

# STRATEGIC DIRECTIONS 2020-2023



Better Homes of Seaford, Inc.



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## MISSION

The mission of Better Homes of Seaford, Inc., a non-profit corporation, is to provide comfortable and safe housing with related facilities and services for the low-income residents of Seaford, Delaware, and the surrounding area of western Sussex County.

## A RICH HISTORY

Better Homes of Seaford, Inc. (BHS) is an IRS recognized 501C3 nonprofit organization that was organized in 1969 to improve housing conditions for people and families in need in the Seaford, Delaware area. The organization has already celebrated its 50<sup>th</sup> Anniversary. Better Homes of Seaford initially developed Chandler Heights I, one of the first subsidized apartment communities in southern Delaware. The organization functioned with an active Board of Directors, but as an unstaffed organization until 1995. Since then, Better Homes of Seaford has operated with a salaried Executive Director, William Roupp, for the past 26 years. During those 26 years, the organization has been an active and successful nonprofit housing developer, having built a total of eight (8) apartment communities totaling 284 units, serving elderly and family households. A ninth project, Jamestowne Centre, is currently in the predevelopment stage.

## A STRONG RENTAL PORTFOLIO

Better Homes of Seaford, Inc. has successfully developed eight (8) multi-family, rental housing communities over the years. With its 284 apartment units, the organization has focused on meeting the family and elderly housing needs of Seaford and the surrounding area. These rental communities provide quality, affordable housing, benefiting both the residents and the City.

<u>Name of Apartment Community</u>	<u>Number of Units</u>	<u>Tenancy</u>
Chandler Heights I	88	Family
Chandler Heights II	28	Family
Virginia Crest Village	27	Elderly
Williamsburg Manor	26	Elderly
Yorktowne Woods	35	Elderly
Charleston Place	11	Elderly
Hampton Circle	35	Elderly
Herring Ridge	<u>34</u>	Elderly
	284	

## **2019 and 2020 – YEARS FOR PLANNING**

The Board of Directors of Better Homes of Seaford met regularly during 2019 and undertook the initial development of a website and crafted an Executive Succession Plan. This was in addition to the development of Herring Ridge Apartments, oversight of property management, and review of organizational and individual project finances. 2020 brought the challenge of the Covid-19 pandemic, but still, the Board of Directors continued their planning for the future and the Executive Director continued final development work on Herring Ridge.

## **PLANNED EXECUTIVE SUCCESSION**

William Roupp (Bill) has been the long-time executive leader for Better Homes of Seaford for 26 years. Bill has announced his plans to retire later, 2021 and has given the Board of Directors ample notice with which to seek a new executive leader and have a planned transition. The Board is in the process of implementing its Succession Plan and will begin advertising for an Executive Director during the summer of 2021 with the goal of introducing its new Executive in November 2021.

## **STRATEGIC ALLIANCES**

As a successful nonprofit housing developer, Better Homes of Seaford maintains certain strategic alliances that benefit its development activities and operation of its apartments. Two of its longest-term allies are:

**NCALL** – provides Better Homes of Seaford with development and organizational technical assistance. On the development side, NCALL packages financing applications for apartment development and revitalization. This financing typically includes Low Income Housing Tax Credits, Housing Development Fund, and Equity Investors. Additionally, NCALL assists the Executive Director with development oversight, scheduling, reporting, budgeting, inspections, and rent up. Organizationally, NCALL assists the Executive Director and Board of Directors with planning, financial oversight, and best practice recommendations, while attending a sampling of Board meetings.

**East Coast Property Management** – provides full-service property management for all eight (8) of Better Homes of Seaford's rental communities, which total 283 units. This includes providing full staffing for rent up, day to day site management, maintenance and repairs, financial reporting, occupancy and vacancy reporting, having project audits conducted, and project reporting to finance partners. East Coast meets regularly with the Executive Director and attends Board of Directors meetings providing occupancy and financial reports. As the direct contact for apartment residents, East Coast Property Management handles all communication, requests, and problems related to residential tenancy.

**Better Homes of Seaford, Inc.,** maintains other business relationships which benefit its Mission and operation. These include relationships with architectural and engineering design firms, environmental review and remediation companies, primary funders such as Delaware State Housing Authority, USDA's Rural Development, HUD, Cinnaire as an equity investor, the City of Seaford and its officials, and more.

## **NEW STRATEGIC DIRECTIONS**

### **Expanded Footprint for Real Estate Development**

During its history of affordable housing development, Better Homes of Seaford has concentrated solely on the City of Seaford. There had been ample need and places of opportunity for development of apartment communities. However, due to its success in developing eight (8) apartment communities, and other apartments built by different developers, the market for more units has become tighter. During 2020, the Board of Directors discussed the possibility of developing affordable housing outside of Seaford proper. After all, Better Homes of Seaford has a successful model to replicate and share with other nearby communities. The decision to broaden its real estate development footprint was confirmed at a Board meeting on 02-01-2021. Going forward, the organization will consider affordable housing development in communities of Western Sussex County. These include the communities of Seaford, Blades, Bridgeville, Laurel, and Greenwood.

### **Expanded Affordable Housing Products**

To date, Better Homes of Seaford has developed multi-family rental housing to serve senior and family households with low and very low incomes. Financing has mostly come from the Delaware State Housing Authority through Low Income Housing Tax Credits, HOME, and the Housing Development Fund; and USDA's Rural Development through Section 515 Rental Housing and Section 521 Rental Assistance.

While Better Homes of Seaford fully expects to concentrate on the development of rental housing in Seaford and replicating its success in other western Sussex County communities, the organization confirmed its interest and openness to other forms of affordable housing development at its Board meeting on 02-01-2021. Other forms of affordable housing development could include, but are not limited to, home repair, new homeownership, and revitalization of distressed properties and portions of communities.

## **STRATEGIC GOALS**

### **1. Implement the Executive Succession Plan**

- Appoint a selection committee of the Board and develop selection criteria.
- Advertise position, interview top candidates, and select an Executive Director.
- Negotiate with top candidate and hire new Executive Director.
- Recognize retiring Executive Director for years of quality service.
- On-board and orient new Executive and introduce to community and stakeholders.
- Establish and communicate expectations and hold regular performance evaluations.

### **2. Build Organizational Development Capacity**

- Assess training needs and establish a training schedule to build Board governance capacity.
- Develop a matrix assessment of current Board skills/experience to determine what additionally is needed.
- As the organization moves to new communities, add Board members representing them.
- Use elections and vacancies to increase capacity of the Board of Directors for the future.

### **3. Continue and Expand Real Estate Development**

- Continue predevelopment work on the 34-unit Jamestowne Centre apartments with a goal of securing financing in 2022.
- Plan development to always have one or more projects in process at any one time.
- Introduce BHS to western Sussex through community meetings, meetings with town/city officials, and tours of its successful projects.
- Examine other types of affordable housing projects that could address housing needs in Seaford and the expanded footprint. Look at and learn about programs offered by DSHA such as homeownership, home repair, and revitalization.
- Draft a real estate development plan with project locations and types for a 3-year period.

### **4. Build Financial Capacity Through Expanded Resource Development**

- Assess financial needs for operations and real estate development and establish a Resource Development Plan and schedule for the organization.
- Increase financial support for staff and organizational operations by establishing an operational budget and implementing resource development efforts seeking grants from Banks and Corporations to supplement existing Grant-In-Aid and CHDO support.

- Increase financial support for real estate development by designing and implementing a Predevelopment Fund to foster development projects by having resources for securing land, design, legal, market, environmental, and other feasibility assessments. Funds would revolve and resources will be sought from foundations such as Longwood, Welfare, and Crystal Trust, as well as project developer fees. Goal of \$200,000 by 2023 and \$500,000 by 2025.

## **5. Continue Strategic Alliances and Project and Financial Oversight**

- Continue real estate development technical assistance from NCALL.
- Continue property management services through East Coast Property Management.
- Become aware of other advantageous strategic alliances that could benefit operations and housing development for Better Homes of Seaford.
- Receive, review and act on detailed monthly financial and rental portfolio reports and annual audits.
- Continue to provide capital and preventive maintenance as identified from visual inspections, resident reports, property management, and capital needs assessments with a goal of keeping rental properties in “as new” condition.