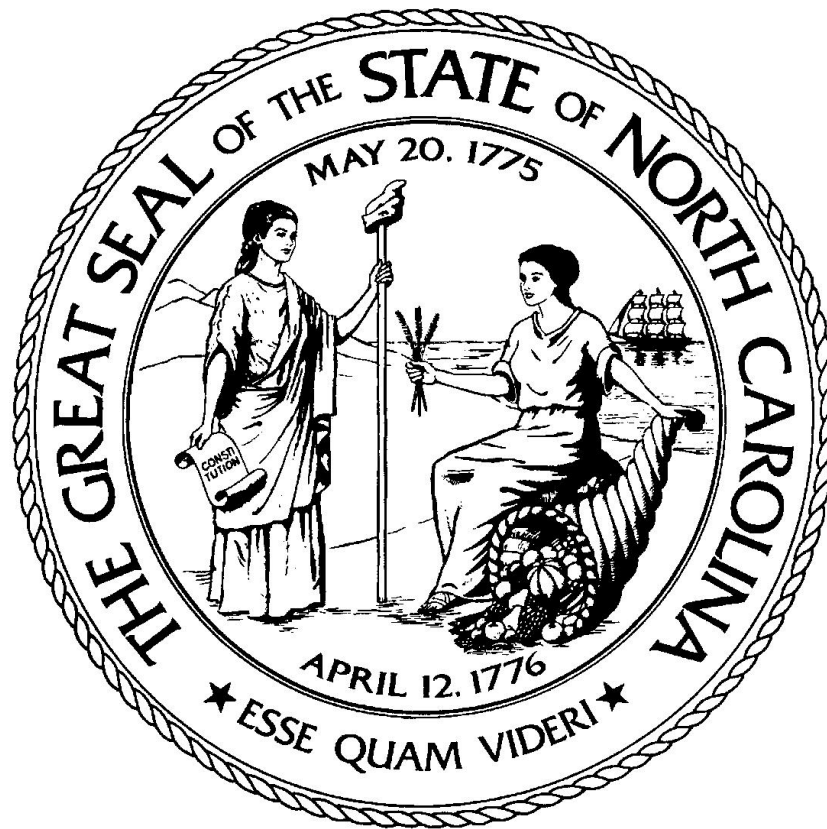


# North Carolina Housing Finance Agency

Strategic Plan

2023 – 2025



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# 1. Strategic Plan Executive Summary

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*The North Carolina Housing Finance Agency is a self-supporting public agency that finances affordable housing opportunities for North Carolinians whose needs are not met by the market. Since its creation in 1973 by the General Assembly, the Agency has financed more than 306,130 affordable homes and apartments, totaling \$27.6 billion.*

*The Agency provides financing through the sale of tax-exempt bonds and management of federal tax credit programs, the federal HOME Investment Partnerships Program, the state Housing Trust Fund and other program funding.*

*Using these resources and its own earnings, the Agency:*

- *Offers low-cost mortgages and down payment assistance for qualified home buyers*
- *Finances affordable homes and apartments developed by local governments, nonprofit organizations and private owners*
- *Finances the development of housing for people with special needs*
- *Finances the repair and rehabilitation of substandard owner-occupied homes*
- *Offers foreclosure prevention assistance in partnership with HUD-approved housing counseling agencies statewide*
- *Administers HUD rent assistance contracts for 25,000 privately owned apartments statewide.*

*This strategic plan will guide the Agency's work from 2023 to 2027.*

*The purpose of this plan is to:*

- *Present practical and actionable guidance in a way that is useful to the Agency team.*
- *Promote proactive rather than reactive work to focus on the Agency's core mission.*
- *Be nimble and able to adapt to context.*
- *Be applicable to all the Agency's business units at a macro level.*
- *Model strategic planning processes at the broader organizational level.*
- *Create a roadmap for use of and communication about the plan.*
- *Offer a performance management plan to promote transparency, sense of direction, learning, and motivation.*

## 2. Mission, Vision, and Values

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### Agency Mission Statement

*We provide safe, affordable housing opportunities to enhance the quality of life of North Carolinians.*

### Agency Vision Statement

*Our vision is to:*

- *foster a diverse, inclusive, and equitable environment that provides meaningful careers and professional development with opportunities for success and advancement for employees*
- *develop a shared understanding and purpose with our partners and state leadership*
- *meet the housing needs of all North Carolinians and provide value to boost community growth and the state's economy*
- *be recognized as the affordable housing leader in the state*
- *be a national leader among all housing finance agencies*
- *have North Carolina become the most prosperous, safest, and healthiest state in the country*

### Agency Values

*We Care by*

- *making our programming and services inclusive and equitable*
- *making our organization and our work reflective of our state's diversity by celebrating and learning from our differences*
- *serving North Carolinians with the passion and purpose reflected in our mission statement*
- *creating a safe, inclusive environment for our employees with the personal and professional resources needed for them to thrive and better serve North Carolinians*

*We Act by*

- *being effective and efficient in our approach and actions to the benefit of all North Carolinians*
- *working collaboratively with key state and local agencies, private market partners, nonprofit housing groups and community service providers*
- *building capacity of our partners and actively recruiting new, diverse partners in all communities to better serve North Carolinians across the state*

- *creating an internal community that recognizes and rewards the work of all employees and attracts new talent and ideas to the Agency.*

*We Lead by*

- *modeling the behavior we expect from others*
- *sharing our intentions and reasoning and being transparent about motives and actions with all external and internal audiences*
- *authentically connecting and communicating with clients, colleagues and partners*
- *encouraging open dialogue and active listening among all employees*

### 3. Goals, Objectives, and Performance Measures

*Note – The table below is a suggested format for organizing your agency’s goals, objectives, and performance measures. If your agency has a preferred format, you are welcome to use it as long as the same basic elements are captured. **While this table provides a format matching one objective to one performance measure, there may be cases where multiple objectives are linked to one measure and vice versa. Agencies should feel free to manipulate this table to best fit the needs of their plans.***

<b>Goal 1 – Meet the housing needs of North Carolinians through a variety of housing options</b>	
<p><b>Objective 1</b></p> <p><i>By January 1, 2027, increase the number of cumulative households served by 25% over households cumulatively served as of December 31, 2021.</i></p>	<p><b>Action</b></p> <p><i>Actions include changes to our homeownership programs to enhance usage throughout the state and to increase the production of rental units affordable to those at or below 30% of Area Median Income (AMI).</i></p>
<b>Goal 2 – Partner with other organizations to accomplish a variety of housing strategies</b>	
<p><b>Objective 2</b></p> <p><i>By January 1, 2027, all programs have at least one viable partner that can serve each county.</i></p>	<p><b>Performance Measure or Milestone</b></p> <p><i>Actions include defining ‘not served counties’ to creating methodology to evaluate program coverage by county.</i></p> <p><i>Additionally, new and existing partners will be tapped who are interested in starting or expanding their partnership with HFA programs. The Agency will also explore whether the community college system may serve as a partner to assist in addressing the construction labor shortage.</i></p>
<b>Goal 3 – Identify and tap into new funding resources while maintaining and strengthening existing funding streams</b>	

<p><b>Objective 3</b></p> <p><i>By January 1, 2027, add five new sources to fund new or existing programs.</i></p>	<p><b>Performance Measure or Milestone</b></p> <p><i>Actions include an investigation of new utilization strategies of bond related financing; other state’s HFA funding mixes; and new funding opportunities with an emphasis on health-related resources.</i></p>
<p><b>Goal 4 – Support and encourage sustainable building practices</b></p>	
<p><b>Objective 4a</b></p> <p><i>By January 1, 2027, increase the cumulative number of stay-in-place housing units by 20% over what was cumulatively financed as of December 31, 2021.</i></p>	<p><b>Performance Measure or Milestone 4a</b></p> <p><i>Actions include an exploration of both the need and feasibility of a rental rehabilitation program, including both single-family and multi-family properties.</i></p>
<p><b>Objective 4b</b></p> <p><i>By January 1, 2025, develop a baseline, measurement methodology, and target for green building standards for each business unit.</i></p>	<p><b>Performance Measure or Milestone 4b –</b></p> <p><i>Actions include the identification of components of green building standards and related data elements to assist the Agency in creating a baseline.</i></p>
<p><b>Goal 5 – Attract, maintain, and develop diverse, talented, and committed professionals</b></p>	
<p><b>Objective 5a</b></p> <p><i>By January 1, 2023, review our recruiting processes, identifying specific steps to improve our ability to attract and retain a diverse and skilled workforce.</i></p>	<p><b>Performance Measure or Milestone 5a</b></p> <p><i>Actions include refreshing our processes and related hiring documents with better descriptions of the position, Agency work environment and benefits as well as creating more relationships to facilitate recruiting.</i></p>



<p><b>Objective 5b</b></p> <p><i>By January 1, 2027, implement 5 or more, at least one per year, key initiatives to create a diverse and skilled workforce.</i></p>	<p><b>Performance Measure or Milestone 5b –</b></p> <p><i>Actions include the creation a formal professional development and training program across the Agency for all staff, customized per business group and management level.</i></p>
<p><b>Objective 5c</b></p> <p><i>By January 1, 2023, development and conduct an employee engagement survey focused on increasing workforce connection and value across the organization.</i></p>	<p><b>Performance Measure or Milestone 5c –</b></p> <p><i>Actions include contracting for a professionally designed employee engagement survey, have it independently administered with results compiled, creating prioritized actions.</i></p>
<p><b>Objective 5d</b></p> <p><i>By January 1, 2027, implement 5 or more, at least one per year, key initiatives to address employee engagement and professional development.</i></p>	<p><b>Performance Measure or Milestone 5d –</b></p> <p><i>Actions include expanding and enhancing Agency onboarding and internal messaging programs customized to our hybrid work environment.</i></p>
<p><b>Goal 6 – Tailor communications to our many audiences, including specifics about our programs and overall benefits to North Carolinians</b></p>	
<p><b>Objective 6a</b></p> <p><i>By January 1, 2027, inventory current communications to all partners, communities and elected officials and identify 5 new/improved ways to provide meaningful information.</i></p>	<p><b>Performance Measure or Milestone 6a</b></p> <p><i>Actions include inventorying all Agency outreach and evaluating the current outreach and engagement to determine what works well, what is challenging and possible solutions.</i></p>
<p><b>Goal 7 – Actively reach out to underserved groups and communities, to improve access and utilization of our programs.</b></p>	

<p><b>Objective 7a</b></p> <p><i>By January 1, 2024, establish demographic data elements identifying underserved groups and communities to be collected consistently across our program line of business systems and create a reporting methodology.</i></p>	<p><b>Performance Measure or Milestone 7a</b></p> <p><i>Actions include defining “underserved groups and communities” to evaluate program participation.</i></p>
<p><b>Objective 7b</b></p> <p><i>By January 1, 2027, once methodology is established, set baseline and start tracking data to create a trend line for each program over time for the remaining years, with the purpose of outreaching specifically to and increasing the utilization of our programs by underserved groups and communities.</i></p>	<p><b>Performance Measure or Milestone 7b</b></p> <p><i>Actions include the establishment of demographic data elements identifying underserved groups and communities to be collected consistently across our programs.</i></p>

## 4. Highlights, Collaborative Opportunities, and Priority Questions

### Agency Highlights

*Selected highlights from year 1 success include:*

- *Goal 1 – Increasing homeownership production – On April 1, 2023 the Agency launched an increased down payment assistance from \$8k to \$15k.*
- *Goal 5 – Gallup was tapped to conduct an employee engagement survey for the Agency. Results will be shared within the agency in the Summer of 2023.*

### Collaborative Opportunities

*Goal 2 - Construction labor shortages both delay unit construction and drive housing costs higher. The Agency is exploring if a partnership with Community Colleges for construction trade training may improve the labor ecosystem by creating jobs and facilitating more housing unit construction.*

### Priority Questions

*As this is Year 1 of the Agency's five-year strategic plan, priority questions include follow up on the exploration-based action items. Based on these explorations:*

- *Which approaches are viable and what are the subsequent steps?*
- *If the approach is not found to be viable, what are new approaches that will support our Goals and Objectives?*