/Terrytown project to attract new donors and volunteers
• Identify audiences, existing and new, within the community for target-specific messaging to support donor acquisition
  o Increase first time donors and repetitive donors
  o Attract younger, professional community (technology savvy, online, crowd-funding familiar)
• Improve data mining & moves management
• Deeper donor engagement, more touches
• Develop planned-giving strategy
• Improve predictability in our pipeline
• Re-engage lapsed donors
• Increase numbers of ReStore donors, volunteers and traffic (online and in-store)
• Support NOAHH’s brand and ensure it stays relevant

STRATEGIES

• Digital Media: improve targeting and ROI through Google analytics and other tools
• Website update
  o Refresh in 2020, full review and update 2021
• Fund to prevent foreclosure campaign
• Identify, research and cultivate potential relationship partners and alternative finance models (CDI, Land Trust, etc.)
• Package NOAHH’s expenses differently so that Advancement has different ways to ask for support
• Develop a targeted list of national foundations to solicit
• Enhance board engagement to leverage relationships
• Increase levels of local, state, and federal advocacy work as this directly impacts our funding, state sales tax, federal grants and tax credits
• Explore viability of finding matching funds to support a homeowner maintenance fund

CONSTRUCTION

PRODUCT DEVELOPMENT AND HOME DESIGN

A primary goal of the strategic plan is to deliver a more consistently positive partner family experience with new home designs and planned communities that are aligned with housing needs/family structure, cost-efficient, livable, sustainable, adaptable to varying lot sizes and integrate well with New Orleans area neighborhoods.

To this end, in December 2019 a focus group was conducted to better understand homeowner wants and needs relative to home design, construction and location, and to assess reaction to new home design ideas under consideration.

OBJECTIVES

• Evaluate home design for cost efficiency, livability, sustainability, adaptability to lot size, including multifamily, and integration with neighborhoods (NOAHH reputation and branding)
• Develop products, programs and the homeowner “experience” from application to ownership to be more customer centric
STRATEGIES

- Utilize a double housing unit as a pilot initiative for homeowner/landlord model
- Update traditional home design
  - ✔ Features and floor plans
    - Explore 2 BR option
    - Explore 3/2 floor plan
  - ✔ Eco-friendly design materials
  - ✔ Lower maintenance expenses
  - ✔ Energy efficiency/sustainability
  - ✔ Neighborhood/context
- Develop new home and planned community designs reflecting homeowner focus groups
  - Higher density, and ground-up communities with integrated or adjacent amenities, e.g. green space, childcare, healthcare, groceries, etc.
  - Communities targeting high demand consumer segments, e.g. hospitality industry workers, first responders, etc., e.g. West Bank Village Project in Jefferson Parish
- Prototype a smaller (cottage) home design to increase location versatility, lower construction costs and partner family purchase (or rent) costs

NEW CONSTRUCTION

New construction will be partially dictated by several funding commitments and land holdings:

- Lower 9th Ward: 21 NORA lots
  - Obligated to purchase as part of Lower Ninth Ward Initiative
- Habitat Urban Gardens (HUG): 14 lots rented to long term gardeners
  - 12 lots in Upper and Lower Ninth Wards, 2 lots are unbuildable
- Vacant Lots: 22 lots that are not committed to a program or partner
  - 11 lots on partner family pick list; Upper and Lower Ninth Wards
  - 7 inaccessible due to road construction
  - 4 unbuildable lots. Explore potential use as sites for cottages rather than full size homes.

OBJECTIVES

- Better construction planning and home build efficiency
  - Reduce material waste in current home construction
  - Utilize volunteer labor more efficiently (build time, reduced material waste and improved construction quality)
- Better managed workflow, order fulfillment and optimized pricing
- Streamline warehouse and inventory management
- Improve employee retention
STRATEGIES

- Restructure construction staff into 3 teams of 3
  - Framing crew, interior crew and training crew
- Implement training, “apprenticeship” program for new construction staff
  - Supervised “training crew” executes full home construction
- Suspend volunteer community building (and volunteer fees)
  - Utilize core, experienced volunteers
  - Maximum 5 volunteers per site requiring 1 NOAHH construction supervisor
- Implement more efficient, contemporary new home designs, e.g. 2 bedrooms
  - Spray paint versus brush exteriors for efficiency and quality (possible by volunteer strategy shift)
- Prototype tiny home (cottage), for Jefferson Parish West Bank project and as an opportunity to build in Orleans Parish on odd shape and small lot sizes
  - Lower land and construction costs
  - Opens opportunities for home construction in neighborhoods with more density and existing amenities
  - More affordable and efficient housing for both renters and homeowners

MAINTENANCE, ABWK AND HOME REPAIR

OBJECTIVES

- Educate homeowners on how to maintain their houses
- Address maintenance on older properties
- Expand ABWK program
- Build a more robust home repair program
- Increase the number of families served
- Evaluate adding Habitat homeowners to current program serving owner occupied homes in the community
- Mitigate risk of existing construction defects and/or negligent homeowner maintenance

STRATEGIES

- Secure additional FHLB banking partner for SNAP grants (could double ABWK families served)
- Evaluate continued use of Federal money
- Evaluate maintenance/repair/warranty combination
- Tighter audit of housing stock condition and related data to better assess the level of risk and plan for it.
  - Scrub current data and reporting out on all homes or at least those with mortgages as to location, original closing date, balance owed/years, age and profile of homeowner (including number of family members), history of complaints (if available), etc.
  - Drive-by “visual” inspections
- A more aggressive and structured home maintenance education program coordinated with financial
literacy training and potentially adding “new education” concepts such as various home repair and renovation classes

- Utilize new AppFolio software for lease updates
  - Inspect each rental unit a minimum once a quarter (during filter changes)

**RENTAL AND FACILITIES MANAGEMENT**

**OBJECTIVES**

- Improve process for communicating with tenants
- Bring all leases up to date
- Achieve and maintain 95% occupancy rate
- Determine criteria for rental strategy, i.e. how many rental units do we want/need
  - # of units, rate of return, or other factors
- Determine criteria for unit mix
  - Single family v. doubles
  - Incubator v. Section 8 v. Partnerships
- Establish rental program AMI and other qualification criteria
- Ensure applicants do not pay more than 30% of income for rents
- Improve condition of rental properties
- Manage a rental portfolio that is both profitable and meeting the needs of families served
- Clarity among staff, Board and donors as to the relationship of rentals to the overall product mix, the mission and projected impacts on operations going forward

**STRATEGIES**

- Audit condition and occupancy of existing inventory
- Implement new AppFolio property management software
  - Utilize new software to email and text through the system
- Conduct a financial audit of income and expense associated with rentals over the past three years and forecast the next three.
- Review partner family research/focus groups to assess demand and needs in rental housing and update the rental program strategy, including product mix
- Repair/maintain
  - HVAC unit drains
  - Porch deck’s and rails
  - Overgrown landscaping
  - Pressure wash houses

**PURCHASING**

**OBJECTIVES**

- Improve purchasing process and efficiency
• Improve house take-offs

STRATEGIES

• Identify new vendors and ensure NOAHH always has back up suppliers
• Stay on top of national and regional pricing shifts to prepare for shortages
• Find new/updated products for houses
  o Better and longer lasting materials and products
  o Bulk purchasing to lower unit costs and improve warehousing and construction efficiency

FAMILY SERVICES

OBJECTIVES

• Complete analysis of the 5-year “incubator pilot program,” and in light of COVID-19 market dynamics, with a recommendation:
  o Termination/winding down
  o Program revisions
  o Program expansion
• Triple number of ABWK and SNAP projects by 2023
• Improve homeowner financial literacy
• Improve homeowner maintenance literacy
• Increase support of current partner families during COVID-19 pandemic

STRATEGIES

• COVID-19
  o Rent and mortgage deferrals
  o Fund to prevent foreclosure
  o Emotional and financial counsel, general support
• Modify applicant enrollment cycles and criteria to fit with COVID-19 market impacts
• Evaluate current product mix for best match with applicants
• Project unit inventory (and property type) and build schedules to better manage partner family pipeline
• Enhance Case Management structure to promote deeper partner engagement
• Explore additional workshops
  o Training on owning vs renting and preventing foreclosure
  o New Construction as training
  o Home Maintenance/ABWK projects as training
• Develop online family portal/home management dashboard
  o Mortgage documents & balance owed
  o Info & resources for home maintenance
  o Warranty & subcontractor information
  o FAQs
Ongoing learning opportunities

- Establish new protocols ahead of formal foreclosure
- Organizational commitment to creating equity & opportunities for generational wealth-building
- Encourage families to be brand ambassadors
- Enhance the homebuyer experience from query to closing
- Explore ABWK-type repairs for Habitat homeowners
  - Aging-in-place support
  - Referrals to vetted contractors
  - Special repair funds
- Develop and test new concepts, e.g. maintenance coops
- Develop a limited menu of most often needed maintenance services available through NOAHH at cost
- Establish a required and ongoing escrow for deferred maintenance or to meet named storm deductibles.

**VOLUNTEER SERVICES**

**OBJECTIVES**

- Adjust Volunteer component of business model to accommodate post COVID-19 operations, including safety and construction efficiency
- Develop more consistency in the volunteer pipeline; evaluate forecasting tools
- Increase ReStore core volunteers
- Upgrade Technology & Records Retention

**STRATEGIES**

- Reduce reliance on large volunteer groups and community builds in favor of smaller, better trained volunteer groups
  - Move focus from volunteer labor to volunteer partnership to increase consistency and reliability of volunteer instances creating trust and allowing the affiliate to create better schedules and plans for volunteer assistance and develop strategies to address the income losses
- Volunteer Manual & Volunteer Management Training
- Conduct cost-benefit analysis of volunteer labor
  - Explore other volunteer roles in future construction and overall programming, e.g. home ownership mentoring/teaching, financial literacy, services, etc.
- Use technology to better manage volunteer data to allow for easier management on site, better records retention, enhance communication and fundraising, save time and reduce paper
- Electronic waivers

**RESTORE**

**OBJECTIVES**

- Improve forecasting to manage revenue boons in the commercial donation pipeline, e.g. hotel furniture
● Improve net income for existing two stores, individually and cumulatively
● Increase introductions to valued donor groups
  o Architects
  o Designers
  o Homeowners
  o Universities and schools
  o Hospital facilities managers and assisted living
● Increase number of volunteers and improve role definition
● Open 3rd, Jefferson Parish/West Bank, ReStore and NOAHH operations base independently or in conjunction with the larger tiny home “village” concept in development
● Test a “high end/antique furniture” pop up ReStore
  ✔ Investigate uptown locations
● Improve advertising ROI and conversion rate to more frequent and consistent sales
● Maintain and expand online momentum in lead generation and sales during COVID-19
● Increase donor acquisition and retention
● Reduce waste, filling landfills
● Reduce conflict with unreasonable customers and donors
● Increase commercial donations

STRATEGIES

● Reduce waste, filling landfills, by securing items that can be reused or recycled by our customers
● Sell lumber at both stores
● Initiate quarterly all-team meetings which will involve formal training, recognition, and teambuilding
● Focus on digital marketing and data driven decisions
● Improve marketing efficiency in customer attraction
  o Google AdWords to address need for donations
  o Sell to value not cheapness.
● Utilize operations manual to clarify escalation process
  o Training on conflict resolution
● Improve pick up scheduling designed to reduce donor frustration directed at drivers and schedulers
● Pilot selling purchased product in the ReStore and track ROI

EVALUATION AND UPDATES

The assumption for all proposed strategies in the strategic plan is they will be implemented within the 3-year span of the plan. A fiscal ’21 and subsequent annual plans will be developed from the approved strategic plan.

Each quarter, the Executive Director will evaluate implementation progress on strategies with members of the management team, individually and as a group, with adjustments as needed. A quarterly summary report will be shared with the Board.
The strategic plan will be reviewed annually in the third quarter of each fiscal year (January – March) and updated based on current internal and external factors. This will include an internal management review and an annual Board half-day planning retreat to discuss progress, setbacks, challenges, concerns, i.e. an abbreviated SWOT and related discussion.

Updates to the strategic plan will be reflected in the annual plan to be adopted by May of each fiscal year.