

ORGANIZATIONAL & FINANCIAL SUSTAINABILITY



INTERSECTIONS
2015 NATIONAL CONFERENCE
LEXINGTON, KY | OCTOBER 19-22



NATIONAL
COMMUNITY LAND TRUST
NETWORK

Wednesday
10/21/15
9:15 - 12:45

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OPAL CLT

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Burlington
Associates


ORGANIZATIONAL & FINANCIAL SUSTAINABILITY



Agenda

1. Welcome & Introductions
2. Overview of Sustainability
3. Sustainable Stewardship
4. Fee Structure
5. Fee Analysis
6. Report out and Adjourn

INTRODUCTIONS



- Name
- Organization
- Each Organization
 - Stand alone?
 - Part of a larger org?
 - # units?

SUSTAINABLE STEWARDSHIP & SUSTAINABLE ORGANIZATIONS

How much does it **cost** to **steward** our homes?

A graphic featuring a pie chart, a bar chart, a calculator, and a document with the word "Budget" written on it.

SUSTAINABLE STEWARDSHIP & SUSTAINABLE ORGANIZATIONS

What is **stewardship**?

A photograph of a pair of hands holding a small green seedling with soil.

SUSTAINABLE STEWARDSHIP & SUSTAINABLE ORGANIZATIONS

Four small icons of houses stacked vertically.

How many **units** does it take to pay for **sustainable stewardship**?

SUSTAINABLE STEWARDSHIP &
SUSTAINABLE ORGANIZATIONS

**Call
Before
You Dig.**

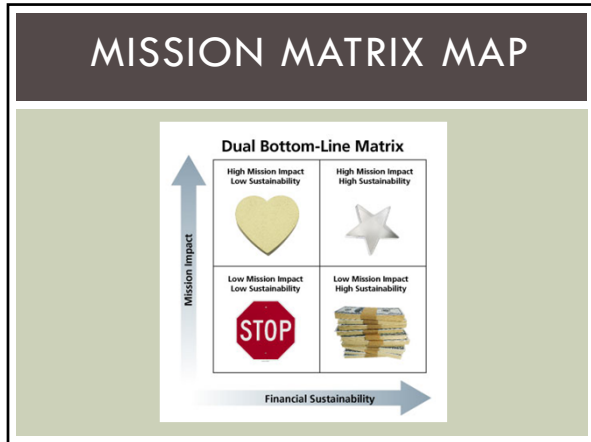
SUSTAINABLE STEWARDSHIP &
SUSTAINABLE ORGANIZATIONS

**\$How do we pay for
sustainable
stewardship\$**

SUSTAINABLE STEWARDSHIP &
SUSTAINABLE ORGANIZATIONS

**\$How do we pay for
sustainable stewardship\$**

1. What do you charge?
2. How many units?
3. How many years?
4. How do you make it in the mean time?



PROCESS



- ID Lines of business
- For each line of business
 - Determine its profitability
 - Assess its mission impact
 - Map the results
- Act on strategic imperatives

XYZ CLT LINES OF BUSINESS



1. Lending Services
2. Homebuyer Ed
3. Multi-family development
4. Community Land Trust
5. Neighborhood Revitalization
6. P/R + Fundraising

PROFITABILITY

Full cost of line of business



- Direct costs
- Share of Common costs
 - Office expenses
 - Accounting
 - Etc.

FINANCIAL IMPACT: PROFITABILITY

Business Line Revenue
 - **Business Line Expense**
 = Business Line Profitability



XYZ CLT
2013-2015 3-Year Average

Business Line	Profitability
Lending Services	(\$67,142)
Education, Counseling, Homeowner Services	(\$3,141)
Multi-Family Development	\$45,737
Community Land Trust	\$292,296
Neighborhood Revitalization	(\$36,256)
P/R & Fundraising	(\$12,925)

MISSION IMPACT



Selected criteria

- Alignment w mission
- Excellence in execution
- Scale
- Depth
- Filling an important gap

MISSION IMPACT

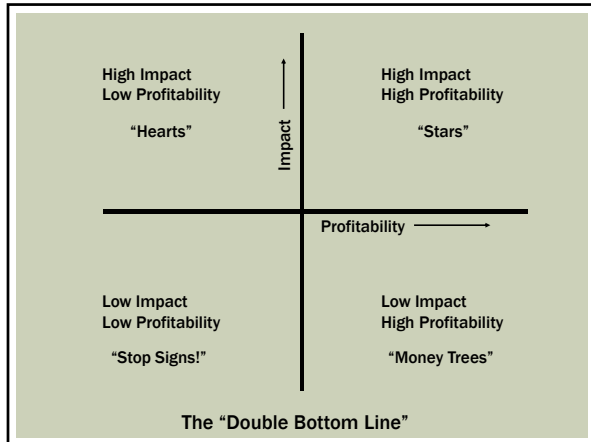


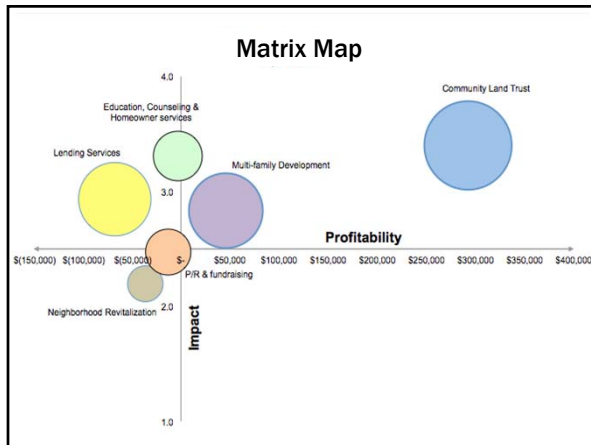
Impact Rating

- Little or no impact
- Some impact
- Strong impact
- Exceptional impact


MISSION IMPACT

Business Line	Alignment with Core Mission	Excellence in Execution	Scale	Depth	Fills an Important Gap	Average Score
Lending Services	3.6	2.0	2.9	3.0	3.2	2.9
Education, Counseling & Homeowner Services	3.7	3.7	3.0	3.1	3.1	3.3
Multi-Family Housing Development	3.6	2.4	2.3	3.1	2.9	2.8
Community Land Trust	3.8	3.6	2.6	3.4	3.7	3.4
Neighborhood Revitalization	2.6	2.3	2.1	2.1	1.9	2.2
P/R & Fundraising	2.7	2.4	2.5	2.4	2.4	2.5





STRATEGIC IMPERATIVES



What does your map say?

- What to do?
- Strategic Imperatives
 - Directions
 - Actions
- "Forced-choice"

ORGANIZATIONAL SUSTAINABILITY



CLT BOARD OF DIRECTORS




- Orientation
- Job descriptions
- Active Committees
 - Community Volunteers
- Efficient Board Meetings
 - Timed agendas
 - Policy vs. Management

CLT STAFFING



- Policies & Procedures
- Org. + Stewardship
 - Adopted
 - Consistently followed
 - Regularly reviewed
 - Updated as needed
- Accurate Job descriptions
- Staff training & appreciation

OPERATING BUDGETS



Income:

- Earned/Portfolio Income
- Developer Fees
- Grants/Fundraising

Expenses:

- Operating/admin
- Development
- Stewardship

FEE & AFFORDABILITY ANALYSIS



WHAT ARE YOUR FEES?



What are your fees for?
How much do you charge?
How many units/transactions?

