

2014-2018

Strategic Plan (Updated April 2016)



Mutual
Housing
CALIFORNIA
25 Years of Building Communities

Mutual Housing California

8001 Fruitridge Road, Suite A,
Sacramento, CA 95820
Phone: (916) 453-8400
Fax: (916) 453-8401
www.mutualhousing.com

Table of Contents

Introduction.....3
History3
Mutual Housing California Today.....4
Environmental Factors.....7
S.W.O.T. Analysis.....10
Mission Statement.....13
Core Values.....13
Our Vision for 2018.....14
Mutual Housing's Goals for 2018.....15
Evaluation Methodology.....21
Acknowledgments.....22
Appendix A: List of January 2014 Board Members and Management Team



Front Cover: New Harmony Mutual Housing: Green Builder Award Recipient

Photograph on the front is of New Harmony Mutual Housing Community, taken by Frank Domin. New Harmony is our newest community, having opened in February 2013, and is emblematic of our future direction. With solar photovoltaic panels producing the equivalent of 80 percent of the energy needed for the residential and community buildings, it is highly efficient. Green Builder magazine recently bestowed its “Green Home Award - Best Community Project” to New Harmony as part of its sixth annual Home of the Year awards.

Introduction

In the second half of 2013, Mutual Housing California (Mutual Housing) conducted strategic planning to identify its vision, goals and strategies for the next five years. In preparation for planning, key organizational stakeholders were interviewed and an environmental scan was conducted. External opportunities and challenges as well as internal strengths and areas for improvement were identified. Staff met several times over the course of six months, first to conduct a SWOT analysis, and then to identify the five-year vision, goals and strategies. The Board contributed and provided oversight. Mutual Housing is committed to fulfilling our mission and meeting our goals, with the continued support of our community and partners.

History

Formed in 1988 as Sacramento Mutual Housing Association, a tax exempt California public benefit corporation, Mutual Housing was founded as the first mutual housing development organization in the Western United States. Mutual Housing was initially formed from a partnership of neighborhood residents, business representatives, housing advocates, and local government. Its main objective was to create a locally controlled nonprofit that would help to catalyze revitalization of low-income communities by strengthening neighborhood assets—both the housing and its residents.

Mutual Housing’s initial focus was to acquire deteriorating multifamily structures, and leverage private and public capital to renovate properties and turn them around into safe, affordable and well-functioning residential communities. Similarly, by attracting investment to construct new housing on vacant in-fill lots, Mutual Housing would add to the local supply of safe, affordable housing and eliminate the hazards often associated with vacant lots.

By 2000, Mutual Housing was providing housing for over 2000 residents, with a full time staff of 8 serving a highly diverse resident population and a Board of Directors with majority resident composition. Three years later, it doubled its staff size and its portfolio included nine properties with 600 housing units. In its second decade of operation Mutual received large grants, including a landmark 2001 California

The Mutual Housing Model

The Mutual Housing model offers a permanent solution to the housing needs of low-income families by creating communities in which residents have a vested interest. Residents take a key role in the operation and life of their community through site-specific resident councils and issues committees. These councils, working together with management, develop “house rules,” review financial reports, plan resident activities, evaluate programs, and plan and implement outreach and education strategies. Councils provide leadership in the identification of resident talents and how those assets can be used to support the community, as well as the identification of community needs and in raising resources to fill those needs such as youth development programs, education and economic development resources, safety and security programs, and recreational facilities.

Endowment grant of \$279,000, a multiyear federal Substance Abuse and Mental Health Services Administration grant to lead a youth coalition in South Sacramento, and \$200,000 from Bank of America as the recipient of the Bank's 2006 Neighborhood Excellence Award.

Mutual Housing became well known in the Sacramento region not only for the quality of its housing developments, but for its resident leadership programs and community organizing. Financial Capability and Asset-Building programs were developed to further residents' financial skills and economic independence. In 1988, Mutual Housing expanded its reach by affiliating a younger mutual housing association in Yolo County and incorporating its four housing developments into Mutual Housing's portfolio.

Mutual Housing California Today

Now celebrating its 25th anniversary, the organization has marked the occasion with a name change to Mutual Housing California to better convey its role and capability in providing statewide leadership in the development and management of permanently affordable housing via the mutual model.

Continuing under the skillful leadership of long tenured Executive Director Rachel Iskow and a seasoned management team, Mutual Housing now boasts a total investment in housing of \$141 million. Annual gross potential rents are nearly \$8.5 million, and the organization is providing housing for 3000 residents in 1009 homes in 18 multifamily communities across Sacramento and Yolo counties. Mutual Housing has become a leader in sustainable "green" housing development and continues to innovate in areas of design and construction, and through its resident leadership programs.

Mutual Housing remains committed to strengthening neighborhoods and building resident skills through a comprehensive community organizing and leadership development program which provides opportunities for residents to make their voices heard and make change in their communities and beyond. In recent years, despite contraction in the industry due to extremely challenging economic conditions, Mutual Housing has undergone geographic, organizational and programmatic expansion. Notable milestones include:

- Led residents in successful advocacy efforts to pass the City of Sacramento proactive rental housing inspection ordinance. (2008)
- Affiliated with Yolo Mutual Housing Association and took four multifamily Davis properties into its portfolio. (2008)
- Awarded federal multi-year Substance Abuse and Mental Health Services Administration grant to lead South Sacramento Coalition for Future Leaders. (2008)
- Negotiated the exit of the investor limited partner in the Norwood Estates partnership. (2009)
- Purchased vacant acreage for future construction of mutual housing in the town of Woodland, Yolo County. (2010)

- Purchased vacant acreage for future construction of mutual housing in South Sacramento. (2010)
- Purchased from the Redevelopment Agency their 28 unit apartment building and Head Start Center adjacent to Norwood Mutual Housing Community and received funds to renovate the property. (2010)
- Chosen as the lead local organization for the Corporation for Enterprise Development's Assets and Opportunities Network. (2011)
- Piloted a Green Leaders program which engages residents in becoming sustainability leaders in their communities. (2011)
- Developed Mutual Housing at the Highlands, an environmentally sustainable community of townhomes and studio apartments with the (then) highest GreenPoint-rated Build it Green score in the region. The community offers housing and supportive services for low income and formerly homeless individuals, some with mental disabilities. (2011)
- Made substantial green improvements to Foothill Plaza Mutual Housing Community through a HUD Green Renovation Program grant.
- Completed the infrastructure improvements and the installation of a new community building at Westerner Mobile Home Park, a Mutual Housing Community.
- Developed New Harmony Mutual Housing Community, the highest privately-owned residential solar power producer in the town of Davis. This community received the highest GreenPoint rated Build it Green score for a multifamily development in the region and received national recognition as Green Builder Magazine's top green community project award. (2013)
- Secured all funding commitments needed to build the first zero net energy housing community for agricultural workers in Northern California and the first LEED rated multifamily housing development in Woodland. (2013).
- Syndicated three existing developments (Los Robles, Greenway and Glen Ellen Mutual Housing Communities) into one partnership and obtained tax credits and financing commitments sufficient to conduct major green renovations.
- Began converting all Davis mutual housing communities to solar energy producers (2013)
- Obtained Green Organization designation from NeighborWorks® America as a recognition of Mutual Housing's incorporation of sustainability strategies throughout the organization and its programs.
- Hired 30 new employees and started a nonprofit property management firm, Mutual Housing Management, to manage the Mutual Housing portfolio. (2013)

The table below provides information about each property in Mutual Housing's portfolio.

Mutual Housing Property Overview

County/Property	# of Units	Community Type/ Population served	Special features
Sacramento County			
Evergreen Mutual Housing Community	55	Families	Tot lot; Community-wide free Internet service.
Foothill Plaza Mutual Housing Community	98	Seniors and families	Tot lot; community center; mini-computer lab; solar thermal water heating.
Glen Ellen Mutual Housing Community	35	Families	Community room; tot lot.
Greenway Mutual Housing Community	54	Families; formerly homeless residents	Community room; tot lot; computer lab; Community garden.
Mutual Housing at Lemon Hill	74	Families	Community center; computer learning lab; service offices; tot lot.
Los Robles Mutual Housing Community	80	Families	Community center; mini-computer lab; basketball court; tot lot.
Mutual Housing at the Highlands	90	Families; formerly homeless individuals; mentally disabled	Community-wide free wireless internet; community center; mini-computer lab; conference room; social work/counseling offices; solar thermal common area heating; public art; 24 hour staffing; resident planting areas; garages for townhomes.
Norwood Mutual Housing Communities	87	Families; seniors	Community center; computer lab; tot lot; Head Start Center.
River Garden Mutual Housing Community	123	Families	Two community centers; computer learning lab; tot lot; community gardens.
Victory Townhomes Mutual Housing Community	21	Families	Community-wide free internet access; community center; computer learning lab; tot lot; solar photovoltaics.
Westerner Mutual Housing Community	47	Families; seniors	Community building; swimming pool.

Yolo County			
Moore Village Mutual Housing Community	59	Families	Tot lot; community center; solar photovoltaics.
Tremont Green Mutual Housing Community	36	Families	Tot lot, community building; community garden; planned photovoltaics.
Twin Pines Mutual Housing Community	36	Families	Tot lot, community gardens; community building; solar photovoltaics.
Owendale Mutual Housing Community	45	Families; formerly homeless	Community-wide free internet access; swimming pool; community gardens; community building; tot lot; planned solar photovoltaics.
New Harmony Mutual Housing Community	69	Families	Community-wide free internet access; solar photovoltaics; community gardens; community center; financial education conference room; study room; tot lot; public art.

Environmental Factors

The environment in which Mutual Housing is operating has changed dramatically in the past 5 years. External events such as the housing crisis and near demise of the financial sector, and the subsequent recession and shortfall in California’s and local governments’ budgets, are continuing to cause extreme difficulty in the housing industry, and have forced many for-profit and non-profit developers out of business. Significant factors in Mutual Housing’s external environment are listed and discussed briefly below.

- **Availability of Development Capital.** Redevelopment subsidies for affordable housing became non-existent with the 2012 demise of redevelopment agencies. Voter-approved bond funds made available through the 2006 passage of Proposition 1C was, for the most part, spent down by 2012. The federal government continued to reduce support for housing development through reductions in HUD subsidies, rural housing subsidies and the federal HOME and CDBG programs. However, national and regional financial institutions continue to have an appetite for lending on multifamily developments. On the downside, there is limited availability of 9% tax credits available in the region and the tax credit market continues to be somewhat erratic, with pricing uncertain and limited bank/investor CRA or other appetite for investment in Sacramento and the Central Valley.
- **Property Values.** The recession in the housing market continues, and property values are still relatively low, but have started to increase. The median per unit asking price for

multifamily properties in Sacramento County hit a low of \$60,000 in the fourth quarter of 2012. The August 2013 median was up to \$68,000--up 9.3% from a year previous. While this price index has been both up and down this year, a 24% increase in listings over a year ago seems to provide some opportunities for purchasing existing multifamily properties. This depends on the continuing price trends and our ability to compete with other buyers who can offer cash and/or shorter escrow periods. The number of days on the market is down 5.9% from a year ago. Cash investors have purchased much of Sacramento's single family inventory.

- **Jobs and Economic Conditions.** The fiscal crisis is continuing at all levels of government (local, state, and federal). Cuts to the federal budget from sequestration and the government shutdown have further slowed economic growth and the recessionary economy is continuing to impact area jobs and increase unemployment. Sacramento County's unemployment rate reached a high of 13.1% in July of 2010, and had decreased to 9.2% in July 2013. By December 2013, Sacramento's unemployment rate had decreased to 8.1%, and California's to 8.5%, however Yolo County was at 9.4% and San Joaquin County was at a very troubling 12.2%.
- **Area Rents & Demand for Housing.** Recent regional rental trends suggest a strong continuing need for housing products and services targeted at low and very low-income households. When the Sacramento Housing Authority opened its waiting list for housing vouchers in June 2013, 50,000 people applied for 3,000 open slots on the list. A recent report by the Sacramento Area Council of Governments shows the need for new housing units for low and very low income families for the period of 2014-2018 to be 23,211 in its full service area (El Dorado, Placer, Sacramento, Sutter, Yolo and Yuba Counties). The corresponding need over that time is 12,443 units for Sacramento County and 2,323 for Yolo County. In terms of vacancy rates, the national statistic as of the end of third-quarter 2013 is 8.8 percent. Corresponding rates locally are 5.5 percent in Sacramento County (down from 6.3 percent in 2012), 4.4 percent in San Joaquin County (down from 10 percent in 2008, largely due to a steep decrease in homeownership), and just 2 percent in Yolo County (down from 7.1 percent last year). The City of Davis is seeing a sub-rate of 1.7 percent, as of April 2013. In Sacramento County, rents are stagnant – the current average asking monthly rent of \$917 is up only 1 percent from last year. Yolo County has the highest asking monthly rent in the region, at \$1,263 – a 7 percent increase from the prior year.
- **Political conditions.** While affordable housing has not been a priority of the current Governor's agenda, on the positive side, an active advocacy environment is making a strong push toward passage of legislation to create a new permanent source of housing development subsidies in California (the California Housing and Jobs Act). The State Senate President Pro Tem represents a Sacramento district and is a strong supporter of both Mutual Housing and this legislation. Locally, the local single family home development community, organized under the Building Industry Association, has put enormous pressure on local officials to decrease builder responsibilities to contribute to production of affordable housing under several local mixed income housing ordinances. 2014 is

looking like the year that many of these policies will be weakened and result both in the production of fewer affordable housing units and in the development of fewer inclusive communities.

- **Economic status.** U.S. Census data released in September 2013 showed that poverty is at an all-time high in our region – 16.9 percent of families live below the federal standard. Local poverty has risen steadily since its 2007 level of 11 percent. An alternative poverty index that takes the varying geographic costs of living, including housing costs, into consideration revealed that 22 percent of Californians are living in poverty, 17 percent in Sacramento County and 23 percent in Yolo County. The poverty estimate for children in California is 25%.

S.W.O.T. (Strengths, Weaknesses, Opportunities & Threats) Analysis

As part of its strategic planning process, Mutual Housing conducted an analysis to identify strengths, weaknesses, opportunities and threats (S.W.O.T.). Input was received from staff, board and other key community stakeholders.

Organizational Strengths

- **Leadership:** Mutual Housing’s visionary and innovative CEO, with a 19-year tenure, who has a strong housing development background and a dedicated, skilled management team, complemented by a diverse board that includes representation from the public sector, the banking industry, and the real estate industry, together with strong resident representation.
- **Clarity of purpose and programs:** Mutual Housing maintains a strong and consistent focus on the dual mission of developing and preserving multifamily affordable housing and building community and resident leadership. This clear focus on our key strengths, combined with a strong risk management and risk mitigation approach and management style, helped the organization weather the recent recession and continue to grow during that period.
- **Financial systems:** Exceptional financial management systems and financial controls have created a reputation for the organization as a trustworthy steward of public, private, and community funds. Mutual Housing has served as fiscal sponsor for community coalitions and organizations at the request of public officials and community groups.
- **Adapting to changing opportunities:** Mutual Housing’s small, talented staff is able to be nimble in responding quickly to opportunities in the marketplace. For example, they took advantage of a national Portfolio Initiatives program to recapitalize existing portfolio.
- **Exemplary-rated:** In 2013, Mutual Housing received the highest, “exemplary” rating from NeighborWorks® America’s intensive organizational assessment, a rating which Mutual Housing has maintained for the last 15 years.
- **Advocacy:** Mutual Housing is a strong advocate for affordable housing and participates in broader regional and statewide efforts.
- **Resident empowerment & community engagement.** Mutual Housing is committed to not only empowering and providing services to its own residents, but has also effectively engaged the larger community and prides itself on being a good neighbor.
- **Persistence and collaboration for project completion.** Mutual Housing is known for persistence in getting projects approved and funded, and works collaboratively with local jurisdictions.
- **High quality, green development.** Mutual Housing is known for building and managing beautiful, successful, and sustainable (“green”) affordable housing developments.

S.W.O.T. Analysis, cont.

Organizational Weaknesses

- Streamline development. Mutual Housing needs to continue to leverage its core competencies and streamline its development efforts to reach an even broader community and expand geographically.
- Property management. Third party property management has in some cases failed to live up to corporate and resident expectations, and change proved disruptive, as Mutual Housing contracted with various outside firms. Now, Mutual Housing has decided to undertake its own property management and hopes to address some of the key challenges it has had in providing effective property management.
- Communicating its value proposition. Mutual Housing needs to continue to demonstrate to the community the important role that is played by non-profit developers. Mutual Housing has not yet effectively told its unique story to differentiate itself from other non-profit housing providers, and thus attract more funding and development opportunities.
- Staff turnover. With a 20 member staff working in non-property management positions, upward promotion opportunities are limited, and ambitious staff leave to find management level positions elsewhere. Mutual Housing's reputation has made it possible to attract new talented staff in their place, but workforce stability is an issue.

External Opportunities

- Demand for housing with supportive services. Neighboring counties are looking for developers that can effectively utilize Mental Health Services Act funds. There is potential for partnerships with non-housing organizations committed to providing this housing.
- High demand in certain markets. Demand for affordable rentals in Davis is extremely high, and vacancy rates are very low, and typically hovering around one percent.
- Mergers with other non-profits. As other developers are becoming insolvent and liquidating their portfolios, Mutual Housing could acquire and manage them.
- Senior and Veterans Housing. Mutual Housing is well-positioned to serve the emerging high need for senior and veterans housing.
- Broaden the service area. Possible areas of expansion include rural communities and native lands in the greater Sacramento region that lack development capacity.
- Creative strategies. There may be opportunities for other types of development that would benefit low income families. This could include transit-oriented development, mixed use, or mixed income housing.
- Self-management is not a magic bullet. By taking on its own management, Mutual Housing is the sole authority on its property management issues. Diligence and finding and keeping the right staff will be critical.

S.W.O.T. Analysis, cont.

External Threats

- Environmental uncertainty. With the demise of redevelopment agencies and spent down state bond funds, the future of affordable housing development is unclear. One thing is clear: there will be heightened competition for limited development/operating subsidies. Developers will need to be very entrepreneurial and creative to survive.
- Lack of financing. Federal and state sources have shrunk, and without a permanent source of funding, capital will continue to be severely limited.
- Challenges to inclusionary housing. A major tool for ensuring development of affordable housing is being challenged in courts. In response to the housing crisis, cities are claiming they need to stimulate development and are retracting commitments for land set asides, inclusionary fees and low income housing requirements.
- Sacramento doesn't compete well. With cheaper land and property, rents are lower in Sacramento, which makes it harder to make projects cash flow. Sacramento development is at a competitive disadvantage for bank investment dollars which are targeted at higher CRA areas where bank have greater customer deposits.
- Public perception. While NIMBYism is a continuing concern, Mutual Housing is also fighting perceptions that since the decline in housing prices, affordable housing is no longer needed.
- Lack of skilled talent. Due to the industry downturn, qualified professionals are leaving the field and are unlikely to return. Brain drain is an industry-wide concern.

Mission Statement

Mutual Housing California develops, operates and advocates for sustainable housing that builds strong communities through resident participation and leadership development.

Core Values

While Mutual Housing California pursues its vision and strives to achieve its mission, we recognize our responsibilities and obligations to our members, employees, partners and the communities in which we operate. Our core values are reflected in every decision we make and in every interaction.

- **Individual strengths and diversity:** We recognize the unique gifts and talents of each individual and value the diversity among us. These strengths and our diversity are the foundation upon which our organization, our communities and individual households will grow stronger, and with which we will engage communities most effectively.
- **Relationships:** Institutions are made up of individuals with their unique interests, and it is incumbent on us to value our relationships with the individuals within our own organization and in stakeholder institutions. Through strong relationships, we will more effectively meet our mission and attract further resources to realize our vision.
- **Stability and accountability:** To be an effective steward of permanent community assets, we must maintain stability in the management of our organization and its financial health, and be accountable to our diverse stakeholders. We similarly strive for the stability of our housing properties and individual resident households, which together will create strong, sustainable communities.
- **Resident voices:** The Mutual Housing model has its foundation in a vision of housing that sustains communities through resident education and resident leadership. We strive to incorporate the voices of individual residents throughout the organization, recognizing that through diverse opinions, the best decisions will be made.
- **Healthy, sustainable environments:** Healthy housing is a critical component of individual, family and community health, and we advocate for healthy housing standards and enforcement regardless of income of occupants. New sustainable technologies should be accessible to low income households, and our housing development and operations should incorporate those technologies.

Our Vision for 2018

In 2018, Mutual Housing household members and community partners understand and communicate the nature and value of our uniqueness as an innovative developer and manager of sustainable, affordable multifamily housing that emphasizes resident leadership.

Mutual Housing is an outstanding resource and partner in the view of residents, neighborhood associations, local governments, families seeking affordable housing, and for-profit developers looking for inclusionary housing partners. This is because Mutual Housing's leadership focus means that in addition to building high-quality housing, our board, staff and residents integrate with the community at the neighborhood and regional levels, and collaborate to make it a better place to live for everyone.

Regional stakeholders view Mutual Housing as a transparent and trustworthy steward of community resources. We have further developed and leveraged our community relationships to impact key policies, and we maintain a healthy development pipeline in an expanded geographical area. Through integration of our core functions, consistent upgrading of our administrative systems to use cutting-edge technology, and active engagement of residents, we have maximized operational efficiency and benefits to Mutual residents and local communities, while ensuring organizational and environmental sustainability.

Specific elements of our 2018 vision for Mutual Housing include:

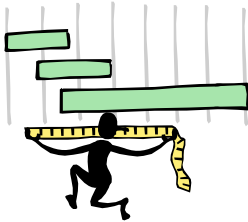
- We are diversified in terms of product types and geography.
- We are accessing a permanent (self-perpetuating) government funding source for housing development.
- Property management is aligned with our mission and all properties reflect high quality standards. We are marketing our exceptional property management service to other nonprofit housing organizations.
- We are a prominent leader in creating green living communities that focus on resident health. Environmental sustainability is second nature to us and is well-established within the organization at all levels.
- Resident-members are active in the leadership of Mutual Housing and the community at large.
- Our Board, management and internal administration reflect best practices, maintain a culture of continuous improvement with efficiency and outcome measurement at top of mind, and support all programs and services seamlessly.

Mutual Housing's Goals for 2018

Mutual Housing has established six goals which it plans to achieve by the end of calendar year 2018. For each goal, measures of progress are identified, as well as strategies, which describe the primary means to support goal achievement.

During the five year planning period, senior staff will annually identify milestones –targets which are essential to achieve in order to keep the organization on track to meet its long term goals and realize its vision. Managers will be held accountable for creating staff work plans which support achievement of annual milestones. Milestones are updated each year and enable the organization to track its progress towards achievement of its strategic goals.

Goal #1: By 2018, Mutual Housing is the recognized leader in green affordable housing development and renovation in the North Central Valley, has increased the size of its portfolio by at least 35%, and has further diversified the types of low income and very low income constituents being housed.



Progress will be measured in the following ways:

- In 2018, portfolio will contain at least 1,360 units of housing.
- In 2018, Mutual Housing will be providing specialized housing for seniors and veterans.
- In 2018, Mutual Housing will have developed a platinum LEED rated community and received another national or state award and a local or regional award for green housing development.
- By 2018, all Mutual Housing properties held for 15 years or more have undergone physical evaluation, and critical improvements and green upgrades have been made.

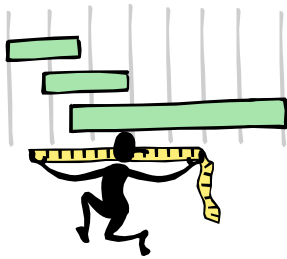
Key strategies to be implemented to achieve this goal include:



- Annually review and update Green Capital Improvement Plan with Housing Development, Property Management, Asset Management and 3rd party experts for use in new construction, major rehabilitation and on-going operations.
- Maintain existing portfolio in pristine condition for residents, neighbors, investors, lenders and partners
- Housing Development staff will participate in Property Improvement Team (“PIT”) process when conducting major renovations at existing properties.

- Develop a team and promotional materials to quickly respond to developer RFQ's sent out by local governments.
- Develop partnerships with veteran's service organizations to aid in obtaining resources and development opportunities for veterans housing.
- Develop internal capacity and/or partnerships to enable development and operation of specific types of senior housing.

Goal #2: By 2018, Mutual Housing has implemented cutting-edge, sustainable property management practices and leveraged involvement from residents and other departments to improve property performance, provide additional benefits to residents and neighboring communities, and create measurable environmental benefits.



Progress will be measured in the following ways:

- 75% of our properties meet at least 7 of 9 watch-list metrics each month.
- Cash flow from PM operations ensures payment of allowed limited partner and general partner asset management fees at all properties.
- 80% of Mutual Housing properties have no findings during 3rd party audit/ inspections. 100% of properties correct and respond to any findings within 1 week.
- Where energy efficient equipment has been installed, properties will realize projected cost savings within 10% of engineer projections.
- Residents report satisfaction annually on property management issues of importance to them.

Key strategies to be implemented to achieve this goal include:

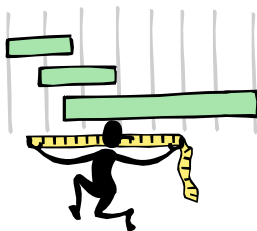


- Successful launch and operation of Mutual Housing Management.
- Create and follow a plan, consistent with Mutual Housing California's mission and values, for marketing and for selecting, orienting and retaining residents.
- Implement a renter readiness program to educate Mutual Housing residents & potential applicants on responsibilities of renters and how being a responsible renter can lead to improved quality of life & financial health.

- Fully integrate property management with the culture, systems, finances, mission, ethics and staff of all Mutual Housing’s lines of business through the development of appropriate policies and procedures and ongoing team-building activities that include all staff.
- Holistically address property financial and operational challenges and resident concerns by developing systems and procedures to engage resource development, housing development, asset management, property management and community organizing perspectives. (e.g. regular meetings)
- Implement green operations management practices:
 - O& M plans created and updated annually
 - Create and follow green operations and maintenance manuals at all properties.
 - Produce an annual green property snapshot that reports on green resident initiatives, utility usage, and green/sustainable projects completed
 - Expand green leaders program to increase participation and demonstrate measurable outcomes
 - Monitor energy usage to save costs, reduce waste and guide rehabilitation and resident green education efforts
- Housing Development staff will work with property managers, maintenance staff, community organizers and asset management to ensure effective communication and attention to resident concerns during major renovations at existing properties that may sometimes require temporary relocation of residents.
- Residents and property management select at least one joint goal annually and make progress in achieving it through collaborative efforts.

Goal #3: By 2018, Mutual Housing California residents will understand their roles and responsibilities as Mutual Housing members and take an active role in decision-making and in advocating for and owning their organization to continue the work of building strong, safe and sustainable communities.

Progress will be measured in the following ways:



- Interaction with Property Management: 80% of residents use agreed upon procedure for reporting concerns and appeals and PM responds to 90% of resident appeals and requests within 48 hours and resolves/decides 100% of items within 30 days and communicates this decision in writing to requesting resident(s).
- Resident participation measure: Community Organizers report and resident surveys show an increase in residents’ sense of pride, involvement and ownership in their community.

- Measure of resident perception of Mutual Housing: On resident surveys, a majority of those surveyed can articulate the uniqueness of mutual housing and how their role contributes to its success.
- Measure of leadership development: at least 10% of households in each community have at least one household member who is serving in a leadership capacity in their community.

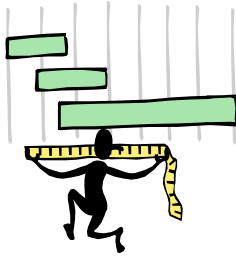
Key strategies to be implemented to achieve this goal include:



- Create clear, concise procedures for resident suggestions, concerns about and appeals of property management decisions and practices.
- Utilize Green Leaders program to increase resident participation in green, energy saving practices; implement procedures and practices to engage residents in increasing community sustainability and maximizing energy efficiency (e.g. create teams, implementation plans).
- Increase quantity and quality of resident participation:
 - Create meaningful avenues for resident input into property management and opportunities to share their concerns for continued improvement in their communities.
 - Regularly assess resident satisfaction and solicit resident suggestions for increasing resident retention and improving resident quality of life.
 - Mentor resident leaders in the process of identifying service and educational institutions to serve as partners and serve their communities.
 - Develop a cadre of resident members who prepare other members to support their interests, including supporting the goals of Mutual Housing
- Use Property Improvement Teams to integrate property management, asset management and community organizing strategies for improving each community and improve resident quality of life.
- Create and implement a program of educational outreach for all Mutual Housing members on the benefits, rights and responsibilities of being a member.
- Implement database to track development of resident leaders and resident participation in programs, and assess outcomes.

Goal #4: By 2018, Mutual Housing has engaged residents in successful advocacy efforts and is playing an even more prominent role in regional and statewide advocacy for affordable housing issues that impact funding and Mutual Housing’s constituency.

Progress will be measured in the following ways:



- Involvement in advocacy campaigns of mutual housing residents and Board members increases.
 - Involvement in advocacy campaigns of key community allies increases. Involvement in advocacy campaigns of residents from surrounding neighborhoods increases.
 - Targeted policies are passed and protected.
 - Public funding for affordable housing increases.

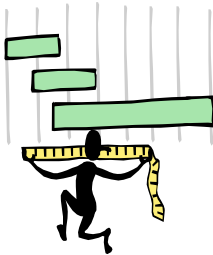
Key strategies to be implemented to achieve this goal include:



- Dedicate increased staff time and consultant resources to advocacy efforts.
- Advocacy efforts targeted to:
 - Obtain a permanent affordable housing development funding source
 - Increase funding for permanent affordable rental housing for veterans
 - Gain passage of mandatory rental housing inspection policies in local jurisdictions currently lacking such policies.

Goal #5: Diversify funding to increase non-housing development revenue for the organization.

Progress will be measured in the following ways



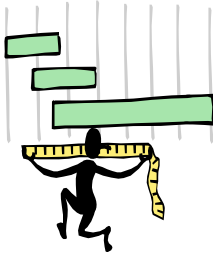
- Increase individual contributions annually by 25%:
- Increase donations from businesses/ corporations annually by 25%.
- Increase general and program-specific support from foundations annually by 25%.
- Develop new fee for service revenue streams.

Key strategies to be implemented to achieve this goal include:



- Enter into property management fee for service contracts with nonprofit owners of affordable housing.
- Enhance organizational capacity for fundraising, including the areas of personnel (board and staff) and infrastructure (e.g. database).
- Develop a capacity-based annual resource development plan that identifies what, who and how much.
- Evaluate the profitability of an annual signature event that is participatory, cost effective and scalable.
- Create and maintain a major donor campaign.

Goal #6: Develop and implement an information technology plan that allows all Mutual Housing departments and the Board of Directors to operate at maximum efficiency and effectiveness.



Progress will be measured in the following ways:

- All departments within Mutual Housing report higher levels of efficiency.
- All staff report they have the technological tools (hardware and software) they need to do their work effectively.
- All contracts are recorded on a contract tracking program or spreadsheet by contract start date and close out date, and recommendations for future contracting are recorded at close outs.
- Individual donors and donor communications are recorded using a donor software program.
- All critical documents and records are recorded electronically.
- All staff are following a document tracking protocol and all staff can effectively locate documents they need.
- Applicants to Mutual Housing properties find information they need about properties and applications on our web site.
- All staff are continually adding contact information of their contacts to a well-organized and maintained central database.



Key strategies to achieve this goal include:

- Upgrade corporate administrative systems & procedures to increase efficiency, improve communication internally and externally, and improve operational performance.
- Determine which technological and administrative systems are strongest with regards to:
 - Document retention
 - Donor tracking
 - Contact tracking
 - Property information management
 - Financial information management
 - Voice communication
 - Computer hardware, software, printing and scanning
- Go paperless in all possible cases.
- Research the feasibility of offering administrative services on a fee management contract basis, including fiscal agency and financial management services.
- Create individual Mutual Housing property websites, to increase public and prospective resident information access about the community to include: property photos; floor plans for unit types; rents; site plan; property and area amenities; location map; activities and other strengths/attributes of the communities.
- Develop an online application process to improve lease-up and reduce vacancy loss days.

Evaluation Methodology

To ensure that Mutual Housing's Strategic Plan is a living document and one which will serve to guide resource allocation, program priorities and management decision making, Mutual Housing commits to the following steps.

- The board and staff retain collective responsibility for achieving the 2018 goals.
- The 2018 (5 year) goals will be translated into annual goals & milestones.
- Annual milestones will be developed prior to the end of each calendar year that reflect the most important tasks that must be achieved to ensure long range goals are met.
- The Executive Director is responsible for ensuring that Department work plans support achievement of annual and 5-year goals.
- The Board will receive semi-annual updates from staff on progress toward meeting goals.

- Once annually, the Board will evaluate progress on goals, discuss challenges and finalize goals for the following year.

Acknowledgements

In January 2014, the Mutual Housing Board of Directors adopted a new strategic plan that will guide the organization over the next five years.

The plan reflects the work of board and staff during retreats and working sessions, and thanks goes to them for their thoughtful participation. Please see Appendix A for a list of board members and management team members at the time of this plan's creation and adoption.

Special thanks to NeighborWorks America management consultant Joe Dabek who provided guidance and wisdom to the Board of Directors during this and the previous planning period, and to consultant Marylin McKeown, whose expertise in strategic planning and harnessing the thoughts and experience of staff and boards is reflected in this plan and the 2008 -2013 strategic plan. Mutual Housing employee Amy Williamson carefully edited this plan and its various revisions during the planning process.

A diverse group of community stakeholders also participated in the plan development process via interviews. We wish to acknowledge and thank these participants:

- Bill Pride, Davis Community Meals
- Don Saylor, Yolo County Board of Supervisors
- Donald Terry, Wells Fargo and City of Rancho Cordova
- La Shelle Dozier, Sacramento Housing and Redevelopment Agency
- Christine Weichert, Sacramento Housing and Redevelopment Agency
- Greg Sparks, Sacramento Housing Alliance
- Laura Kobler, California Housing Partnership Corporation
- Mary Hogarty, Citibank
- Nancy Conk, Cabrillo Economic Development Corporation
- Rob Wiener, California Coalition for Rural Housing
- Ron Dwyer-Voss, Pacific Community Solutions
- Stanley Keasling, Rural Community Assistance Corporation

Appendix A: January 2016 Mutual Housing California Leadership

BOARD OF DIRECTORS

Mindy Romero, Chair

Elizabeth Beigh, Treasurer

Jack Ledyard, Secretary

Greg Chew

Audrey Scott-Henley

Joe Devlin

Cartearra Johnson

Rebekah Davis

Max Fernandez

Cathy Creswell

Molly Chiah

MANAGEMENT TEAM

Rachel Iskow

Julie Goldfine

Holly Wunder Stiles

Racheal Frederick-Vijay

Fernando Cibrian

Kenneth Brackenhoff

Bryan Dove
Anne Marie Flynn

