



# Strategic Planning Session

8 October 2020

# Strategic Planning Sessions

## Session I

Intros

Case Study: Lumber Pricing

- Condition
- Options for Addressing
- Questions to be answered (To Do)

Intro to Strategic Planning-Goal/Purpose

## Session II

Surveys/Stakeholder Input Themes

Framework in Progress & Setting Goals

## Ad-Hoc Committee:

Reviewing 'The Plan', Input from Staff

Finalizing Goals

## Final Adoption by Board of Directors

# [h1b] strategic planning session

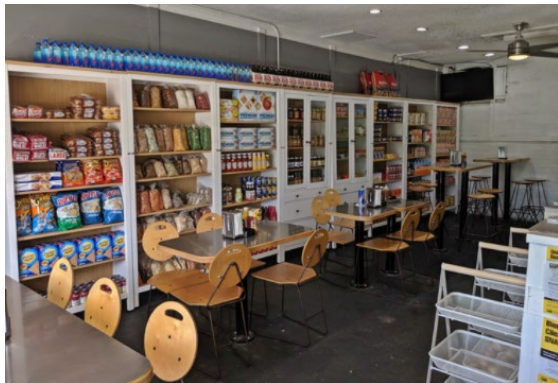
## The Dream Headlines!



Houston Land Bank Makes Possible Homeownership for Record Number of Buyers; Record Number of Homes Back on County and City Tax Rolls.



HLB Makes Big Footprint Bringing 50 Affordable Homes at Premier Site Inside the Loop



The Houston Land Bank programs create affordable homes for Houstonians and support local economic development

Houston Land Bank Consistently Increasing Number of Vacant Lots Returned to Productive Use Through Multiple Programs

# Rhetta reviews the Surveys!

## Assets:

- Passion
- Diverse backgrounds
- Community perspective
- History with the organization and community
- Political connections

## Challenges:

- Communication and expectations setting
- Board culture
- Familiarity between existing and new members
- Disconnect between old and new ways
- Engagement at committee level
- Trust between staff and board
- Lack of clarity around vision
- Identifying funding streams

## Surveys:

- 6 responses, (4 served on board 0-1 year)
- Primary interests: share knowledge/skills, participate in “working board” and support leadership/staff, passion for mission
- Size, range of backgrounds, diversity, expertise all rated as “good” or better

# Recent Wins!

## Recent Wins

- Acquisition of Independence Heights property
- Policy document well drafted
- Meetings organized and productive
- Successful rebranding of the organization
- Successful implementation of New Home Development Program
- Ensuring lots do not deteriorate and facilitating construction of affordable homes



## Key Partners:

- City of Houston, City officials, Housing and Community Development, City Planning
- Builders
- Land owners
- Community Land Trust
- Community Development Corporations
- Like minded non-profits
- Land banks in other cities
- Outside vendors



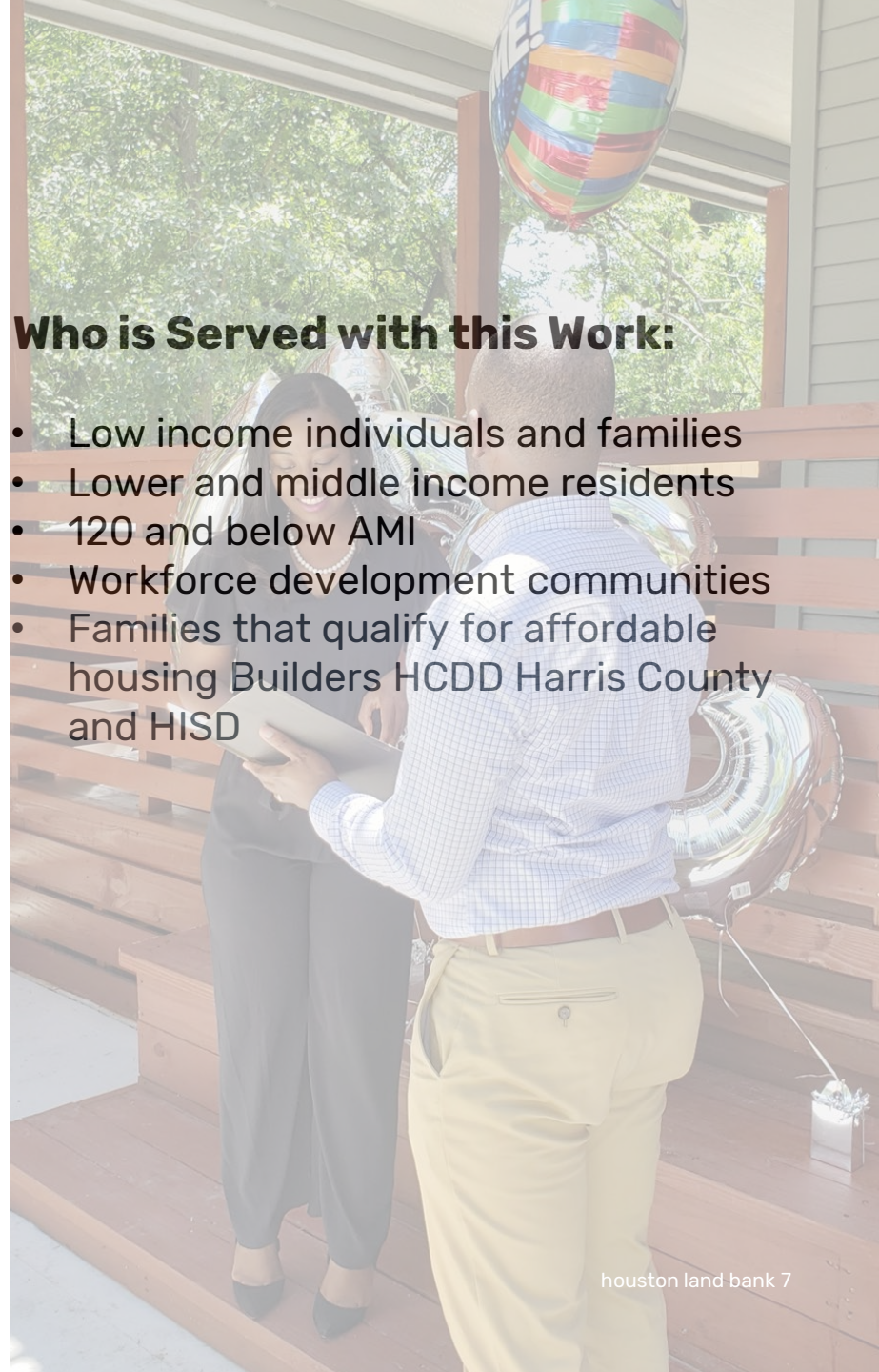
# Mission and Customers

## Our Core Work:

- Affordable housing to create more stable and sustainable families and communities
- Bring affordable housing to the city of Houston
- Turn vacant and abandoned land into truly affordable single-family home
- Ensure vacant lots do not deteriorate; facilitate construction and sale of affordable homes to local residents
- Acquire abandoned properties, return them to functional and best use
- Revitalize unserved communities in Houston

## Who is Served with this Work:

- Low income individuals and families
- Lower and middle income residents
- 120 and below AMI
- Workforce development communities
- Families that qualify for affordable housing Builders HCDD Harris County and HISD



# Rhetta's Stakeholder Interviews

## Opportunities

- What does a sustainable org structure and staff look like and how does that align to the available funding
- Valued and integral part of a larger vision for the city, playing a unique role the city cannot play on its own
- Can become more relevant but must articulate a clear vision for work that responds to Houston-specific opportunities and context
- Funding is narrow and restrictive – organizational evolution hampered by single stream
- Lack of major subsidies impacts builders and purchasers negatively

## Interviews:

Rhetta Detrich with :  
Sharone Mayberry  
Zack Burghli  
Robert Fiederlein  
Tom McCasland  
Anderson Stoute  
Sam Dike





# Rhetta's Stakeholder Interviews

## Transition

- HLB staff and leadership has been effective at managing a challenging transition and setting new systems and structures in place
- Transition period too long – “purgatory”; focus on crafting and implementing a vision rather than transition mechanics
- LARA/HLB work historically linked to the will and support of administrations; what is the future for this relationship
- Listening and soliciting feedback from community and partners has been positive

## Board of Directors

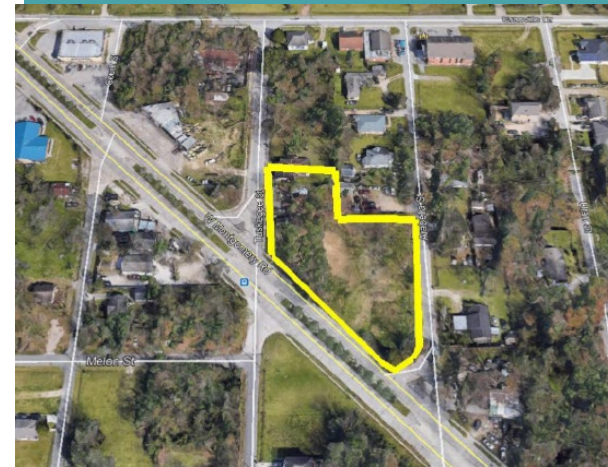
- Appointed board structure creates unique challenges, regarding perspectives and priorities
- Skills and knowledge of the board is vast, but not focused
- Disconnect between board members who have longer tenure (pre-dating HLB) and newer members
- Lack of alignment on future vision is an impediment to progress and creates disconnect with leadership/board
- Lack of effective and productive communication between board and leadership slows and derails the work to be done



# Rhetta's Stakeholder Interviews

## Future Directions

- Expanding number and size of land parcels will make major difference in impact
- Focus on the most cost effective means of acquiring and developing the land to ensure efficiency and true affordability
- Eliminate barriers for partners to make the work less complicated and more cost effective
- Opportunity to emerge as a key agent in land and community development by working with range of partners
- Impact will come from being more entrepreneurial – where they develop, which partners, types of development
- Avoid becoming developers. Be a partner to developers, but don't own that role.
- “De-politicize” the work; shape own agenda and goals independent of city
- Craft a vision that all are bought into and many celebrate the successes as their own



**[h1b]  
working plan  
framework &  
goals**



An aerial photograph of a large-scale construction project in an urban area. In the foreground, a multi-story building is under construction, showing its steel framework and concrete slabs. A yellow crane stands tall in the center. To the left, a modern, multi-level parking garage is partially visible. The ground is a mix of dirt, mud, and construction materials. In the background, the Houston skyline is visible under a cloudy sky. The text "[HLB] view" is overlaid in the top left corner.

[HLB] view

Houston is a city filling in quick: *NOW is the time to build our inventory for the longer-term, to secure land for a neighborhood's vision.*

A Land Bank is a **key tool** in a city's toolbox to secure underutilized property and **convey that property into productive use**, supporting public purposes.





## Mission Critical Moment for HLB

**building wealth through homeownership anchors opportunity for families**—and there are many types of families and neighborhood types, leading to a need to create a variety of housing typologies, for a variety of economics

We can contribute to a systemic approach to neighborhood revitalization—an **affordable housing +plus plan**  
To focus on the district, not the deal.

There are a variety of neighborhood organizations that need expanded capacity to be able to accomplish the breadth of work in the neighborhoods—**the Land Bank is poised to extend its expertise to support neighborhood capacity.**



# [City of Houston]

## Policy Commitments

- Single Family Housing focus
- Goal to increase affordable housing in rapidly changing neighborhoods (Independence Heights, Settegast)
- More developments like 'Towne Park Village'

## Complete Communities

- Housing goals by neighborhood, vary in types and strategies.

## Housing Production

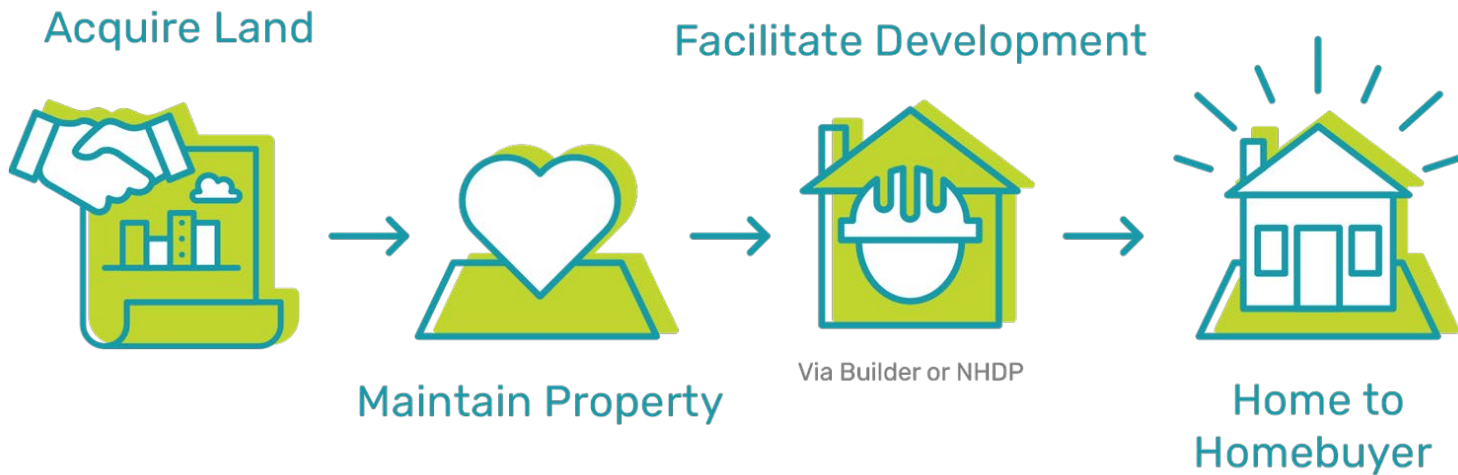
- HCDD has announced 200 single family houses/year (NHDP)

## Resilient Houston & Climate Action Plan

- 375,000 new homes across every income level by 2050



# [HLB] mission



*Strategically acquire, dispose, and steward vacant, abandoned, and damaged property into productive use to catalyze transformative community and economic development for the City of Houston.*

## [h1b] values



be a good neighbor in communities we serve



identify highest and best use for sites that support community needs and initiatives, utilize resources to create added value



collaborate with partners on key initiatives to support equitable and transformative development



Provide proactive and transparent access to data, activities, and operations



Demonstrate continuous improvement and define national best practice

*Other values?*



# Seeing Opportunities to expand

## Opportunities

- To achieve 'Complete Communities' goals, more land is needed—**this ranges from affordable housing, to neighborhood amenities such as cultural or food resources, to economic engines for jobs.**
- Further strengthening the mission based LGC between government and private sector: **provides more opportunities for all government entities related to land securitization for policy goals.**
- Home ownership is part of a spectrum of choices, and with a diversity of residents/incomes/life circumstances, there are many opportunities to support people of low-moderate income . **HLB could also support other housing options.**



# Use challenges to frame strategy

## Challenges


- The City is huge—to be effective, **we have to be strategic**—we cannot have the same role and engagement everywhere.
- There are increasing pressures on providing affordable housing with existing financial models and subsidies—**additional resources and innovation needed to assure affordability**
- We do not receive many properties through the property tax foreclosure process (LARA) requiring **new models and funds to acquire land**
- HLB relies on city money to date which may be more and more limited, and limiting. Increased financial **revenue provides us with options** for program development, and longer term security.



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# Reframing The Customer (s)?



Homebuyer  
(NHDP)



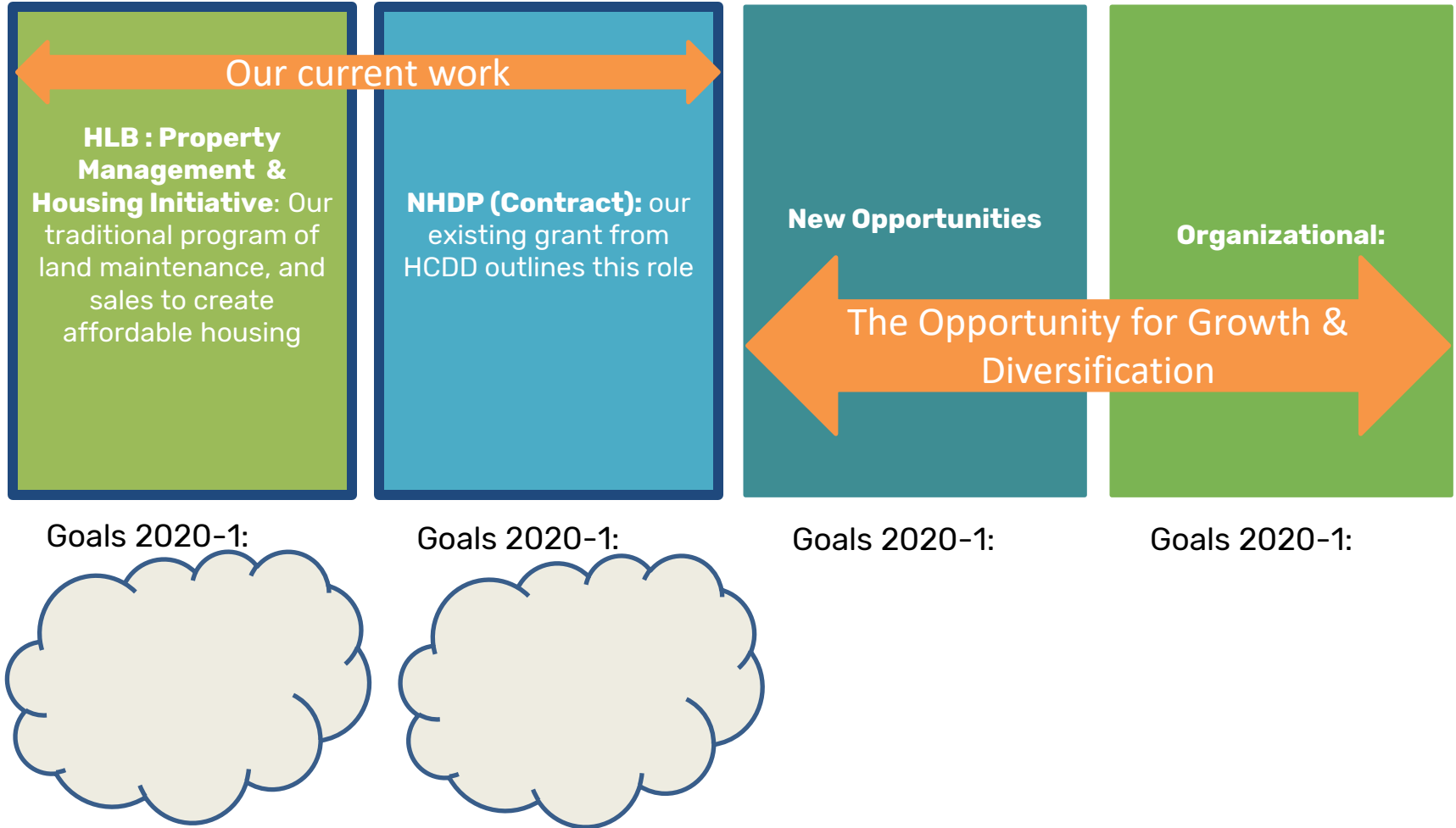
Builder  
(LARA)

**OR**

Is the customer ultimately the **Neighborhood**? A dynamic prosperous neighborhood with sufficient affordable housing and a mix of options/amenities is where homebuyers and builders benefit most.

For other goals, should our customer be **neighborhood organizations** that lack real estate development capacity?

# Establishing the HLB Lenses



**Lets determine  
the annual goals  
for our current  
programs**

## HLB Goals to date

### Context

- 59 Houses sold in 2019
- ~250 Lots in Audit-advance to development
- Program still focuses on affordable single-family housing up to 120% AMI

### HLB Housing Initiative To Date 2020:

- 19 Houses sold to date
- 55 Houses in Development—advancing vacant lots
- 19 Recent Lot Sales (Round 1 & 2)
- Acquisitions: 5 lots in Independence Heights!

### Goals 2020, 2021:

\_\_\_\_\_Houses Sold

\_\_\_\_\_Lots Sold

\_\_\_\_\_Acquired Lots

\_\_\_\_\_Alternative Housing Types?

### Short Term Program Goals

- Secure \$700,000 in sales
- Develop new programs to achieve goals
- Increase Inventory
- Unique housing typologies on lots (e.g. duplex)

### Long Term Foundational Goals

- Interlocal Agreement
- Advance legislation

# NHDP

## Context

- 13 Houses sold in 2019 (first sale, June)
- Program took a year to work out the processes
- Program focuses on affordable single-family housing up to 80%
- 60,000 SF of Land Acquired

## HLB Housing Initiative To Date 2020:

- 18 Houses sold to date directly to homebuyers, 7 under contract
- 27 Houses in Development—known.
- ~150 Additional Lots Holding + Acquired Properties
- 350,000 SF of Land Under Contract

## Goals 2020, 2021:

\_\_\_\_\_Houses Sold

\_\_\_\_\_Acquired Lots

\_\_\_\_\_Alternative Delivery Process

## Short Term Program Goals

- Demonstrate pilot in Independence Heights- streamline construction process

## Long Term Goals

- Resetting Interlocal Agreement
- Advance legislation



**given the  
opportunities, how  
can we leverage our  
work and increase  
impact?**

# Rounding out Impact from Core Programs

## How can we adjust our lens to have greater impact?

- *Example: Lot to block to neighborhood*

## What do we need to achieve to have impact?

- *More land in neighborhoods*

## How do we expand impact for homebuyers?

- *Homebuyer spectrum of choices*
- *Secure land for '+' amenities*

## What do we need to know to be strategic?

- *Data & Local market knowledge from community*

## Where should we be focused?

- *Strategic high value add locations, depending on activity*

## What do we need to do to get this done?

- *Partners*
- *Additional Resources*

# What might a Strategic Plan Look Like?

Goal & Strategies

**HLB Housing Initiative:**  
**Increase production & acquire land**  
 Properties conveyed to productive use

Facilitate new homeownership opportunities

Provide Revenue for program activities

Develop & Implement Acquisition Strategy

**NHDP (Contract):**  
**Working with HCDD, Innovate to increase production**

Acquire property for HCDD production goals

Provide housing opportunities to deeper affordability and in new neighborhoods

Demonstrate new organizational capacity

**New Opportunities**  
**Increase housing options in a pilot neighborhood, explore new model to extend activity (+)**  
 Provide more homebuyer choices

Extend builder/non-profit builder capacities

Demonstrate new LB roles in new neighborhoods

**Organizational:**  
**Demonstrate Neighborhood strategy**  
 New resources for current programs

Deepen community engagement activities in neighborhoods

Demonstrate systemic approach to neighborhood

Good Neighbor PLUS

Outcomes & Impact

Outcomes 2020-1:

- \_\_\_ Lots Sold
- \_\_\_ Homes Sold
- \$700,000 programs:
  - Acquire land?
  - Support builders?
  - Demo new roles?

Outcomes 2020-1:

- \$8M property acquired in 3 neighborhoods
- Meet HCDD Goals for #

Outcomes 2020-1:

- \_\_\_ Pilot programs:
  - Lease to purchase program?
  - Enhanced Startup Builder program
  - Land equity investment

Outcomes 2020-1:

- \$ \_\_\_
- \_\_\_ New key partners
- Planning & Implementation strategy for 1 neighborhood

Impact 2020-1:

- \_\_\_ Homebuyers
- ?

Impact 2020-1:

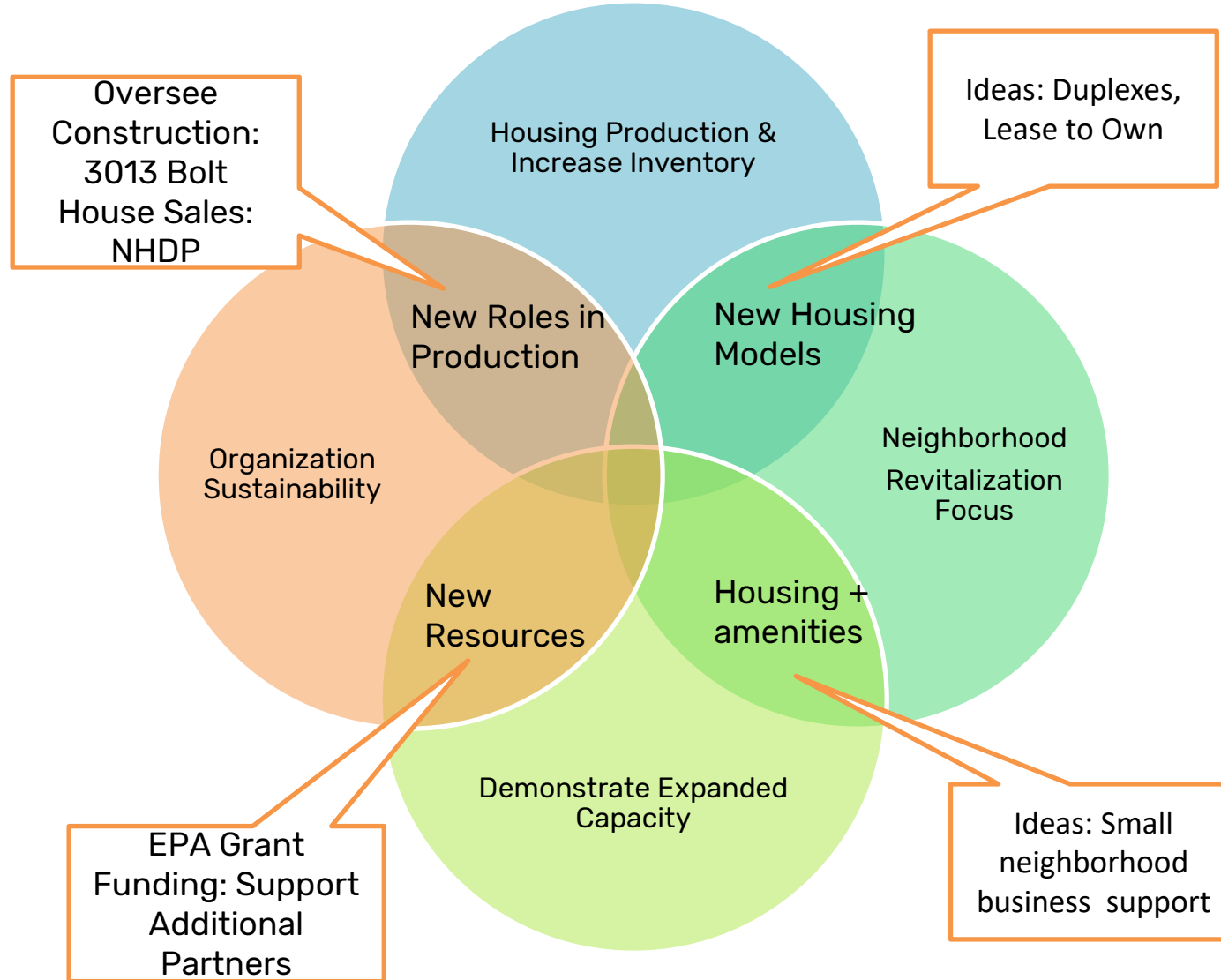
- \_\_\_ Homebuyers

Impact 20-22:

- \_\_\_? New Builder businesses?

Impact:

# New Opportunities & Organizational Development



**Next Steps:  
How should HLB  
prioritize its work  
in the next 1-2  
years?**



# What Additional Information Needed?

Data

- Kinder Presentations
  - Settegast
  - State of Housing
- Real Estate Values per Neighborhood
- Affordability Matrix
- Review of Neighborhood Opportunity
- Land portfolios/dangerous & surplus building information
- ???

Strategies

Goals

# How do we Accomplish the Plan?

Committee Assignment



**How do we  
process the  
work at the  
BOD?**



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**HOMEWORK:  
Prioritization  
Exercise  
(thank you!)**

# Utilize Committees to Advance Goals/Outcomes

## Annual Strategic Planning



Goals Assigned to Committee



Staff to Implement & report to Committee



Committee considers and moves votes to BOD



## Monthly BOD Meeting

Staff follows up to finalize documentation,



Updates to Committees



# Proposed Committees

