



2015 – 2017 Strategic Framework

Achieving Impact, Scale and Sustainability

A Rich History in Community Development

Neighborhood Partnership Housing Services was founded in 1991 originally as Neighborhood Partnership of Montclair. City of Montclair officials worked with the Neighborhood Reinvestment Corporation, now NeighborWorks® America, to establish a community development corporation to address single family neighborhood revitalization issues throughout the city. In 1997, Neighborhood Partnership of Montclair expanded its serving to include all of the Inland Valley. The organization changed its name to Neighborhood Partnership Housing Services (NPHS) in 2002 to reflect the broader community development work it was conducting in the region. Over the last two decades, NPHS has evolved into a multi-faceted Community Development Financial Institution applying a holistic approach to community development by providing the neighborhoods and residents we serve with Community Wealth-Building, Homeownership Finance, Redevelopment and Realty programs and services.

From our modest beginnings, NPHS has become one of the most respected, innovative and progressive community development organizations in the Inland Valley as it continues to lay foundations for wealth creation and housing and economic development opportunities. As a HUD approved Housing Counseling Agency and a NeighborWorks® HomeOwnership Center, NPHS provides quality homeownership and economic development programs that advance both community asset-building and financial empowerment. As a full-service homeownership agency, we work alongside local housing agencies and financial institutions to offer down payment assistance programs to first-time homebuyers and home improvement loans and grants to homeowners; especially low-income senior citizens and disabled veterans. Collaborating with local government partners, NPHS redevelops neighborhoods by renovating and greening blighted properties and transforming them into homes for first-time buyers. Our partnerships with local government have expanded to offer Realty services to help increase affordable housing opportunities for first-time homebuyers and to stimulate demand in areas targeted for revitalization. These and other services have been critical in developing greener, healthier and more economically resilient communities throughout the Inland Valley. We will continue to build the organization from this strong foundation.

Mission

To build strong communities in the Inland Empire by providing innovative homeownership opportunities, assisting families to succeed in homeownership and partnering to improve the quality of life in neighborhoods.

Vision

Applying a holistic approach to community development, NPHS creates and preserves greener, healthier and more economically resilient communities throughout the Inland Valley while providing economic opportunities to individuals and families.

Values

Compassion – Inclusion – Empowerment – Sustainability – Innovation – Quality – Integrity

Creating Innovating Housing and Economic Opportunities

NPBS’ programs and services are categorized into four main areas of work: Community Wealth Building, Homeownership Finance, Redevelopment and Realty. These four business lines are interconnected and work together to apply a comprehensive approach to community development. Comprehensive community development is a more holistic approach that NPBS applies to create deeper, more effective impact in struggling neighborhoods and on moderate and low income individuals and families.

Community Wealth Building			
Homebuyer Education and Training	Economic Inclusion Programs and Services	Reverse Mortgage Counseling	Foreclosure Intervention Programs
Homeownership Finance			
Down Payment Assistance Financing	Home Improvement Financing	Home Buying and Home Improvement Program Administration Services	
Redevelopment			
Neighborhood Stabilization and Revitalization	Home Improvement Construction Management	Affordable Housing Construction	
Realty			
Homebuyer Representation Services or Home Purchase Services	Homeowner Listing Services or Home Listing Services	Acquisition and Disposition Consulting Services	

Community Wealth Building

Our Community Wealth Building program assists low and moderate income families build and preserve assets, and achieve economic empowerment and self-sufficiency. We do this by offering services that promote and preserve homeownership, and programs focused on expanding access to mainstream banking services to underserved populations.

- Homebuyer Education and Counseling
- Reverse Mortgage Counseling
- Foreclosure Intervention
- Financial Fitness for Homeownership
- Financial Fitness for Seniors
- Somos Familia
- Volunteer Income Tax Assistance
- Individual Development Accounts

Homeownership Finance

Our Homeownership Finance products assist first-time homebuyers achieve sustainable homeownership, and create safer and healthier living environments for low income homeowners by improving their substandard housing conditions. We do this by helping homebuyers gain access to responsible and affordable mortgages, and assisting low income homeowners attain home improvement loans and grants.

- First Mortgage Financing
- Down Payment Assistance Loans
- Closing Cost Assistance Loans
- Home Improvement Loans
- Healthy Homes for Seniors

Redevelopment

NPHS' Redevelopment programs create greener and healthier communities across the Inland Valley. By greening and renovating blighted properties, redeveloping vacant lots, and helping homeowners restore their homes to safer, livable conditions, NPHS is transforming vulnerable neighborhoods into communities of opportunity.

- Acquisition, Renovation and Resale of Blighted Properties
- Infill Residential Development
- Home Improvement Project Management

Realty

Our real estate services market and lift troubled neighborhoods by stimulating housing demand in these historically low-demand areas. We do this by assisting families from the neighborhoods we serve buy and sell homes. Our realty services have expanded to

- Homebuyer Representation
- Home Listing Services
- Acquisition and Disposition of Affordable Housing

Achieving Impact, Scale and Sustainability

As an organization that has learned to adapt with the changing economic environment and needs of our communities, we recognize the importance of developing a strategic plan that describes the programs we expect to deliver, while ensuring that we are able to bring the best services to our communities. We undertook a well-organized and thoughtful planning exercise to path a new strategic direction that ensures the continuation of building and maintaining stronger, more sustainable communities for the next three years.

The Board of Directors and staff were involved in multiple planned activities to engage various stakeholder groups in the process of assessing our current organization and community needs, examining external factors impacting our work, and developing a renewed understanding of priority issues around which our organization can focus our efforts to advance our mission. This inclusive process was designed to ensure that there is a sense of understanding and ownership across stakeholders, which will provide the context for successful plan implementation and dedication to honest and ongoing evaluation.

Our new strategic framework is designed to advance our mission through five strategic priorities that collectively focus on broadening programmatic impact, scaling programs and services and ensuring organizational sustainability. Our new strategic framework builds on a foundation of 25 years of excellence in community development and reaffirms our commitment to designing and delivering quality services that improve the quality of life in our neighborhoods.

Strategic Priorities

- **Scale and adjust suite of homeownership programs to meet regional demand.**
As a full-service homeownership organization, we recognize that NPHS cannot succeed as an agency unless we thoughtfully strengthen our capacity to scale programs that make it possible for individuals and families to successfully move across the housing continuum. Looking at ways we can scale our programs, not just grow, is the basis for this initiative.
- **Launch related community development services in order to have a more substantive impact around sustainable homeownership.**
Our goal is to develop programs that are related to our existing business lines that all connect with sustainable homeownership. We are intentionally expanding in new areas that naturally align with our strengths and our core programs and services.
- **Leverage communications expertise to maximize community awareness of NPHS.**
Content Delivery is just as important as Service Delivery if we are to continue to establish a positive and transparent image and build diverse partnerships that facilitate the dissemination of information to make community outreach more effective. NPHS will develop more effective ways to interact and connect with the communities we serve to better engage, support and determine the needs of our residents while raising awareness of our programs and services.
- **Strategically deploy organizational reserves in order to build future capacity.**
As a full-service homeownership organization, we recognize that NPHS cannot succeed as an agency unless we thoughtfully invest in building capacity to meet the present and future needs of the communities we serve. NPHS will strategically invest to expand our programs, build capacity and strengthen our workforce.

- **Develop financial resources to strengthen operations and ensure organizational sustainability.**

NPBS will institutionalize systems that help the organization reliably attract revenue and deliver quality and impactful programs over the long term. We will better integrate our programs to deliver high-quality services and foster an ongoing commitment to innovation and system improvement throughout all of our lines of business to ensure long-term sustainability.

Scale and adjust suite of homeownership programs to meet regional demand.

Community Wealth Building

1. Provide financial education and training to 1260 clients by June 30th, 2017, to improve their financial wellbeing and increase their economic opportunities. This is a 40% increase from the prior three-year period and represents a conscious shift from foreclosure prevention to financial education and training.
2. Educate 1,556 families on how to become successful long-term homeowners by providing them with comprehensive homebuyer education by June 30th, 2017. This is a 20% increase from the prior three-year period.
3. Strengthen the economic stability of neighborhoods by creating 725 new homeowners by June 30th, 2017. This is a 20% increase from NPBS's homeownership impact from the prior three-year period.
4. Provide pre-purchase counseling to 1170 families by June 30th, 2017, to assist them prepare for homeownership. This is an increase of 30% from the prior three-year period.
5. Assist 2,904 elderly homeowners understand the benefits and disadvantages of obtaining a Home Equity Conversion Mortgage (HECM) while generating \$267,145 in counseling fees by June 30th, 2017. This is a new program that NPBS is actively scaling up due to demand and in-house capacity to assist owners with this type of mortgage product.
6. Stabilize property values while adjusting to decreased market demand in the foreclosure arena by assisting 250 homeowners to avoid foreclosure through education and counseling by June 30th, 2017.

Homeownership Finance

1. Originate and fund 60 down payment assistance and closing costs loans to assist low-income first-time homebuyers achieve sustainable homeownership while generating \$20,000 in loan origination income by June 30th, 2017. This matches production over the last three years and

contingent on successfully sourcing lending capital from NeighborWorks America and the CDFI fund.

2. Originate and fund 30 home improvement second mortgages that will allow low-income and disabled homeowners make critical repairs to their homes resulting in \$15,000 in loan origination income by June 30th, 2017. This is an existing program developed via capital from local government CDBG and Home funds.
3. Create additional opportunities that promote and sustain homeownership by both establishing new and renewing existing consulting contracts and fee-for-service agreements with public and private sector partners that will generate a minimum of \$53,900 in program administration fees by June 30th, 2017.
4. *Evaluate the feasibility of establishing a loan sale partnership with a financial institution in order to develop the ability to regularly recapitalize our second mortgage loan pool in the Community Housing Trust. Staff will provide the Board with a progress report by June 30th, 2016.*

Redevelopment

1. Stabilize and redevelop distressed neighborhoods through the acquisition, rehabilitation and resale of 42 homes which will generate \$500,000 in developer fees by June 30th, 2017. This business area represents production from existing contracts and partnerships.
2. Minimize the environmental impact of our properties while lowering the utility costs and improving indoor health quality for our clients by including green components and features in 70% of the homes NPHS acquires and rehabilitates by 31st, 2017. This goal represents a 30% increase from the previous three-year 40% average.
3. *Research and identify new sources and methods of purchasing real estate owned properties to maintain a sustainable and impactful property acquisition and rehabilitation program by June 30th, 2017. Staff will provide the Board of Directors with an update on the sustainability of the program by December 31st, 2015.*
4. Create a healthier living environment for 58 low income homeowners by improving their substandard housing conditions through the attainment of a home improvement loan or grant which will generate \$37,500 in project management fees by June 30th, 2017. This represents more than double the production in this business area from the prior three-year period.

Realty

1. Increase the availability of affordable housing by selling 106 homes as the listing or referring broker which will generate a minimum of \$384,500 in real estate commissions by June 30th, 2017. This builds on a new business focus launched in FY 2013-14.
2. Represent 53 low to moderate income homebuyers purchase an affordable home as the selling agent which will generate a minimum of \$135,500 in real estate commissions by June 30th, 2017. This builds on a new business focus launched in FY 2013-14.

Organizational Development

1. *Develop a formal plan for its Sustainable Communities Catalyst Project by December 31st, 2015. The project aims at advancing neighborhood-focused redevelopment work by prioritizing and guiding resources to targeted neighborhood clusters throughout the Inland Valley. Under its Sustainable Communities Catalysts Project, NPHS implements a holistic, neighborhood-focused strategy of redeveloping communities that includes: acquiring foreclosed, vacant homes, rehabilitating them with green building upgrades, and selling them to first-time low-to-moderate income homebuyers; redeveloping vacant parcels and blighted lots; assisting homeowners gain access to home improvement loans and exterior beautification grants; providing down payment assistance loans to stimulate housing real estate activity; and helping create economically resilient homeowners through education and counseling.*
2. *Research and develop a standardized, yet scalable fee structure for its consulting and program administration services by June 30th, 2016. Arriving at a sustainable fee and rate structure requires a comprehensive evaluation of key performance levers, including staff capacity, competencies, knowledge, skills, licenses and certifications, and service delivery processes and systems. Management will provide the Board with a progress report by December 31st, 2015.*

Launching related community development services in order to have a more substantive impact around sustainable homeownership.

Community Wealth Building

1. By June 30th, 2016, develop and implement an Individual Development Account program (IDA) that assists low-income families save towards the purchase of a home while providing them with essential financial education. This represents a new program aimed at assisting low income families achieve sustainable homeownership.
2. To fight poverty and increase self-sufficiency among underserved households and individuals while stimulating economic activity in the region, NPHS will develop and implement a

Volunteer Income Tax Assistance (VITA) program by December 31st, 2015 that will assist the elderly, people with disabilities and low-income families who need assistance in preparing their own tax returns. This represents a new program aimed at helping families and individuals attain economic empowerment.

3. *By June 30th, 2015, NPHS will develop and incorporate an Economic Inclusion strategy into its Community Wealth Building service delivery framework. This involves developing and deploying new programs and services that help underserved populations achieve self-sufficiency, economic security and sustainable homeownership. Staff will provide an update by April 28th, 2015.*

Homeownership Finance

1. *Research the feasibility of participating in the U.S. Department of Agriculture (USDA) Rural Development's 502 Direct Loan Program. This extremely affordable financing program will allow NPHS to earn a fee for packaging mortgage loans made to low and very low income families purchasing in rural communities. NPHS will provide the Board with an update by December 31st, 2015.*
2. *By June 30th, 2015, conduct a cost-benefit analysis on whether to contract with a third-party loan servicing company which will manage the organization's growing loan portfolio to increase operational efficiencies.*

Redevelopment

1. Create affordable housing opportunities by developing a minimum of 4 new homes by June 30th, 2017 which will be sold to low-or moderate-income homebuyers and net at least \$80,000 in developer fees. This represents the exciting launch of a business line that has been dormant for several years.
2. *Research and evaluate the feasibility of developing an infill housing program to scale its affordable housing new construction program. The goal of the infill housing program is to develop or redevelop vacant or under-used parcels within neighborhoods by creating affordable homeownership opportunities. The infill housing program will increase the availability of affordable homes for low and moderate income households, provide a stock of affordable housing, and revitalize urban neighborhoods by eliminating the blight of vacant, dilapidated or abandoned properties. Management will provide the Board with a progress report and a draft model by December 31st, 2015.*
3. Advance work in environmental sustainability by attaining Leadership in Energy and Environmental Design (LEED) certification by June 30th, 2016.

4. *Research and evaluate the feasibility of developing a Green Building fee-for-service consulting program that provides technical assistance on environmentally-sustainable construction and energy efficiency to community organizations. Management will provide the Board with a progress report by December 31st, 2016.*

Realty

1. *Research and evaluate the feasibility of developing a structured property acquisition and disposition program that will provide Realty services to local housing providers who are seeking to acquire and sell properties for the purpose of creating affordable housing. Management will provide the Board with a progress report by June 30th, 2015.*

Strategically deploy organizational reserves in order to build future capacity.

Community Wealth Building

1. To effectively implement its Economic Inclusion programs and services, NPHS will recruit or reassign existing staff to a full-time Financial Capability Coordinator by March 31st, 2015.
2. Contingent on market conditions and community need, NPHS will hire a second full-time Reverse Mortgage Counselor by June 30th, 2015, to scale its counseling services to elderly homeowners seeking a Home Equity Conversion Mortgage.

Redevelopment

1. Build capacity to develop new construction homes by employing a consultant or hiring an experienced Redevelopment Director by June 30th, 2015.

Realty

1. Build real estate services capacity by employing a full-time transaction coordinator by January 30th, 2015.
2. Build real estate services capacity by employing a full-time Realtor by June 30th, 2015.

Organizational Development

1. By June 30th, 2015, employ a Finance Assistant that will assist with the organization's growing finance and accounting operations.
2. By December 31st, 2015, build organizational capacity by developing a relationship with the Corporation for National and Community Service to recruit 2 AmeriCorps VISTA volunteers

that will assist in the development and implementation of special projects across all business lines.

3. By December 31st, 2015, strengthen organizational capacity by developing an internship program to recruit 2 college graduate students that will assist with the development and implementation of Redevelopment and Marketing projects.
4. Build organizational capacity by purchasing an office building that will house our growing staff to meet the present and future needs of our communities. NPHS will acquire a building by transition into the new location by June 30th, 2015. Staff will provide the Board with periodic updates.

Leverage communications expertise to maximize community awareness of NPHS.

1. By June 30th, 2017, increase political capital by developing relationships with 2 additional Members of Congress, 3 State Assembly members, 2 State Senators, 4 city councilmembers (and staffers), leading to 12 letters of recommendation for NPHS initiatives and/or grant applications. One Member of Congress and a state elected representative will be from a district in East Los Angeles County. This represents increased community partnerships and intentionally aligns efforts with NPHS's geographic service area.
2. By June 30th, 2017, increase media presence by developing working relationships with 3 local newspaper reporters, resulting in 9 published stories. This is a new initiative.
3. By June 30th, 2017, strengthen relationships with funders by planning and coordinating 1 media event in each of its servicing counties (San Bernardino, Riverside and East Los Angeles) announcing large grant contributions or new initiatives one of which will be in East Los Angeles County. This is a new initiative.
4. Increase community presence by planning or participating in a minimum of 1 outreach event a quarter in partnership with lending, real estate and/or various housing partners for a total of 12 outreach events by June 30th, 2017. This is an expansion of an existing initiative.
5. By June 30th, 2017, plan and implement at least 3 initiatives in collaboration with other nonprofit organizations in order to strengthen existing partnerships and establish new relationships within the non-profit community. This is an expansion of existing efforts.
6. By July 2017, grow email distribution list from 2,300 to 3,800 contacts and grow client email distribution list from 200 to 600 contacts. This is an expansion of an existing initiative.
7. Through its social media outlets (Facebook, Instagram, Twitter, Google Plus), NPHS will increase the number of "friends," "likes," and "followers," from 300 to 2,000 by December

31st, 2017. This is a new initiative given that NPHS is making an initial effort to expand its social media footprint to make our marketing and outreach more effective.

Develop financial resources to strengthen operations and ensure organizational sustainability.

1. By June 30th, 2017, increase overall expendable grant by \$300,000, of which \$60,000 will stem from new funding sources.
2. By June 30th, 2017, raise \$500,000 in redevelopment working capital, up from a baseline of \$300,000 over the last three-year period, to scale the organization's affordable housing projects.
3. By June 30th, 2017, raise \$2 million in lending capital for property acquisition and/or to lend for home improvement loans to low and moderate income clients.

Process for Implementation and Monitoring

NPHS has several existing mechanisms that will be used to increase understanding of these diverse set goals and activities as well as to monitor progress on the 2015-2017 Strategic Plan. These include:

- Progress reports at Board of Directors meeting
- Regular individual meetings between staff and managers and within departments
- Monthly senior management team meetings, both as a full group and among subsets of management team members
- Quarterly corporate meetings and annual all-staff evaluation and goal-setting retreats
- Management tools such as goals and production dashboards
- New methods of communication, including utilizing new desktop and mobile team communication applications and file sharing programs

Monitoring progress toward the 2015-2015 Strategic Plan will likely take a different approach than in the past. Previous strategic plans were organized by business line. NPHS intentionally deviated from that approach in the current plan and created five goal areas that are organizational in nature. Reaching success will require increased collaboration, communication and teamwork and necessitates business lines working together to accomplish goals. While some goals more clearly fall under the control of one department, all of the goals require a communal effort in order to be met.