

DHIC, Inc.

A Report to the
Marketing and Branding Committee
May 18, 2010

Background on the Marketing and Branding Assignment

- Objectives of the Assignment
 - Institutional Identity
 - Clarification
 - Community Awareness
 - New Opportunities

Background Continued...

- Desired Results of the Assignment
 - Partnership and Volunteer Opportunities
 - Marketing Support
 - Transform Public Perception
 - Analyze Donor and Market Segments

"It's one success after another. We only hear about DHIC twice: when they propose a development and when they complete it successfully."

Methodology

Initial Meeting and Brainstorming with Committee

Nine in-person Interviews:

- Larry Barbour, North State Bank
- Andrea Bazan, Triangle Community Foundation
- Jack Clayton, Wells Fargo Wachovia Bank
- David Cooke, Wake County Manager
- Barbara Goodman, A.J. Fletcher Foundation
- Gordon Grubb, Grubb Ventures
- Joanna LeClaire, Wells Fargo Wachovia Bank
- Charles Meeker, Mayor, City of Raleigh
- Smedes York, York Properties

Three Telephone Interviews:

- Mitch Silver, City of Raleigh Planning Director
- Al Reberg
- William Stanford, Retired Attorney

What is the Mission of DHIC?

- "To provide affordable rental and equity housing to all kinds of people, through planned developments across the Triangle."
- "To increase the stock of affordable housing."
- "To provide a niche in the housing market for people like teachers, law enforcement and healthcare personnel."
- Housing counsel and education (sometimes in partnership with other agencies).
- Foreclosure prevention.

What are DHIC's Chief Strengths?

- Reputation for quality construction and ongoing management
- Its financial model: "Because of the way they structure deals, they can put together significant financing for workforce housing, developmental needs and seniors."
- Its size: "They're larger than any other agency (Passage Home, CASA), and they are one of the few developers who are able to get the tax credit money. You have to deliver if you're going to get that money...and they do."

Chief Strengths Continued...

- The fact that they maintain an ongoing relationship with the people they serve.
- Potential and high esteem within the business community: "They wouldn't do a project that the for-profit sector wouldn't do."
- Creativity and innovation, especially in terms of structuring deals and securing financing.
- Leadership and continuity of leadership.

What are DHIC's Chief Threats or Challenges?

(Controllable)

- Low profile among the general public: "DHIC is the best kept secret in the Triangle."
- "They have not done as much as they could in making a case for the need for public money to support affordable housing. Some people are not comfortable with the level of public money that goes into affordable housing."
- Messaging is sporadic and "irregular."
- The ability to connect with more funding sources.

What are DHIC's Chief Threats or Challenges?

(Uncontrollable)

- The rising cost of land, especially in the center city
- Interest rate risk

With What Other Affordable Housing Agencies are you Familiar?
How are they Similar to DHIC?
How are they Different?

- Habitat for Humanity ("Its sources of revenue are similar to DHIC's.")
- Builders of Hope ("Their focus is on home ownership and "recycling" houses.")
- CASA ("Their focus is on multi-family housing for people with disabilities.")
- Raleigh Housing Authority (Governmental Agency)
- Crossland Homes and Evergreen (For-profit developers)
- Community Land Trust (Chapel Hill)
- Good Works
- Passage Home

"There need to be more providers of affordable housing...there need to be more options and more potential deals."

Revenue and Financing

- Very few people made the distinction between "revenue" (to support operations) and "financing" (to fund development).
- Few interviewees had an understanding of DHIC's sources of funding. Most "assumed" that government "grants" were the primary source.
- Several people mentioned rental income.
- Almost none had any idea if DHIC received direct corporate support (aside from project financing) or philanthropic support.

What's in a Name?

- "The name doesn't really describe what they do."
- "The name is 'cumbersome' and non-descriptive."
- "It's a strange name – I'm not a fan of names that don't mean anything."
- "If the name does not change...at least consider adding a descriptive 'tagline.'"
- "A more descriptive name would be helpful...perhaps something like 'Housing Progress.'"
- "Don't spend public money on things like name change and marketing!"

Conclusions

- DHIC has an enviable reputation for building quality housing and providing excellent management.
- In spite of its great reputation, few people – even in the affordable housing arena – know too much about the specifics of how it operates.
- Likewise, DHIC elicits high praise for its impact on the Triangle, but few people know exactly how many people are served, or how much development it is responsible for.
- There is a good bit of confusion over whether DHIC works solely in rental housing, home sales, or both.
- Gregg Warren is universally regarded as a strong, effective leader; he is praised for his thoughtful approach and entrepreneurial mindset.
- On the other hand, Gregg and DHIC are frequently viewed as one and the same.

What's Next? *Recommendations*

- Consider convening some type of annual meeting, perhaps in partnership with the Chamber or other community organization
- IF there is a strategic plan in place, make partners and stakeholders aware of it. IF NOT, develop one.
- Identify major stakeholders – and create a plan for developing strong relationships with them.
- Use visible community leaders to advocate on behalf of DHIC.
- “There is a great story to tell.” Promote your image and visibility by telling the great story.