

**Cabrillo Economic Development Corporation**  
***and its affiliates and subsidiaries***

**2006-2010 Strategic Plan**

**March 2, 2006**

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## Executive Summary

This report summarizes the results of the Cabrillo Economic Development Corporation's (CEDC) strategic planning process. The Strategic Plan's purpose is to establish goals, measures of success, and strategies that will guide the efforts of Board and staff from January 2006-December 2010. The Plan also places five-year goals in the context of the organization's mission, vision, and values, the internal and external environment in which it operates, and its accomplishments over the previous five-year planning cycle.

The Strategic Plan was developed from August 2004-December 2005. The CEDC Board of Directors was the driving force behind the Strategic Plan, and set direction after analyzing both quantitative data and qualitative input from staff, clients, and outside stakeholders. Executive Director Rodney Fernandez, consultant Mark Levine, and CEDC staff Jill Bangser assisted the Board and senior management.

The heart of CEDC's Strategic Plan is the below directional statement, which outlines where the organization will go over the coming five years through implementing its goals:

*CEDC's Board of Directors and staff dedicate their efforts to improving the lives of those most lacking in opportunity through the provision of housing and housing-related services, using housing as the catalyst for change at the individual, family, and neighborhood levels.*

*From 2006-2010, to continue to positively impact individuals, families, and neighborhoods through housing, CEDC will:*

- *Work as a team, internally and with outside partners, and using innovative approaches to build high-quality communities, not just homes*
- *Strive for the highest level of impact in CEDC's history*
- *Reach a diverse client base through outreach and marketing*
- *Impact affordable housing policy through community education and advocacy*
- *Maintain operational and financial self-sufficiency*
- *Thoughtfully manage organizational growth, including the use of a new facility and an Executive Director transition*
- *Maintain its positive public image throughout its service area and nationwide*

Goals, measures, and strategies are listed across six goal areas. These include CEDC's four programmatic divisions (Real Estate Development, NeighborWorks® Home Ownership Center, Property and Asset Management, and Community Building and Neighborhood Revitalization), as well as Marketing and Communications and Policy/Advocacy. The final section of the Strategic Plan highlights CEDC's plans for sustaining its work and provides financial health, facilities, and human resources targets for 2006-2010.

## Methodology and Timeline

The Cabrillo Economic Development Corporation's (CEDC) 2006-2010 Strategic Plan outlines the organization's mission, vision, and philosophy, and the goals, measures, and strategies that will guide CEDC for the next five years. This document is the final product of a planning process that began in August 2004 and culminated with a finished document in December 2005. During this time, three main drivers characterized CEDC's strategic planning methodology:

- **Board driven.** The 13-member CEDC Board of Directors engaged early on to set a framework for planning process. The cornerstone of their front-end increased involvement was a two-day Board retreat in April where Directors reviewed stakeholder research, completed a 'SWOT' analysis, and set strategic direction for the coming five years.
- **Outcomes based.** Strategic plan goals exhibit 'SMART' design (specific, measurable, aggressive yet achievable, relevant, and timebound).
- **Participatory design.** The Strategic Plan includes input from over 125 people, including staff, Board members, customers, community partners, and outside stakeholders. Input was gathered through surveys of staff and Board members, individual interviews with 30 stakeholders (including funders/lenders and non-profits/other partners), and three focus groups of clients (both renters and owners). Please see Attachment A for a complete list of stakeholder participants.

Key components of the Strategic Plan timeline are below:

- **August-December 2004:** Board study sessions by program division (Real Estate Development, HOC and VCCDC, Property and Asset Management, and Community Building and Neighborhood Revitalization)
- **November 2004-March 2005:** Stakeholder research (surveys, focus groups, interviews) and Board 'grading' of 2001-2005 Strategic Plan progress
- **April 29-30, 2005:** Board of Directors strategic planning retreat
- **May-July 2005:** Draft plan written by senior management team, including two half-day retreats
- **July-August 2005:** Presentation of draft Strategic Plan to Executive Committee of the Board of Directors, staff and outside stakeholders for review and comment
- **September-October 2005:** Plan revision based on comments
- **November 2005:** Presentation of draft plan to full Board
- **January-March 2006:** Ratification and dissemination of final plan

## Overview of Internal and External Conditions

The strategic planning assessment phase yielded a wealth of information about external conditions facing CEDC's work and internal characteristics that define the organization.

### External Conditions

- Ventura County is one of the least affordable places to live in the United States. As of September 2005, the median price of a single-family detached home was \$678,380. This requires a household income of over \$158,000 to afford. Low-income families rarely find housing for less than \$400,000, which requires \$200,000 in gap financing subsidy.
- During the 1990's, Ventura County built only one-third of the new housing necessary to meet its very-low and low income housing targets as set by the Regional Housing Needs Assessment, while exceeding its moderate and upper-income targets.
- There is limited availability of new land for residential development in Ventura County.
- There is still a pervasive "NIMBY" attitude toward affordable housing development.
- Business growth opportunities include new markets and products (e.g. infill development, development of community facilities), formation of new partnerships, education of the public and policymakers, and new fundraising methods.

### Internal Conditions

- CEDC's work is grounded in its grassroots history in the farm worker housing movement, and the organization will remain committed to filling a need for housing for those most lacking in opportunity.
- CEDC strengths include staff experience and teamwork, its development pipeline, its credibility and reputation, and the focus and creativity it brings to its work.
- While teamwork is a strength of the organization, there is also a need for more interdivisional communication, integration, and collaboration.
- Other areas for improvement include staff capacity and organizational and financial systems. Many of these areas for improvement are connected with CEDC's rapid growth over the previous five years.
- CEDC's community-oriented philosophy is at the foundation of the organization, but its community-building work needs more definition.
- CEDC will undergo several internal changes in the next five years, including moving to a new corporate facility in 2006 and an Executive Director transition in 2008.

The narrative at the beginning of each section of the Strategic Plan, along with each section's goals, measures, and strategies, address the above internal and external conditions facing the organization. Please also see Appendix B for a matrix of each condition and its related area of emphasis in the text.

# Organizational History and Current Profile

## History

CEDC's roots reach back to 1975, when a group of farm workers living in Cabrillo Village, a farm worker labor camp in Saticoy, Ventura County (CA), organized themselves to overcome eviction and ultimately purchase land from the farm's grower-owners. The farm workers rebuilt their community over a ten-year period, and Cabrillo Village became a national model for farm worker self-help community development. From this experience, CEDC was formed as a countywide community development corporation (CDC) in 1981.

During the 1980's, CEDC started affordable housing development work in selected Ventura County communities (Moorpark, Santa Paula, Piru, and Ventura), while growing capacity to undertake multiple development projects. In the 1990s, CEDC diversified operations and expanded market areas to include other parts of Ventura County. Construction and property management divisions were added early in the decade, followed by a home ownership counseling and lending division in 1997. CEDC also became an affiliate of NeighborWorks® America, thereby joining a cadre of community development corporations across the United States. By 2000, CEDC had become a diversified CDC serving two counties and multiple cities.

In the first half-decade of the 21<sup>st</sup> century, CEDC's Real Estate Development Division expanded its development pipeline and increased the number of projects in construction per year. CEDC's counseling and lending division became the NeighborWorks® Home Ownership Center and expanded its facility to a 40-person classroom, increased its lending capacity, and grew municipal partnerships. The Property and Asset Management Division almost doubled its portfolio, and CEDC moved the Community Building and Neighborhood Revitalization Division into operation in 2005. Per Board direction, CEDC also placed special emphasis on policy and advocacy work to increase awareness and action around addressing Ventura County's housing crisis. Finally, CEDC's staff more than doubled and, in late 2005, CEDC made plans to move to a larger facility to support its growth.

## Organizational Profile

**Service Areas:** Ventura and Santa Barbara counties, and (pending feasibility) adjacent areas in Los Angeles county

**Board of Directors:** 15 members, with the ability to grow to 21 members

**Number of People Served:** Approx. 1,500 people directly served annually

**Divisional Statistics:**

- Real Estate Development      Developed 983 for-sale and rental homes, currently has a pipeline of 721 units
- HOC and VCCDC:                      Assisted over 1,800 families with education and/or counseling, packaged \$38 M in first mortgage loans
- Property & Asset Management:      Manages 389 affordable rental units
- Community Building and  
Neighborhood Revitalization:      FY 2005 first operational year

**Annual Budget:**

FY 2006 operating budget of \$7.0 million

**Personnel:**

62 staff, comprised of 57 full-time and 5 part-time

**Net Assets:**

\$6,842,875 (FY 2004 CEDC Consolidated Audited Financials)

## **Mission, Vision, and Philosophy**

### ***Mission***

*To provide comprehensive housing services, through a community building approach, that facilitate self-sufficiency for individuals and families who are most lacking in opportunity in Ventura and Santa Barbara counties and adjacent areas in Los Angeles county.*

### ***Vision***

*Grounded in principles of community building, CEDC develops ownership and rental housing that forms the foundation for people to improve their quality of life. CEDC symbolizes quality, well-designed housing that is affordable to those most lacking in opportunity. Our success is based on maintaining a company that is well-managed and that collaborates with public, private, and community partners.*

### ***Philosophy***

*Every person has the right to decent, safe, and affordable housing. We view housing as the cornerstone of communities' economic, environmental, and social well-being.*

*We believe that responsible people can and will lead more productive and fulfilling lives with affordable, decent housing as a foundation for their daily life needs. Quality, affordable housing is an integral component of individual and community vitality and vibrancy in that it positively impacts health, education, public safety, social services, and economic development.*



## Directional Statement and Assessing Impact

### **Directional Statement**

As a contextual framework for developing goals, measures, and strategies in six program areas, CEDC crafted an overall directional statement that summarizes where the organization plans to go in the coming five years.

*CEDC's Board of Directors and staff dedicate their efforts to improving the lives of those most lacking in opportunity through the provision of housing and housing-related services, using housing as the catalyst for change at the individual, family, and neighborhood levels.*

From 2006-2010, to continue to positively impact individuals, families, and neighborhoods through housing, CEDC will:

- Work as a team, internally and with outside partners, and using innovative approaches to build high-quality communities, not just homes
- Maintain operational and financial self-sufficiency through:
  - Bringing production to scale in existing business lines
  - Expanding through new geographic areas, products, and program areas
  - Increasing emphasis on special needs housing and community facilities
  - Addressing challenges in securing resources
- Thoughtfully manage organizational growth through:
  - An Executive Director transition
  - Staff recruitment, retention, and capacity-building
  - A new facility and improved systems
  - An intentional effort to maintain teamwork and cohesiveness
- Strive for the highest level of impact in its history
- Reach a diverse client base through outreach and marketing
- Impact affordable housing policy through community education and public policy
- Maintain its positive public image throughout its service area and nationwide

### **Assessing Impact**

In recent years, CEDC has placed special emphasis on assessing the impact of its work on individuals, families, and neighborhoods. In 2003, the NeighborWorks® Home Ownership Center completed its impact assessment, followed by the Property Management Division in 2004/2005 and the Real Estate Development Division in 2005/2006. During 2006-2010, CEDC will complete an assessment of its Community Building and Neighborhood Revitalization Division and update assessments for its other divisions to measure change from baseline data collected in the previous strategic planning cycle. Results of divisional impact assessments will enable CEDC to make sounder management and programmatic decisions and better tell its story to outside stakeholders.

# Goals, Measures, and Strategies

## I. Real Estate Development

**Accomplishments during 2001-2005.** The Real Estate Development Division aimed to develop 1,000 homes in the five-year period. During this time, the division completed 84 for-sale homes (Monte Vista Homes, Sycamore Homes) and 94 rental homes (Meta Street Apartments, Plaza del Sol Apartments), for a total of 178 homes. The division also has 721 homes in the development pipeline, representing 12 developments. Combining homes completed with those in the pipeline, the division met 78% (780/1000) of its goal. This represents the highest productivity in the organization's history.

The Division also completed the renovation and expansion of CEDC's main office building in 2001 and rehabilitated 32 homes (Yale Street Apartments, Cypress Court Apartments), representing 16% of a 200 unit rehabilitation goal. The division had a goal of completing five infill mixed use developments, which it did not meet.

**Internal and external factors shaping current goals.** CEDC has established a sustainability model centered on the development of 160 homes a year. This requires the division to aggressively secure new sites and maintain anticipated construction timelines. The model also requires balancing enough moderate/market/workforce housing to help subsidize the cost of housing for very-low, low income, and special needs families and also generate revenue for the organization. Finally, land for development in Ventura County is becoming increasingly limited and costly.

**Summary of key goals for 2006-2010.** The Real Estate Development Division will complete construction and occupation of 800 homes and obtain site control for an additional 600 homes during the five-year timeframe. Development will focus on very-low income, low income, and special needs populations. The current pipeline constitutes 66% rental and 34% for-sale; the division will modify this ratio. Responding to Board and stakeholder feedback, the division will also expand its work to community facilities and incorporate green building methods into its developments.

### **Goals and Measures.**

Goal #1: Increase and sustain a high level of housing development and construction by completing 800 homes by 2010 and obtaining site control for an additional 600 homes by 2010, with the following measurable targets:

- 40% ownership
- 60% rental
- 35% very low
- 35% low
- 30% moderate/market/workforce
- 5% special needs, such as individuals with behavioral or physical disabilities (of the 40 units this represents, 25 will be a set-aside project)
- 20% farm worker

- Complete 721 units in existing pipeline, as well as 79 units representing new projects for which site control is not yet obtained
- Obtain site control for 679 homes, of which 79 units will be completed by 2010
- Establish and meet start dates
- Increase annual completions to 200 units by 2010
- Obtain two design awards by 2010
- Receive good rating by third-party survey of customer satisfaction

Goal #2: Develop and implement a green building strategy, including incorporating cost effective “green” techniques in all buildings, and developing one project (of the 800 homes) that has an emphasis on green building

Measures:

- Develop one project (of the 800 dwellings) that has an emphasis on green building by 2010
- Use all Energy Star appliances in all developments completed in 2006 and later
- Meet Energy Star compliance at a level above the Title 24 calculations

Goal #3: Expand acquisition and rehabilitation capacity - acquire and rehabilitate three apartment developments/at least 50 apartment homes by 2010

Goal #4: Develop two community facilities in alignment with mission

Measure: Complete two child care centers by 2010

Goal #5: Expand CEDC’s service area by completing two developments/at least 50 homes by 2010 and obtaining site control for another two developments/at least 50 homes (of the 600 dwellings) in new areas for CEDC (e.g. Lompoc, Santa Maria, the Santa Clarita area, Westlake Village, Agoura Hills, Carpinteria, City of Santa Barbara)

Measures:

- Complete 50 homes in a new area for CEDC
- Obtain site control for an additional 50 homes in a new area for CEDC

### ***Key Strategies***

- Increase partnerships with developers to build units represented through inclusionary policies/ordinances
- Increase the number of infill and adaptive reuse developments, including building within the urban core of cities
- Expand presence in Santa Barbara County
- Expand into adjacent areas in Los Angeles County pending feasibility
- Improve construction and development systems, which will help improve timelines, quality, and money management
- Establish universal design standards
- Strengthen internal staff capacity and increase the number of housing development staff
- Evaluate and implement excellent models for senior housing
- Implement a typical minimum project size of 25 homes

## **II. NeighborWorks® Home Ownership Center (HOC) and the Ventura County Community Development Corporation (VCCDC)**

**Accomplishments during 2001-2005.** In the last five years, the HOC addressed its goals of “expanding the division” and “augmenting program services” by establishing its own center and offering financial fitness, reverse mortgage counseling, and an Individual Development Account (IDA) initiative. The division also provided education and/or counseling to 2,000 individuals and assisted directly and/or indirectly 259 families into homeownership. In addition, HOC secured contracts with seven local jurisdictions to provide education, counseling, and/or loan packaging services.

The HOC also had two goals around ratcheting up its lending services. Over the five-year period, the HOC packaged 160 loans out of the 259 families who purchase a home. While this fell short of a goal of packaging 135 loans in 2005 alone, the division increased its lending capacity by incorporating and obtaining Community Development Financial Institution (CDFI) certification for the Ventura County Community Development Corporation, and finalized a \$1 million line of credit with State Farm Bank for VCCDC to lend as amortized subordinate mortgages.

**Internal and external factors shaping current goals.** The HOC operates in a real estate market dominated by rapidly increasing home prices, a predominance of stated income and interest-only loans, and decreasing foundation funding. Amid these challenges, the division will focus on increasing the number of families it helps into homeownership through direct lending and loan packaging. A key strategy is to balance loans packaged for CEDC for-sale developments with loans packaged for affordable homes built in cities that hold contracts with the HOC to provide education, counseling, and/or loan packaging in conjunction with first-time homebuyer down payment assistance. Finally, per Board direction, the division will continue to target very-low and low income families in its education and counseling services.

**Summary of key goals for 2006-2010.** HOC/VCCDC goals fall into four major areas: education and counseling, homeownership assistance, direct lending and loan packaging, and divisional sustainability.

### **Goals and Measures.**

**Goal #1:** Increase the number of unduplicated households served through education and/or counseling by 25% from 2,000 in 2001-2005 to 2,500 households from 2006-2010, maintaining our emphasis on very-low and low at 75% of our total client base

**Goal #2:** Increase the number of homebuyers assisted directly or indirectly by 230%, from 259 in 2001-2005 to 600 by 2010.

#### Measures:

- Assist 375 families directly into homeownership through lending and packaging services

- Assist 225 families indirectly into homeownership through education and/or counseling

**Goal #3:** By 2010, increase the number of households assisted directly by 292% from 128 households (\$52.3 million) in 2001-2005 to 375 households into home ownership through first and/or subordinate loans, for a total transaction value of \$150 million, a 288% increase from the \$52.3 million.

**Goal #4:** By 2010, increase fees from \$165,749 or 24% of the overall budget, to \$669,408, or 80% of the total divisional operating budget, thereby decreasing reliance on grants.

**Goal #5:** By 2010, assist 900 youth with financial literacy courses by offering the Financial Empowerment Program developed by HOC to local high schools and youth organizations

### ***Key Strategies***

- Outreach to residents in CEDC's rental portfolio, particularly those who are reaching income ceilings for rental affordability restrictions
- Retain and increase contracts with municipalities and private developers
- Close loans representing both affordable and moderate/market-rate homes built by CEDC
- Become a licensed mortgage broker
- Expand into real estate sales
- Diversify first mortgage loan products
- Provide bankruptcy counseling
- Partner with local high schools and other youth-based organizations

### III. Property and Asset Management

**Accomplishments during 2001-2005.** The Property and Asset Management Division's portfolio expanded from 270 units to 389 units over the last five years. While this fell short of a total portfolio goal of 1,000 units, it represents a sizable increase of 44 percent. Another 456 units will come onboard by 2009 based on the current CEDC development pipeline. The division worked on its goal to "expand management capacity" by creating a Director and Assistant Director positions and improving standards, systems, policies and procedures. The division also increased the community building capacity of its on-site managers through training and goal-setting.

**Internal and external factors shaping current goals.** The Property and Asset Management Division is challenged with keeping rents low while also meeting its operational costs. This task will become easier as the portfolio expands and the division can reach efficiencies of scale. The division also faces turnover among resident managers and maintenance workers – a problem which property management firms often face. Finally, as properties in the portfolio age, asset management and capital improvements must be addressed.

**Summary of key goals for 2006-2010.** The Property and Asset Management Division set goals to effectively manage the existing portfolio as well as add new units. Unlike previous years, the Division will expand its focus to managing existing developments and acquiring CEDC tax credit properties whose 15-year timeframe is reaching an end. In addition to reaching efficiencies of scale, an emphasis on increasing the portfolio will enable CEDC to provide more affordable housing opportunities for people who are not ready (or do not want) to move into home ownership.

#### **Goals and Measures.**

**Goal #1:** Develop and implement a Management Plan to effectively manage all existing properties in CEDC's portfolio

Measures:

- Break even at all properties
- Increase cash flow by 10% on the average across the portfolio
- Achieve and maintain a vacancy rate of 2% or less
- Reduce unit turnover time to 10 days
- Engage all properties in tenant community building activities

**Goal #2:** Add 480 rental homes (60% of 800 unit development pipeline) to Property and Asset Management Division by 2010, increasing the total number of homes managed from 389 to 869 homes

Measures:

- 2006 – add 76 homes (Villa Cesar Chavez, Vista Hermosa)
- 2007 – add 250 homes (Villa Victoria, Paseo Santa Clara, Central Station, Harvard Court)
- 2008 – add 87 homes (Plaza Amistad)
- 2009 - 2010 – add 102 homes (Citrus Place and other homes)

**Goal #3:** Secure 150 affordable homes for fee management services by the end of 2010

Measures:

- Secure 100 affordable homes for fee management services by the end of 2008
- Secure 50 additional affordable homes for fee management services between 2009-2010

**Goal #4:** Acquire the four tax credit properties that the CEDC has a first right of refusal to acquire by 2010 (Santa Paulan, Montgomery Oaks, Villa Solimar, Casa Velasquez)

Measures:

- 2006 - To acquire the Santa Paulan
- 2007 - To acquire Montgomery Oaks Apartments
- 2008 - To acquire Villa Solimar
- 2009 - To acquire Casa Velasquez

**Goal #5:** Rehabilitate 54 homes in the Kalorama Apartments, the Yale Street Apartments, and Cypress Court by 2010

Measures:

- To rehabilitate the 24 homes of Kalorama Apartments by 2010, representing 20% or more of units rehabilitated each year of the plan
- To rehabilitate the 26 homes of the Yale Street Apartments by December 2007, assuming Board approval in February 2006
- To rehabilitate the 4 homes of Cypress Court by December 2007

### ***Key Strategies***

- Improve value engineering, including refining the development design process to include selection of standard products, which helps increase the lifespan of the development
- Develop a portfolio operations plan and update Policies and Procedures manual
- Increase capacity of on-site managers through ongoing training
- Develop community building strategies for properties in conjunction with Community Building and Neighborhood Revitalization Division
- Address areas of emphasis in capital needs assessments
- Invest in divisional capacity as more developments are added to the portfolio



## IV. Community Building and Neighborhood Revitalization

**Accomplishments during 2001-2005.** For most of the five-year period, community building work at CEDC was distributed across several divisions. On-site resident managers provided social opportunities for tenants and brought health and educational resources onsite. At some properties, tenants increased their involvement by establishing resident boards and neighborhood watch groups. CEDC also coordinated three NeighborWorks® week clean-ups, conducted two community planning processes, and supported community involvement in Santa Paula's Fagan Canyon development.

Perhaps most exciting, a formal Community Building and Neighborhood Revitalization (CBNR) Division was conceptualized in 2004 and moved into operation in 2005. While falling one year short of the 2001-2005 Strategic Plan timeframe, this is a great step forward nonetheless.

**Internal and external factors shaping current goals.** One challenge facing the Community Building and Neighborhood Revitalization Division is its small staff. Starting in 2006, the division will have one full-time Community Builder and a part-time Director. The demand for community building work at rental properties and in new communities is high, and the division will need to focus its energies thoughtfully and build on existing momentum.

**Summary of key goals for 2006-2010.** Stakeholder research confirms that people view CEDC's community oriented focus as a highlight of its work; this division aims to further define and strengthen this area of emphasis over the next five years. The CBNR Division's work will put into practice CEDC's belief that "community building is the process of actively engaging individuals, neighborhoods, and the community as instrumental participants and beneficial assets in the determination and process of community development."

Goals fall into five key areas: leadership development, family resources, neighborhood revitalization, volunteerism, and building divisional capacity. The division anticipates that by reaching these goals, residents and community members will form organized groups, build capacity, and advocate for issues and resources that they determine are important to themselves and their families.

### **Goals and Measures.**

**Goal #1:** By 2010, increase resident leadership development by having 15% of tenants at each property as resident leaders

Measures:

- Community Building and Organizing (NeighborWorks® America) quarterly reports
- Divisional staff and resident manager observations, as reported in one-on-one write-ups
- Training evaluations
- Tenant groups accomplishing self-identified goals

**Goal #2:** By 2010, increase the number of tenant families who access community resources for themselves and their families, by forming at least two active external partnerships for each CEDC property and targeted neighborhood

Measure:

- Community Building and Organizing (NeighborWorks® America) quarterly reports

**Goal #3:** Develop three neighborhood revitalization initiatives/organizations/groups by 2010 in locations tied to CEDC housing developments

Measures: *because each revitalization initiative is different, measures could include one or several of the following:*

- Improved public service delivery or public resource distribution to community
- Reduction in crime rates
- Increase in: homeownership rates; resident stability/mobility; property values; voting rates
- Decrease in unemployment/increase in employment rates
- Increase in school attendance/graduation rates or drop in dropout rates
- Initiation of legislative action

**Goal #4:** Increase in an active volunteer base from a non-systematic uncoordinated network in 2005 to 100 people in 2010

Measures:

- Number of individuals on volunteer database
- Frequency of involvement of volunteers on database
- CEDC volunteer involvement at meeting local advocacy goals (see Policy and Advocacy)

**Goal #5:** By 2010, formalize and implement a replicable process for community engagement in neighborhoods where CEDC will develop in the future

Measures:

- By December 2006, establishment of a timeline and process for CBNR Division involvement in incorporating community input into housing developments for the remaining four years of the strategic plan period
- Between 2007-2008, the CBNR Division will facilitate a community engagement process for at least two housing developments
- Between 2009-2010, the CBNR Division will facilitate a community engagement process for at least four housing developments

**Goal #6:** Expand CBNR Division through adding personnel and increasing financial resources

Measures:

- Increase in staff dedicated to community building and neighborhood revitalization from .75 FTE in 2005 to 4 FTE by 2010
- Increase CBNR operational budget from \$100,000 in 2005 to \$300,000 in 2010

***Key Strategies***

- Involve residents in program planning and design
- Expand formal and informal partnerships and collaborations, including relationships with local non-profits, educational institutions, and businesses
- Develop strong referral systems (and ways to track referrals)
- Build off of small successes and current momentum
- Incorporate lasting and tangible volunteer roles in each of the CBNR program areas and across the organization. Possible volunteer roles include participation on the Program Services Committee and participation in policy advocacy work, including speaking at city council and planning commission meetings in support of affordable housing.
- Integrate community building within each of CEDC's major divisions
- Work closely with Real Estate Development and Construction staff to determine the appropriate timeline and process for engaging community members in input and design of housing developments
- Establish formal and informal internal community building mechanisms in order to improve interdivisional communication, integration, and collaboration
- Support resident ownership, control and/or participation in management

## V. Marketing and Communications

**Accomplishments during 2001-2005.** In the previous strategic planning cycle, CEDC 're-branded' itself by changing its logo, improving its corporate collateral, and expanding its communications materials. The company published seven *Vistas* newsletters, improved the focus, look, and quality of its annual report, created corporate and divisional brochures, and published a 25<sup>th</sup> Anniversary calendar. To help accomplish these goals, CEDC established a part-time communications position in early 2005 and later in the year hired a Communications and Resource Development Manager.

CEDC staff and Board members also participated in marketing and communications activities. In 2004-2005, the Board presented on CEDC to city councils in eight jurisdictions. CEDC also joined all the Chambers of Commerce in Ventura County, and staff made presentations to Chambers and other civic groups. This work, along with CEDC's policy advocacy activities, has helped put affordable housing on cities' radar screens.

**Internal and external factors shaping current goals.** CEDC's stakeholder research revealed that outsiders (and to a degree, CEDC staff) view the organization as only serving Latino families. CEDC's marketing and communications work needs to counter this perception, emphasize the range of families and individuals served by the company, and educate the public on the 'true face' of affordable housing.

Much of CEDC's success depends on its ability to secure and retain partnerships with financial institutions, government entities, business, and non-profits. Success also requires maintaining a constant stream of clients who want to live in our homes and use our services. A coordinated communications and marketing campaign will enable CEDC to increase its visibility and expand its client base and partnerships.

**Summary of key goals for 2006-2010.** Marketing and communications goals 1) tie directly into CEDC's visibility and profitability, and 2) serve as a community education tool to dispel myths around who affordable housing serves.

**Goal #1:** Increase CEDC's positive image and business profitability

Measures:

- Through communications materials and targeted marketing, increase the non-Latino/non-Anglo client base from 7% to 20% by 2010 as measured by existing database systems, with the remainder of clients at 20% Anglo and 60% Latino
- Increase in new clients from 2006-2010 (see HOC section)
- Increase in number of mortgages closed (see HOC section)
- Successful negotiated land deals (see Real Estate Development section)

**Goal #2:** Increase internal marketing, communications, and public relations capacity

Measures:

- Increase in-house marketing and public relations staff from .75 FTE to 1 FTE by 2007
- Increase staff from 1 FTE in 2007 to 2.5 FTE by 2010

### ***Key Strategies***

- Publish *Vistas* four times a year and increase circulation to 2,000 from 740
- Ensure that CEDC is mentioned in a newspaper article at least one time per quarter
- Create and implement a corporate marketing plan, including diversification of advertising types
- Increase in-house capacity to create marketing/communications materials
- Conduct a cost analysis of using external consultants vs. cost to bring work in-house
- Establish a targeted outreach strategy
- Increase number and types of marketing collateral, including bilingual material
- Reflect a cross-section of the community in communications work, including geographic, ethnic, age, gender, professional, and socioeconomic diversity

## VI. Policy and Advocacy

**Accomplishments during 2001-2005.** In its last strategic plan, the CEDC Board of Directors placed special emphasis on increasing CEDC's work around affordable housing policy and advocacy. In response to this direction, CEDC co-hosted five housing conferences with the Ventura County Economic Development Association (VCEDA) and Housing Opportunities Made Easier (HOME). Each conference built momentum around addressing Ventura County's housing crisis and has resulted in several tangible and intangible steps forward on a policy front, including the hiring of a progressive City Manager at the City of Ventura.

CEDC also participated in several regional, statewide, and national housing groups and initiatives (including involvement in the passage of Proposition 46) and played an active role on updating municipal housing elements and advocating for inclusionary housing policies. Finally, CEDC researched and published *Housing at the Millennium: Documenting New Housing Production in Ventura County, 1990-2000*, a landmark study documenting how Ventura County jurisdictions met (or didn't meet) housing production targets for very-low, low, moderate, and upper income families in the previous decade.

**Internal and external factors shaping current goals.** In the last five years, housing costs in Ventura County have skyrocketed to a point at which only 13 percent of households can afford what was once considered the 'American Dream' – a single-family detached home. This phenomenon, coupled with limited available land for residential development, has resulted in an affordable housing crisis that is only getting worse. CEDC and other community development corporations also face challenges at the federal level, as key federal funding sources and programs are being consolidated or eliminated. In this climate, policy and advocacy work is especially important in order to change political and community will and ensure the development of affordable housing.

**Summary of key goals for 2006-2010.** Similar to its previous strategic plan, CEDC set policy and advocacy goals at the local, state, and federal levels. For 2006-2010, special emphasis was placed on increasing voter registration and resolving a property tax issue that puts undue financial strain on low-income families who are purchasing a home.

**Goal #1:** Increase local support for affordable housing policies, resources, and projects

Measures:

- Support three inclusionary zoning ordinances in Ventura and Santa Barbara Counties
- Hold one annual housing conference per year with VCEDA and HOME
- Develop and implement a predatory lending campaign with two major cities participating
- Implement a local housing trust fund with \$500,000 in new annual resources

- Provide input on 11 Ventura County housing elements and three Santa Barbara County housing elements (Solvang, Buellton, Santa Barbara County)
- Organize and participate in local support groups so that at least 100 people have spoken to political bodies in support of affordable housing

**Goal #2:** Actively participate in efforts to increase statewide resources for affordable housing

Measure: Actively participate in efforts to successfully implement a statewide housing trust fund by 2010 and pass a bond providing resources for affordable housing in the interim

**Goal #3:** Actively participate in efforts to successfully preserve and increase federal resources for affordable housing

Measures:

- Participate in efforts to preserve and expand rental housing tax credits and HOME, CDBG, Section 8, Rural Development and Community Development Financial Institution (CDFI) funding sources
- Participate in efforts to obtain a homeownership tax credit
- Participate in efforts to establish a federal housing trust fund
- Participate in efforts to preserve and protect the Community Reinvestment Act

**Goal #4:** Impact, in a positive way, policies of state and federal funding sources

Measure: Comment on HCD, TCAC, CalHFA, RD, State Board of Equalization, and HUD policies

**Goal #5:** Actively participate in resolving the property tax issue for affordable home ownership projects in a way that allows for deferred loans not to negatively impact homeowner ability to buy

**Goal #6:** Increase the number of residents/clients who are registered to vote (note: no baseline number in place as of 2005)

**Goal #7:** Increase the percentage of the Ventura County Regional Housing Needs Assessment (RHNA) very-low and low income housing goals met from 37% during 1990-2000 to 60% during 2006-2010, an increase of

approximately 1,150 units, of which 560 will be met from CEDC increased production and the rest from production by other developers

***Key Strategies***

- Assign dedicated staff and money to marketing and advocacy
- Partner with other local, regional, and national groups to leverage advocacy resources
- Maximize use of CEDC website
- Increase public speaking engagements to city councils, service clubs, Chambers, etc.
- Provide voter registration as part of move-in packages
- Offer community rooms as polling places



## Sustainability

The CEDC Board of Directors placed emphasis on an explicit strategy for ensuring CEDC's ongoing sustainability as a high-impact effective affordable housing organization. Board and staff will focus on this overall area with the same level of energy directed towards the programmatic part of its work. This builds on CEDC's historical stance that the organization must be well managed to be productive.

**Accomplishments during 2001-2005.** During the last five years, CEDC's operational strategy focused on managed growth. Staff more than doubled, from 31 to 65 people. To handle this growth, CEDC expanded into the rest of its corporate headquarters in 2001, leased a nearby office for Construction and Property and Asset Management staff in 2004, and purchased a new office building in late 2005. CEDC also made substantial progress on a campaign to raise capital for pre-development and site acquisition. While short of its \$10 million goal, CEDC successfully raised \$5.2 million.

The Board of Directors also set policies for the use of reserves, which are expected during the upcoming five-year cycle. In 2004, the Board also approved and funded a 3% retirement program match and approved a company-contributed senior management retirement program.

**Internal and external factors shaping current goals.** Over the last five years, the need for affordable housing services and products has risen at an exponential rate. CEDC has met this challenge through increasing its development pipeline and diversifying business lines to include community building and expanded counseling and lending. Programmatic growth also led to increases in administration and accounting staff and more facility space. Simultaneously, the definition of 'those most lacking in opportunity' grew to include moderate-income families as well as very-low and low income. Finally, the CEDC Board of Directors faced the important consideration of balancing the organization's mission to build housing affordable to very-low and low income populations with the financial implications of moderate and workforce housing.

**Summary of key goals for 2006-2010.** Sustainability goals fall into three main areas: resource development, systems improvements, and staff development.

**Goal #1:** Manage the growth of the CEDC from a \$5 million dollar operating budget to a \$10 million dollar level in 2010, by growing at an annual rate of 20 percent.

Measures:

- Operating capital – Maintain a minimum of two months of operating cash per fiscal year, per each year's annual budget
- Net income – move from 10% to 15% net income by 2010
- Net assets – grow net assets by 10% per year, from \$6.8 M (FY 04 audit) to \$11.0 M (FY 09 audit)
- Reserves - Increase reserves by at least \$500,000 annually in addition to any operating capital, building up a total reserve position of \$2.5 million by 2010

- Endowment - Raise \$100,000 for an operational endowment by December 2006 and add \$100,000 to the fund each subsequent year
- Liquidity - Maintain a liquidity ratio of 1:2 to 1:1.5
- Board engagement – Board will set annual engagement goals
- Budget growth and stability – Achieve 10% annual growth in revenues per year, from \$7 million in 2006 to \$10.2 million in 2010
- Audit: maintain “exemplary” status according to NeighborWorks® America each year for the next five years
- Capital campaign – Raise a total of \$20M in equity and long term debt by 2010.
- Divisional performance – Maintain break-even or better financial performance in each of five years for Real Estate, Property and Asset Management, Home Ownership Center, and Community Building and Neighborhood Revitalization divisions

**Goal # 2:** Improve and create new operational systems to improve new housing development and construction effectiveness, efficiency, and profitability

Measures:

- Reduce the housing development timeline from five to four years
- Establish a new timeline standard of site control to start of construction at three years
- Establish timeline of one year from start of construction to occupancy

**Goal #3:** Plan and execute the effective transition of the Executive Director and recruitment and selection of a new Executive Director by 2008

Measures:

- Executive Director to decide on retiring date in 2007
- Start transition planning in 2007 for retirement in 2008
- Start recruitment for new Executive Director in 2007 with hire by July 2008

**Key Strategies**

- Carefully manage short-term assets and liabilities
- Continue management and leadership training for staff, management, and the Board of Directors

- Increase the use of technology within the Housing Development Division and throughout the organization
- Revisit and update policies and procedures
- Conduct an organization assessment and use results to inform the executive search process
- Thoughtfully add staff and expenses in line with organizational growth
- Put a contingency plan in place in the case that the housing market in Ventura County changes drastically