



**Fundraising Plan
June 2, 2005**

OVERVIEW OF THE FUNDRAISING PLAN

Background

Portland Habitat for Humanity (PHFH) was formed as an affiliate of Habitat for Humanity International in 1981. The organization has completed 100 homes during its first 23 years, and is preparing itself to nearly double that production over the next 5 years.

Each of these homes has been produced using the same unique Habitat formula: extensive use of volunteer labor, donations of construction materials, and generous cash contributions from individuals, corporations, churches, foundations and organizations. In addition each Habitat for Humanity homeowner supplies 500 hours of sweat equity to the construction of their home.

In late 2004 and early 2005, the organization went through an extensive strategic planning process to define the direction and details for our efforts over the next three years. A few of the over-arching themes in this plan include increasing production, building capacity, leveraging our assets and the Habitat name, and strengthening community development efforts and impact through collaboration with neighboring Habitat affiliates and other organizations. As a part of that planning process, this fundraising plan was developed to determine the best way to fund the initiatives that emerged from the strategic plan. This is the first comprehensive strategic plan and fundraising plan developed by the organization, and as such, represent our first, best efforts to define our best strategies for achieving our vision: **A community where everyone has a simple, decent, affordable place to live; and where poverty housing is unacceptable.**

Strategic Direction for Portland Habitat for Humanity

Portland Habitat for Humanity builds partnerships among volunteers, families and the community to transform lives and revitalize neighborhoods by enabling families in need to earn and own a simple, decent, affordable home. Our goals are:

1. New and renovated housing provides families with an opportunity to earn and own a decent, affordable home.
2. HFH partner families make successful transition to homeownership, equipped to succeed financially and become contributing members of their community.
3. Habitat is a credible and recognized voice for the cause of decent affordable housing for all Portlanders.
4. HFH has the right people in the right places to make it all happen.
5. HFH has adequate funding from a diversity of sources to meet budget goals.
6. The public understands and values the work of Portland Habitat for Humanity

7. HFH has the systems and infrastructure to fully support the work of the organization.

From these goal areas, more specific strategies have been developed. For the purposes of the fundraising plan, the functional areas of the plan have been narrowed to seven different programmatic areas, plus two specific reserve funds. These expenses include both the direct and indirect costs associated with delivery of these programs.

- **Construction** – these are the personnel, materials and related direct and indirect costs for building houses. These figures do not include the cost of land acquisition.
- **Family Services** – these are the program costs associated with recruiting and supporting the families that help build and will eventually own the homes provided by Habitat.
- **Volunteer Programs** – these are the costs for recruiting and supporting an active pool of volunteers to support all of our programs.
- **Tithe** – these are the costs for contributing to the construction efforts of Habitat for Humanity, International in other countries. Tithe amounts to ten percent of our unrestricted revenue in a given year.
- **Development** – this includes the direct costs of raising money to support the needs of the organization.
- **Administration** – this includes the direct costs of administratively supporting all programs within the organization.
- **Debt Repayment** – Portland Habitat borrows money on occasion to support the growth and plan of the organization. Current debt includes loans with zero percent interest through Meyer Memorial Trust, 25% of all SHOP grants, and an AAR loan against some of our mortgages.

In addition to these expenses, Habitat has two reserve funds that we are supporting on an ongoing basis. We both contribute to and draw from these reserves in a given year; however, since both appear as expense and revenue areas, we include both in our analysis of funding needs.

- **Operating Reserve** – this reserve includes an operating reserve, a contingency fund and a vehicle replacement reserve. These reserves are used to keep the organizations on schedule during slow revenue times, and also to make unexpected capital purchases. A set amount of funds are put into these reserves on a monthly basis.
- **Land Purchase Reserve** – this is another reserve source that is used to purchase land for future construction. A set amount of funds are put into these reserves on a monthly basis, and large one-time deposits are made on occasion.

SOURCES AND USES OF FUNDS

Three-Year Budget

The funding requirements for Habitat are found in the expense side of the organization's three-year budget. This budget reflects the program priorities established in the planning process. Budget figures for the first year have been defined in great detail and accurately reflect the true costs of implementing the program activities within each function. Future year budgets are based on estimates of program growth from the strategic plan. The overall goal for fundraising is to raise sufficient money to cover

the expense in each functional area of the budget over a three-year period.

	2005-2006		2006-2007		2007-2008	
	Amount	Percent	Amount	Percent	Amount	Percent
Cash Receipts						
Individual Donors	183,000	11%	325,656	15%	411,596	13%
Major Donors (\$1,000+)	102,500	6%	140,000	7%	190,000	8%
Businesses	390,000	23%	525,000	25%	625,000	25%
Grants	175,000	10%	665,000	31%	285,000	11%
Service, Youth and Faith Groups	76,000	4%	110,000	5%	140,000	6%
Mortgage Receipts	253,895	15%	301,895	14%	352,895	14%
Mortgage Asset Program	400,000	24%	0	0%	500,000	20%
Fees and Earned Income	58,000	3%	75,000	4%	80,000	3%
Reserve Drawdown	61,000	4%	0	0%	0	0%
Total Receipts	1,699,395	100%	2,142,551	100%	2,584,491	100%
Cash Disbursements						
Construction	997,153	59%	1,062,446	50%	1,406,871	51%
Family Services	84,849	5%	87,893	4%	91,949	3%
Volunteer Programs	28,698	2%	33,594	2%	31,966	1%
Development	189,179	11%	294,134	14%	324,228	9%
Administration	60,199	4%	63,939	3%	62,731	2%
Tithe	33,850	2%	33,850	2%	33,850	1%
Operating Reserve	153,000	9%	78,000	4%	53,000	2%
Land Purchase Reserve	48,000	3%	350,000	16%	350,000	22%
Debt Repayment	92,586	5%	138,695	6%	229,896	8%
Total Disbursements	1,687,514	100%	2,142,551	100%	2,584,491	100%

The following includes the goals and assumptions that are included in the above budget:

	2005-2006	2006-2007	2007-2008
Number of Houses Built	16	17	18
Number of Homes Sponsored (Cash)	10 @ \$40,000	10 @ \$50,000	12 @ \$50,000
Number of In-kind Homes Sponsored*	4	6	4
Number of New Individual Donors	1,700	1,950	2,300
Total number of Individual Donors	2,369	3,137	4,128
Number of additional staff added	1 (Construction)	1 (Development)	0

* An In-kind Home Sponsor is when a home builder or general contractor provides most of the material and labor to build a home. \$20,000 has been budgeted for each of these homes to cover the cost of any material not donated.

The expense areas listed above will be covered by a variety of revenue sources. A few of the expense areas will get all of the funding from a single revenue source, but most will combine several streams of revenue to cover the expenses of that program. The appropriate revenues for each program depend on such issues as donor restriction, donor appeal, foundation priorities, fundraising strengths and weaknesses,

etc. The table below takes the functional expense areas in the previous chart and assigns revenue to them.

	2005-2006		2006-2007		2007-2008	
	Amount	Percent	Amount	Percent	Amount	Percent
Construction						
Individual Donors	12,559	1%	5,551	1%	58,976	4%
Major Donors (\$1,000+)	30,000	3%	40,000	4%	70,000	5%
Businesses	330,000	33%	435,000	41%	515,000	37%
Grants	0	0%	180,000	17%	140,000	10%
Service, Youth and Faith Groups	70,000	7%	100,000	9%	120,000	9%
Mortgage Receipts	253,895	25%	301,895	28%	352,895	25%
Mortgage Asset Program	300,000	30%	0	0%	150,000	11%
Fees and Earned Income	699	0%	0	0%	0	0%
Reserve Buy Down	0	0%	0	0%	0	0%
Total Construction	997,153	1	1,062,446	1	1,406,871	1
Family Services						
Individual Donors	0	0%	12,893	15%	11,949	13%
Major Donors (\$1,000+)	0	0%	0	0%	0	0%
Businesses	10,859	13%	20,000	23%	20,000	22%
Grants	45,000	53%	50,000	57%	50,000	54%
Service, Youth and Faith Groups	0	0%	5,000	6%	10,000	11%
Mortgage Receipts	0	0%	0	0%	0	0%
Mortgage Asset Program	0	0%	0	0%	0	0%
Fees and Earned Income	1,490	2%	0	0%	0	0%
Reserve Buy Down	27,500	32%	0	0%	0	0%
Total Family Services	84,849	1	87,893	1	91,949	1
Volunteer Programs						
Individual Donors	13,319	46%	13,594	40%	11,966	37%
Major Donors (\$1,000+)	0	0%	0	0%	0	0%
Businesses	14,144	49%	20,000	60%	20,000	63%
Grants	0	0%	0	0%	0	0%
Service, Youth and Faith Groups	0	0%	0	0%	0	0%
Mortgage Receipts	0	0%	0	0%	0	0%
Mortgage Asset Program	0	0%	0	0%	0	0%
Fees and Earned Income	1,235	4%	0	0%	0	0%
Reserve Buydown	0	0%	0	0%	0	0%
Total Volunteer Programs	28,698	1	33,594	1	31,966	1

	2005-2006		2006-2007		2007-2008	
	Amount	Percent	Amount	Percent	Amount	Percent
<i>Development</i>						
Individual Donors	104,510	55%	134,134	46%	124,228	38%
Major Donors (\$1,000+)	62,500	33%	80,000	27%	100,000	31%
Businesses	19,141	10%	30,000	10%	50,000	15%
Grants	0	0%	50,000	17%	50,000	15%
Service, Youth and Faith Groups	0	0%	0	0%	0	0%
Mortgage Receipts	0	0%	0	0%	0	0%
Mortgage Asset Program	0	0%	0	0%	0	0%
Fees and Earned Income	3,022	2%	0	0%	0	0%
Reserve Buy Down	0	0%	0	0%	0	0%
Total Development	189,173	100%	294,134	100%	324,228	100%
<i>Administration</i>						
Individual Donors	8,644	14%	18,939	30%	2,731	4%
Major Donors (\$1,000+)	0	0%	10,000	16%	10,000	16%
Businesses	0	0%	0	0%	0	0%
Grants	10,000	17%	35,000	55%	45,000	72%
Service, Youth and Faith Groups	6,000	10%	0	0%	5,000	8%
Mortgage Receipts	0	0%	0	0%	0	0%
Mortgage Asset Program	0	0%	0	0%	0	0%
Fees and Earned Income	2,055	3%	0	0%	0	0%
Reserve Buy Down	33,500	56%	0	0%	0	0%
Total Administration	60,199	100%	63,939	100%	62,731	100%
<i>Tithe</i>						
Individual Donors	18,000	53%	8,850	26%	8,850	26%
Major Donors (\$1,000+)	10,000	30%	10,000	30%	10,000	30%
Businesses	5,850	17%	10,000	30%	10,000	30%
Grants	0	0%	0	0%	0	0%
Service, Youth and Faith Groups	0	0%	5,000	15%	5,000	15%
Mortgage Receipts	0	0%	0	0%	0	0%
Mortgage Asset Program	0	0%	0	0%	0	0%
Fees and Earned Income	0	0%	0	0%	0	0%
Reserve Buy Down	0	0%	0	0%	0	0%
Total Tithe	33,850	100%	33,850	100%	33,850	100%

	2005-2006		2006-2007		2007-2008	
	Amount	Percent	Amount	Percent	Amount	Percent
<i>Debt Repayment</i>						
Individual Donors	0	0%	78,695	57%	164,896	72%
Major Donors (\$1,000+)	0	0%	0	0%	0	0%
Businesses	0	0%	0	0%	0	0%
Grants	72,000	78%	0	0%	0	0%
Service, Youth and Faith Groups	0	0%	0	0%	0	0%
Mortgage Receipts	0	0%	0	0%	0	0%
Mortgage Asset Program	0	0%	0	0%	0	0%
Fees and Earned Income	20,586	22%	60,000	43%	65,000	28%
Reserve Buy Down	0	0%	0	0%	0	0%
Total Debt Repayment	92,586	100%	138,695	100%	229,896	100%
<i>Operating Reserve</i>						
Individual Donors	75,974	50%	53,000	68%	28,000	53%
Major Donors (\$1,000+)	50,000	33%	0	0%	0	0%
Businesses	10,000	7%	10,000	13%	10,000	19%
Grants	0	0%	0	0%	0	0%
Service, Youth and Faith Groups	0	0%	0	0%	0	0%
Mortgage Receipts	0	0%	0	0%	0	0%
Mortgage Asset Program	0	0%	0	0%	0	0%
Fees and Earned Income	17,026	11%	15,000	19%	15,000	28%
Reserve Buy Down	0	0%	0	0%	0	0%
Total Operating Reserve	153,000	100%	78,000	100%	53,000	100%
<i>Land Purchase Reserve</i>						
Individual Donors	0	0%	0	0%	0	0%
Major Donors (\$1,000+)	0	0%	0	0%	0	0%
Businesses	0	0%	0	0%	0	0%
Grants	48,000	100%	350,000	41%	0	0%
Service, Youth and Faith Groups	0	0%	0	0%	0	0%
Mortgage Receipts	0	0%	0	0%	0	0%
Mortgage Asset Program	0	0%	0	59%	350,000	100%
Fees and Earned Income	0	0%	0	0%	0	0%
Reserve Buy Down	0	0%	0	0%	0	0%
Total Land Purchase Reserve	48,000	100%	350,000	100%	350,000	100%

Description of Fundraising Sources

Portland Habitat for Humanity will be developing a range of funding sources to support the work of the organization. Individuals and companies have historically been the sources that have been heavily relied upon to meet the financial needs of the organization. As the group evolves, it plans to increase revenue from other areas sources to support its work. The following activities are included in the current fundraising program.

1. **Individual Donor Giving.** Individuals contribute to Portland Habitat for Humanity through annual support to the organization. An individual donor is defined as a person who has given gifts totaling less than \$1,000 in a year. Individual donations come into the organization through both acquisition and donor cultivation mailings as well as events such as the fundraising breakfast, special promotions such as Alternative Holiday giving, and other unsolicited donations such as memorials.
2. **Major Donor Giving.** Major Donors are a category designed to encourage larger contributions to the organization. Any individual giving a cumulative total of \$1,000 or more during a calendar year will be considered a major donor. A more personalized process of cultivation, solicitation and recognition will be provided to major donors with the goal of building a stronger relationship between this high-level member and PHfH. Major Donors will also be provided with opportunities to financially support specific programs and projects.

The organization will also develop a Planned Giving program to encourage members and donors to consider PHfH as a beneficiary of a bequest from their estate. That will be a different program and have different strategies, but will complement both the major donor and individual donor programs.

3. **Grants.** We will be applying for grants from private foundations, corporate foundations and government sources. Grant applications to private and corporate foundations are typically focused on supporting specific projects, capacity-building, and equipment/capital purchases. Government grants are typically for land acquisition/ development and down payment assistance for our families. These include SHOP funds at \$120/year, and our one-time funding of \$400,000 from BHCD/HUD funds that will be provided in Year 2 as down-payment assistance.
4. **Businesses.** We will be approaching businesses for home sponsorships, event and media/collateral underwriting, TeamHabitat participation, and cash donations through their community giving programs. Our goal is to have 80% of all our homes fully sponsored by business organizations, and to have all of our events fully underwritten through corporate sponsorships. We also will encourage corporations to match their employee's volunteer hours and cash donations. Finally, we look to businesses to provide the majority of our in-kind donations of building materials and professional services. A special effort will be made each year targeting General Contractors and Home Builders to sponsor homes through soliciting donations of all the material and labor for a home. We will also be holding a Builder's Blitz in

June '06 where we expect to have at least 4 Home Builders blitz build and sponsor homes in this way.

5. **Faith, Education, Professional and Service Groups.** We will be approaching these groups to join together for fundraising toward home sponsorships or tithe matching. These groups often solicit their own members for donations and hold fundraising events for us. We typically have an annual Faith Build where the efforts of the faith community are combined into one house sponsorship.
6. **Mortgage Receipts.** Habitat provides families with a zero interest mortgage once the home is complete. As families make their monthly mortgage payments, the principal portion of these payments go back into the Revolving Fund for Humanity to help build additional homes.
7. **Mortgage Asset Program.** This program involves leveraging or selling our mortgage assets in order to increase our production or capacity. There are various ways of utilizing mortgage assets that need to be assessed each year to determine the best fit for Portland Habitat. No more than 50% of current mortgage assets will be leveraged at any time. This program will focus on creating additional assets through building additional houses or purchasing land.
8. **Fees and Earned Income.** Included in this category are the net proceeds from our Habitat Restore, HabiCar program, and rent from our office space that we lease. While there are high expectations for the ReStore with its recent move to a better location and increased hours of operation, the current income projections are conservative. These will be adjusted during the first year once the ReStore is able to complete its planning and budgeting process. The HabiCar vehicle donations program has very conservative income projections because we are still unsure of the impact of the new tax laws.
9. **Reserve Draw Down.** These are funds taken out of our operating, land, or contingency reserve. The Operating Reserve is used to maintain cash flow during slow revenue times. The Contingency Reserve is available for unexpected capital purchases that occur on occasion. The Land Reserve is a savings account for making future land purchases. Deposits to these funds are typically made on a scheduled monthly basis, with large deposits made on occasion due to unexpected income, leveraged mortgage assets or successful grants.

FUNDRAISING DIRECTION

Fundraising Outcomes

Portland Habitat for Humanity will accomplish several outcomes through the implementation of this plan. These outcomes support the strategic plan goal that "HFH has adequate funding from a diversity of sources to meet budget goals."

1. **Increased total revenue.** Habitat is limited by its available resources, but is committed to

increase the infrastructure and capacity of the group to build more homes in partnership with families and others in the community. Financial growth is the only limiting factor for increasing the pace of our home-building efforts. Therefore the organization is committed to grow the revenues available to support programs by a total of 130% over the next three years.

2. **Stability of funding from all sources.** The work of Habitat is long-term. Stability is vital to ensure the organization's ability to plan ahead, sustain programs and maintain continuity within the organization to be effective over time. Long-term, sustainable resources will be essential to ensure such proactive programs.
3. **Predictable funding from available sources.** Habitat needs to be able to plan ahead, invest in future efforts and grow organizational capacity to meet future levels of activity. To be effective at these efforts, we must have predictable funding to forecast needs and prepare resources.
4. **High percentage of unrestricted revenue.** Unrestricted revenue is essential for program flexibility and to respond to emerging needs and opportunities. Revenue from mortgages provides significant unrestricted revenue. It is very important to maintain a high percentage of unrestricted revenue while also seeking restricted funding for specific activities.

Strategies for Growth

Portland Habitat for Humanity has adopted specific strategies to achieve revenue growth and other fundraising outcomes. These strategies attempt to bring our most creative and innovative thinking to our effort to raise money.

1. **Diversify revenue sources to minimize reliance on any single source of revenue, especially for non-capital expenses.** The broader Habitat's funding base, the more stable and predictable the income. The organization will seek to develop a wide variety of revenue sources, including those not tied to trends in the economy and philanthropy.
2. **Seek support for both cash and non-cash portions of our budget.** Many businesses and individuals support our mission with in-kind resources. Because so much of our work depends on materials, equipment and personnel, contributions in these areas directly offset cash requirements. Finding as many ways as possible for supporters to contribute will be an important strategy to our work.
3. **Invest in land purchases ahead of building schedule to reduce costs and ensure predictable building opportunities.** Land acquisition is one of the most expensive and challenging aspects of our work. Developing a "land bank" will ensure our ability to build homes into the future, and will offset the additional costs of escalating land prices.
4. **Promote planned giving to support the "land bank" fund and operating endowment.** Planned giving has a natural connection to efforts to secure future stability. We will ask our most committed supporters to "give from your estate to support our estate." These funds will purchase lands for the future and create an operating endowment to cover four to six months of operating expenses. Planned giving revenue beyond the needs of these two programs could be

used to accelerate the pace of housing development.

5. **Emphasizes long-term relationships in all efforts to raise funds.** Fundraising success for Habitat will require investment and support from donors and other partners for generations. Therefore, the organization must develop programs that build relationships that provide long-term loyalty and high degrees of donor retention. This might require greater investment up-front that reduces net revenue for some programs in the short-term. However, the long-term benefits should far exceed any limitations that are as a result of investing in long-term relationships.
6. **Develop the capabilities of the Board of Directors to lead major donor fundraising efforts.** The growth of Habitat over the next three years will depend on leadership from the members of the board of directors and other key volunteers. This includes people with a variety of skills, connections and demographic attributes. A small group of board and non-board members will raise money to support Habitat through personal solicitation of support from other major donors. This group would form the core of the individual and corporate fundraising efforts. Portland Habitat for Humanity will grow its capacity for fundraising by both training existing board members to be more engaged and effective in their fundraising roles, and by recruiting additional board members and other volunteers who will commit their efforts into building relationships and asking for money. Training and recruiting are important strategies to create the cadre of fundraising volunteers needed to reach major donors.
7. **Seek multi-year commitments to support programs when requesting support from donors and grantors.** Funders and donors often are not prepared to make a long-term commitment to support Habitat until we have clearly established our credibility with them. Yet longer-term commitments will make it possible to focus attention on current activities plan for the future. Longer-term commitments are an important strategy to ensure the “investment” in the organization is a solid one.
8. **Utilize mortgage assets to leverage additional construction activity and take advantage of land acquisition opportunities.** Opportunities to leverage existing or future mortgage assets are being explored. It is expected that utilizing these assets now rather than waiting on them to flow in through mortgage payments can have a positive impact on the organizations long term productivity and capacity. It is important to evaluate the long-term impact of utilizing such programs, as well as to asses the impact of utilizing the funds in specific capacities now.

FUNDRAISING POLICIES

Gift Acceptance Policy

The Board of Directors reserves for itself the right to refuse any gift which, in our judgment, would not be mission-fulfilling or which is beyond our capacity.

Board Fundraising Policy

The board of directors will provide direct support in fundraising activities. This support will be

coordinated by the co-directors of development, who will make recommendations to the board regarding the appropriate activities and roles for involvement.

Board Giving Policy

Every board member must be willing to make a significant cash gift to Portland Habitat for Humanity. This gift is defined as a significant based on the member's individual financial abilities and is to be defined solely by that member.

Service Area Policy

The Portland HFH affiliate service area is defined as the City of Portland. The service area includes the following zip codes: 97201, 97202, 97203, 97204, 97205, 97206, 97209, 97210, 97211, 97212, 97213, 97214, 97215, 97216, 97217, 97218, 97219, 97220, 97221, 97230, 97232, 97233, 97236, 97239, and 97266. We agree to actively solicit only individuals and organizations located within this area. If an organization or individual from outside of this service area contacts us to get involved or is currently involved with us, we have approval to work with or continue working with them. We will make these individuals and organizations aware of all of the other local HfH affiliates.

Use of Government Funds Policy

Habitat for Humanity International is not a government agency, nor does it accept government funds for the construction of houses. However, Habitat considers all governmental agencies important partners in its mission to eliminate poverty housing. We encourage governments to do what they can to help alleviate the suffering of all those who have no decent, adequate place to live.

Habitat for Humanity welcomes governments contributions to help "set the stage" for the construction of houses. Stage-setting funding and gifts might include land, houses for rehabilitation, infrastructure for streets, utilities, fee abatement and administrative expenses.

Cause Marketing Policy

When a for-profit company or organization approaches PHfH regarding cause-related marketing efforts, the organization will make decisions on a case by case basis. The amount of money that the company is willing to pay to promote their partnership with PHfH should be a comfortable balance with the amount of money they are actually donating toward the partnership.

FUNDRAISING IMPLEMENTATION

The work of fundraising is completed through the activities defined below. These activities are designed to support the strategies and achieve the outcomes defined earlier in this plan. This fundraising plan outlines the current focus and approach undertaken by PHfH, and will be updated regularly to reflect any changes and improvements. The activities below are expected to create the changes necessary to achieve the budget outlined on page 4.

Individual Donors

Individual donors are a core part of our fundraising mix. Our key goals are to increase retention of

current donors, while expanding our donor base and increasing gift sizes. Direct mail will play a major role in both acquiring new donors and retaining existing ones. PHFH will significantly expand its direct mail acquisition in year one through The Russ Reid Company who has made a commitment of a no risk offer to PHFH for the first year. PHFH will assess its relationship with Russ Reid in year one and plans to outsource its direct mail cultivation starting in year two.

- At the end of a three-year period, PHFH expects to increase donor retention from 35% to 65%. To do this, PHFH will improve continuity and timely communication with all donors in the form of appreciation and information and will focus on LYBUNT (Last Year But Unfortunately Not This Year) donors in an effort to better understand cause of attrition. PHFH will also implement pledge recovery and pledge fulfillment efforts.
- PHFH will more than double the number of contributors to our donor program in the next three years through a 60% increase in the number of direct mail acquisition pieces sent, totaling almost 300,000 pieces, to potential supporters. PHFH will also continue to acquire donors through fundraising events and other special giving offers such as alternative giving (in honor and in memory gifts).
- PHFH will increase annual giving among individual donors by encouraging donors to consider giving more through direct mail, increasing the number of monthly donors and holding events to reengage donors.

Major Donors

This is an area that has great growth potential for PHFH and will have long-term results. Activities to help us raise funds in this area include:

- Fun, entertaining, feel-good events with key donors, perhaps celebrating our 25th anniversary
- Develop and implement a planned giving program that will promote “estate-to-estate” giving focusing on our land reserve. We will talk with retirement communities, hold a Planned Giving breakfast, invite key individuals to attend our annual breakfast and talk to professionals that provide financial planning services.
- Engage board members in the identification and solicitation of donors to identify prospects from our database, and then train them to cultivate and ask these donors.
- Cultivate trustees from local charitable and family trusts.
- Create a 25th anniversary “Club”/fundraising campaign toward building a major donor home, or something similar for a minimum gift level.

Grants

We see grants as an under realized area of our fundraising efforts. Priority steps to increase dollars from grant sources include:

- Identify ‘fundable’ projects and programs for grant support, especially in the areas of capital equipment purchases, short-term new growth projects and capacity-building projects (including staffing expansions). We will also investigate corporate foundations that would potentially

support a matching gift program for our direct mail efforts, and grantors such as Meyer Memorial Trust that would consider larger gifts for capacity-building support or land acquisition, or for supporting costs of our direct mail acquisition program for building our donor base.

- Identify grantors who support affordable housing specifically and family support/social services/community development secondarily – including corporate, private foundation and government grant sources. Special focus will be placed on exploring untapped public and government funding sources for land acquisition and development.
- Research those grantors and their program officers. Build relationships with them to get a better understanding of what specific programs they are interested in funding, or if they fund operating support requests.

Businesses

We see significant potential around increasing donations from the Portland business community. They will continue to be a major source of funding for our construction efforts, along with providing underwriting support for our fundraising and ‘feel-good- events, and for creation of marketing materials. Activities to increase dollars from corporations include:

- Increase the percentage of tables sponsored at our annual fundraising breakfast each year, with the goal of having half of the tables sponsored by Year 3.
- Increase the amount of homes that are sponsored by corporate groups each year to 80% of all homes by year 3; also increase our full-home sponsorship level to \$50,000 per home, to more accurately represent our actual costs and match the levels of the other affiliates in the metro area.
- Aggressively market the TeamHabitat program as an ‘entry-level’ for corporate volunteering/giving.
- Research, and recruit for involvement, corporations who generously match employee volunteer time and donations.
- Research, and recruit for involvement, businesses who could provide marketing services (printing, creative design, web design, etc.)
- Target locally-headquartered businesses that are in, or provide service/support to the construction industry.
- Proactively encourage cause-marketing with desired partners; work with media and PR/marketing companies to engage with these companies.
- Increase in-kind donations of construction materials and labor through Builder’s Blitz ’06 and general contractor sponsorships, product manufacture partnerships, and union and associations partnerships. The expected result is an increasing percentage of in-kind donations on the homes we build annually.

Faith, Education, Professional and Service Groups

This area has historically been a very small source of funding for Habitat. We expect to grow this area, but realize its limitations, simply due to ROI issues – these groups take a lot of time and energy to manage, for limited returns. Our goal is to selectively fundraise with these groups in the most efficient and effective way possible. Activities include:

- Focus on cultivating partnerships with organizations that already have a long standing relationship with PHFH.
- Research and recruit youth groups at private schools and faith organizations to volunteer and fundraise.
- Customize our fundraising ask, given an organization’s interests, capabilities and decision-making processes – this includes home sponsorships
- Research and recruit mega-churches – find ways to get them involved in a way that makes sense for them.
- Get on the “speaking circuit” for service organization meetings, and then approach them at a regional/city level to garner cross-club support. The goal would be to get them engaged in regular, annual fundraising event that requires little support from us.
- Solicit tithe funds from service clubs that have an international focus.

Mortgage Asset Program

Our goal is to leverage our mortgage assets over the next three years resulting in an additional \$1.4 million in funds available to increase our organizations production and capacity. In year one of this plan these additional funds will allow us to increase our annual production to 16 homes. In year two and three, the funds will mostly be used to purchase land for future year projects. A program for leveraging mortgage assets will need to be identified at the beginning of the first year and assessed each year following.

Fees and Earned Income

Both the ReStore and HabiCar Vehicle Program will be assessed during the first year and new income projections will be adopted to better represent set goals. ReStore gross revenues are expected to increase due to the new location and expanded hours. With the new tax laws having a negative impact on the HabiCar program our hope is to be able to just maintain past year donations and sales.

- Increase net revenue from Habitat ReStore.
- Maintain annual revenue from Habi-Car program
- Maintain office tenants resulting in steady income from rent payments.