

“Building on SteelTown Village Success”



Petra Community Housing

STRATEGIC PLAN

2019 – 2024

PETRA COMMUNITY HOUSING

Formerly Phoenixville Homes

201 S. Main Street

Spring City, PA 19475

610-948-1797

Executive Summary

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Petra Community Housing Strategic Plan 2019-2024

Corporate History

- 1994 – Founded as Phoenixville Homes – Affordable Housing – assist first time home buyers
- 2000 – Mission widen to include HUD low income property development and management.
- 2000 – William West Fund Endowment established to provide additional funding for Petra mission
- 2011 – Name change to Petra Community Housing, Mission widened to reflect larger impact on affordable housing.
- 2012 – Organizational assessment by Capital Access recommending the following:
 - Improve property management efficiency – more technology and documented procedures
 - Raise funds to afford assistant to allow Executive Director to develop housing
 - Pursue Low Income Housing Tax Credit (LIHTC) Development Project
- 2013 – Montgomery County Funding redirected to new projects only
- 2015 – Complete Hopkinson House (2 Unit Apartment building)
- 2015 – Blueprint for Tax Credit Financing
 - Cease fundraising for Exec Director’s housing development assistant
 - Reorganize staff to centralize administrative operations and increase efficiency
 - Create a new LIHTC development project in Chester County
 - Generate Developer fees from LIHTC project
 - Purchase property
 - Cultivate project team; Financing partners, private and public
- 1/2017 – Accomplish the impossible – obtain PHFA 9% LIHTC award (top in state)
- 8/2017 – Begin construction on LIHTC property, Steel Town Village (STV)
- 5/2018 – Fire at STV, Petra to adjudicate insurance claim and move project forward
- 8/2018 – Petra removed NDC to become sole property manager/agent
- 11/2018 – STV substantial completion and Placed in Service
- 12/2018 – STV 100% rent up

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Evaluation process following SteelTown Village Project

To evaluate the status of the organization, a brief review of the history of the organization was undertaken as part of the 2019 strategic planning process. The status of housing projects now managed and under development is as follows:

Development	Development Funding Source(s)	Status	Rental Units
Spring City Elderly (Flag House)	HUD Sec. 202	Placed in Service July 2000	58
Freedom House	HUD Sec. 811	Placed in Service Jan. 2002	19
Gruber Mills (Bard Complex)	HUD Sec. 202	Placed in Service Nov. 2006	62
Hopkinson House	HOME, Co. HTF	Placed in Service Feb. 2014	2
SteelTown Village	9% LIHTC Private Loan Federal HTF HOME,PA Disabled	Placed in Service Nov. 2018	48
Paradise Place	CDBG, PA Disabled	Municipal approval pending	9
Total Rental Units			198

With the SteelTown Village fire claim being completed in August 2019 and Petra now in receipt of sufficient developer fees to consider financing a new project, the Petra Board and staff embarked on a process of strategic evaluation. After a brief review of the organization’s history (as described above), this evaluation process consisted of analyzing:

1. Strengths, Weaknesses, Threats and Opportunities (SWOT);
2. Trends impacting the organization; and
3. Lessons Learned.

Internal Strengths and Weaknesses of the Organization

Strengths	Weaknesses
Staff Expertise/Cross Training	Limited Staffing Prospects/Too few Staff
Team Learning & Decision Environment	Lack of PR/Exposure/Limited Branding
Determination to Succeed with excellent Partners	Inadequate Written Procedures & IT Systems
Property Assets, No Debt & Endowment	Excessive demands on Staff Time

External Opportunities and Threats to the Organization

Opportunities	Threats
LIHTC development with significant staff effort	Litigation in opposition to mission
Funding from County & Foundation partners	Shrinking non-LIHTC funding sources
Health to Housing Initiative	Strong reliance on few staff
Key Development Partners ready for new venture	Growing sense of entitlement in society

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Organization Lessons Learned

The core administrative staff is continually in a state of dynamic tension between **Property Development** and **Property Management**. Maintenance and resident service staff typically provide only property management support. If the staff performing property development is redirected to **Fund Raising** duties, property development efforts cease, and the organization stagnates. Studies typically indicate that at least 20% of the organization’s resources must be spent on **Research and Development** (R&D). If the staff assigned to property development cannot spend at least 20% of their combined time on R&D, but instead are tasked with fund raising or property management, the organization will exhaust its financial reserves, have to jettison staff and concentrate solely on property management.

Property Management

Property Development

Limit the no. of government voucher holders	Developer to select all partners inc. subcontractors
Aggressively enforce lease w/ standard procedures	Develop with PILOT prior to occupancy
Disabled Hsg. management easier than family	Know your neighbors before you build
Resident Bd. Directors for appeals committee	Monitor compliance throughout process

Guiding Principles and Trends going forward

- Competition among developers for 9% LIHTC will only increase
- Society no longer has large scale mental health institutions
- Demand will continue to increase for permanent affordable housing for vulnerable (low income, permanently disabled and elderly) persons
- The potential for the medical community to invest in permanent affordable housing that improves their community service and financial outcomes will continue to increase
- Use of the logic model will become more predominant with funders.

To maintain the right culture for the organization, the following principles shall continue to guide the organization:

<p>Mission Statement</p> <p>Strengthening communities by creating affordable housing and empowering our residents for a quality living experience.</p>	<p>Core Values Statement</p> <p>Petra Community Housing is driven by:</p> <ul style="list-style-type: none"> • Affordable Quality Housing • Building Partnerships • Innovative Thinking • Community
<p>Vision Statement</p> <p>We strive to see all persons, with or without disabilities, obtain affordable housing with a high quality of life.</p>	

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Strategic Goals & Objectives for 2019 - 2024

To carry out this strategic plan also known as “Building on SteelTown Village Success”, the following three goals have been adopted for the 2019-2024 period:

Goal 1	Develop new Affordable Housing with Community Impact
Goal 2	Improve Property Management Infrastructure
Goal 3	Establish Board Championed Community Partnering

Goal 1 Develop new Affordable Housing with Community Impact

The above SWOT analysis, Lessons Learned review and the Trends analysis research, tell us that our next new development must significantly benefit vulnerable populations for us to successfully compete for available funding. Governed by the principle of “strategic calculated risk”, Petra is willing to proceed with a new development provided that:

- The site(s) have sufficient residual value
- The development team and local governmental partnerships are strong
- Petra can readily demonstrate an ability to move forward
- The project has significant impact on the community and to the extent possible for persons in abject need

Petra Community Housing is therefore committed to utilizing its recently generated developer fees to pursue an affordable housing project with the following **objectives**:

1. Research the potential to provide affordable housing for vulnerable populations, including the use of governmental rental assistance vouchers.
2. Consider strategic set-asides in general occupancy housing and/or a condominium based legal structure within the developed property.
3. Actively consider incorporating medical provider investment into the housing project and commercial providers to compliment the residents.
4. Incorporate advanced building technologies and mixed income as possible to make a tax credit or similar application highly competitive and support the costs of operating housing that benefits low income persons.
5. Formally evaluate goal accomplishment on an annual basis.

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Goal 2 Improve Property Management Infrastructure

To create a satisfactory administrative infrastructure supporting property management, we have the following **objectives**:

1. Obtain the services of a full function Information Technology vendor to sufficiently maintain existing computer and related equipment and is also actively involved in the design and implementation of any new housing developments.
2. Enhance the service relationships with vendors to comprehensively provide building and property maintenance support to cost effectively support maintenance staff for optimal performance of systems and services.
3. Update and make readily accessible all written property management policies and procedures with the latest in Fair Housing regulations in a comprehensive manner.
4. Create departmental operating procedures; user manuals.
5. Formally evaluate goal accomplishment on an annual basis.

Goal 3 Establish Board Championed Community Partnering

The vast majority of developers are for-profit and therefore do not engage in any form of traditional fund raising. Although the roots of Petra are grounded in seeking donations, today's successful developers (i.e. Petra) are sophisticated in tax credit financing and strenuous property management compliance. Staff cannot be both a fund raiser and developer. We must either hire a full time Funds Developer or rely on volunteers.

With significant Petra resources now committed to its next housing development, a Funds Developer cannot be hired at this time and we must instead rely on Board Directors to champion the cause of community partnering. This endeavor, which greatly compliments the efforts of property development, consists of: 1) branding (i.e. speakers bureau), 2) relationship building (i.e. board breakfasts), and 3) fund raising (i.e. Spaghetti Dinners, annual giving campaigns, donor cultivation) for purposes such as Petra-On-the-Go bus maintenance and organization operating support.

Objectives associated with successful community partnering include:

1. Property development personnel will allocate at least 25% of their time to Research and Development of new property including the research, education, grant writing, application preparation, public appearances, financing, design and pre-rent activities associated with creating affordable housing.
2. Resident service support personnel will allocate at least 5% of their time to assist with Board championed community partnering. This assistance includes social media monitoring, event planning, participation at partner meetings and maintaining a data base of donors and their contributions. The staff assigned to property development may also assist with community partnering activities provided that at least 25% of their combined time is spent on R&D.
3. Formally evaluate goal accomplishment on an annual basis.