Capacity and Performance Standards for Community Development Corporations

Capacity and Performance Standards for Community Development Corporations is an evaluation tool designed to document the capacity of the CDC, to assess the CDC's performance, and determine the CDC's development stage. For purpose of this assessment tool, Capacity is the "assets" of an organization and can be evaluated at a point in time like a financial balance sheet. Performance standards are expectations of how effectively those assets should be utilized. Boards of Directors, staff, funders and technical assistance providers to systematically determine what are the strengths of a CDC, what are the challenges and where potential opportunities are present can use this assessment tool.

The Capacity Assessment Tool was developed for a number of reasons, including:
- The need for a common language around nonprofits' capacity and performance, both between funders to improve service delivery to nonprofits, and between funders and nonprofits to clarify roles and expectations of both.
- The need for an educational tool for financial intermediaries to use with their funders to attract more resources for nonprofit programs.

The benefits of creating and using the Capacity Assessment Tool include:
- The Assessment Tool can be used by nonprofits and funders to assess the technical assistance, training and financial needs of the organization.
- Boards of Directors, staff and funders of effective CDCs can understand the components and interrelationships of capacity and performance standards.
- Boards of Directors can determine if staff has the tools necessary to carry out current or potential new programs.
- Staff can develop and implement a plan to increase the technical and financial capacity of their CDC.
- Funders can establish performance standards for CDCs, understanding the meeting those performance measures are dependent of he CDC's technical and financial capacity.

CDCs are not presumed to have similar growth paths, rather they are expected to take unique routes to achieving higher stages of development. The assessment tool and its "instructions for use" are designed to recognize and respect that diversity of experience. All the participants in the capacity assessment process; nonprofits, funders, and technical assistance providers, are stakeholders in its successful implementation. The nonprofits can develop additional organizational capacity and expertise, the funders can more effectively allocate their resources, and TA providers can better target their programs to meet identified training needs.

Capacity Assessment Tool
Structural areas

Capacity and Performance Standards for Community Development Corporations is divided into 4 structural areas, or areas of organizational capacity:

- **Organizational Structure**: Characterized by staff and board development, and fiscal/program management.
- **Business and Financial Structure:** Details office procedures, legal issues of incorporation, development of a strategic/business plan, annual budget, accounting procedures, and financial sustainability characteristics.
- **Housing Programmatic Structure**: Focuses on skills and issues relating to housing. Community economic development, social services, conservation or other activities engaged in by a CDC would have a different set of skills and unique issues specific to that program area, so are not included here. These other areas of CDC involvement would have a Programmatic Structure which would be incorporated in the Assessment Tool. At this point, only the Housing Programmatic Structure is incorporated in the Assessment Tool."
- **Community Outreach:** Details the relationship between the CDC, the community it serves, and the political and social environment surrounding it.

The first two columns of each page deal with capacity within each structural area. Column 1 defines what is meant by Capacity in that structural area. For example, what is meant by Organizational Capacity is an effective Executive Director, with a competent and stable staff, effective fiscal and project management, and a strong board with leadership abilities. Included in Column 1 (in bold) is additional CDC resource material that can be used to document and support the CDCs capacity review. A complete document review list is attached at the end of the evaluation form.

Activities are listed in Column 2 that demonstrate, confirm, or suggest examples of each capacity requirement. To understand what an effective Executive Director means you would look for someone that demonstrated a wide range of skills, with good relations with the board, community, and other community leaders. The assessment of a CDC's capacity regarding effective Executive Directorship would include the review of the Director's resume to make that determination.

Performance Standards

The **Capacity and Performance Standards for Community Development Corporations** explores further the relationship between capacity and performance. Performance Standards are developed within a consistent structural framework. For example, the financial ratio of return on assets (profit divided by assets) performance standard measures the effectiveness or "profitability" of a CDC's

capacity assets. To ensure that expectations are sensitive to the different stages of a CDCs development, performance standards are listed for the 4 stages of development (Formative, Emerging, Producing, and Mature).

The overall goal or context that CDCs seek to achieve through their performance in each structural area is written above each section. For example, the goal for a CDC's organizational structure for Executive Director/Staff Capacity is: "(e)ach CDC will strive to develop and retain staff sensitive to the diverse nature of their neighborhoods. They will seek to increase technical competence and training to consistently and efficiently carry out development projects and other tasks that will further the organization's community development mission." The performance standards specific to each stage of development represents how the CDC strives to meet the goal.

Stages of Development

No CDC will travel the same path through the development stages. Experience and local environmental considerations will make each CDC's development unique. Sometimes an organization will reach performance standards in more advanced stages and not in others. Some organizations may skip development stages altogether. This assessment is intended as a model or framework in understanding performance expectations, not as a prescriptive document stating how CDCs "should" develop.

	Formative	**Emerging**	**Producing**	**Mature**
Organizational Structure	A small active Board of community residents working toward paid staff and non-profit legal status.	Expanding board with paid staff and established by-laws, articles of incorporation, and non-profit status.	Broadly representative board with an active committee structure involved in strategic and business planning.	An influential Board with a complex organizational structure that may include subsidiaries.
Business & Financial Structure	Establishing the basic procedures for cash management and reporting.	Basic cash management and financial reporting systems in place.	Systems in place for tracking pipeline of projects with strong accounting and financial management and reporting.	Financial and cost accounting systems used to aid in development of strategic plan.
Programmatic Structure	Planning for or working on the first development project or program.	Implemented at least one project or program successfully.	Project development system in place. A few projects or programs in the pipeline and a	Working on multiple projects at once and expanding work into other activities. Sees

			broader range of community development initiatives undertaken.	mission to include a wider social agenda.
Community Outreach Structure	Rallying issue holds community interest.	Community development plan has the input and priorities of the local residents.	Community buy-in to comprehensive strategic plan with formal partnerships in place that support the organization's activities and mission.	Sophisticated network of partnerships with formal procedures in place for resident support and direction.

Instructions for Use

To implement the capacity assessment process, a number of "rules of thumb" should be followed in administering the Capacity Assessment Tool (CAT).

1.   This tool is not meant to label an organization in a particular stage of development, but rather to provide a framework for understanding the development of a CDC's capacity across four areas of organizational capacity.

2.   CAT should be used to assist CDCs in organizational development and to identify technical assistance and funding needs that can be met by Investment Alliance members. It should not be administered in a punitive, "gotcha" spirit.

3.   The process of assessing the CDC using CAT should be a trust-building experience between the involved parties in which the mutual benefits to each should be emphasized.

4.   CAT should be used to establish clear communication about common goals between funder or TA provider and the CDC.

5.   The evaluation of a CDC can be done by an Executive Director and Board as a self-evaluation of the organization's ability to tackle the projects at hand or proposed new ones. The "capacity columns" can stand alone and combined with a review of the supporting material and documents will form a thorough and complete snapshot of a CDC's capacity. A self-assessment can alert organizations of potential problems and will suggest courses of action. Outside evaluation organizations can use this capacity checklist and supporting material in the same way.

6. The assessment tool should be used to establish benchmarks for CDC to meet, not as an exclusionary device to keep a CDC out of the financing and technical assistance arena. An internal review of a CDC's performance after determining capacity will inform planning and development efforts. An external use, say by a CDC financial provider, can fairly establish standard benchmarks that should be met. Again, only after assessing capacity and providing the tools necessary to achieve an expected level of performance, can and should a CDC be held accountable.

7. Not all CDCs follow the same organizational growth path. The CAT has been developed with the objective of capturing the diversity of organizational experience, not enforcing uniform growth paths. The CAT should be implemented with the understanding that organizations will have different strengths and weaknesses, and this diversity is good.

8. Performance standards are cumulative across stages of development. For example, a CDC whose performance in the capacity category of "competent and stable staff" is at the "producing" stage, should be expected to meet the performance standards for the "formative" and "emerging" stages of that capacity category as well.

9. The Programmatic Structure section, although currently tailored to housing activities, is expected to function in a "plug and play" way. Programmatic Structure sections will be devised in the future for each of the other areas of CDC involvement, e.g., economic development. The Programmatic Structure sections pertaining to each area of a CDC's involvement would then be "plugged" into the Assessment Tool and used to assess the CDC's stage of development in each area of endeavor.

Acknowledgements

7) "Guideline for Community Economic Organizations", Minnesota Center for Community Economic Development; 8) "Performance Standards and Measures for CDCs", Indianapolis Neighborhood Housing Partnership; 9) "Best Practices for St. Paul Community Development Corporations", Unknown Author; 10) "Community Development Corporation Self-Assessment", Neighborhood Progress, Inc. of Cleveland, Ohio.

CDC's Organizational Structure

Executive Director/Staff Capacity

Performance Standard: Staff: Each CDC will strive to develop and retain staff sensitive to the diverse nature of their neighborhoods. They will seek to increase technical competence and training to consistently and efficiently carry out development projects and other tasks which further the organization's community development mission.

Capacity Mature	Activity	Formative	Emerging	Producing
1. Effective Executive Director ❑ Resume	❑ Person with wide range of skills necessary to lead internally and advocate on behalf of the organization externally. ❑ Executive Director maintains effective relations with board, community, and political leaders.	❑ Volunteer Executive Director or working towards one. ❑ Job description and salary structure for Executive director being developed by Board.	❑ Paid executive leadership leading towards 2-4 years experience.	❑ Executive leadership leading towards 5-10 years executive experience. ❑ Increasing attention to management skills.	❑ Experienced executive leadership with entrepreneurial and management skills able to project influence in the community.
2. Competent and stable staff ❑ **Resume including pay scale**	❑ Executive Director hires competent staff to support all aspects of the organization. ❑ Train key employees. ❑ Compensate (salaries/benefits) employees equal with skills, experience, and commitment.	❑ Identifying opportunities to increase expertise through training. ❑ Staffing needs being formulated by Board. ❑ Job descriptions and salary structure being developed by Board.	❑ Up-to-date job descriptions with annual performance evaluations. ❑ Development experience represents 2-5 years experience. ❑ Recruitment efforts are designed to select staff who understand the CDC's mission and embrace its values. ❑ Training and	❑ Development staff represents 5-10 years experience. ❑ Structured performance evaluation system is place. ❑ Training and professional development institutionalized and budgeted. ❑ 2-4 staff members in addition to executive director. ❑ Succession	❑ Development staff with combined 10+ years experience. ❑ Management structure reviewed/restructured to clarify roles and responsibilities and assure coverage of key functions at appropriate depth. ❑ Cross-coverage/training in place to enhance depth.

				professional development linked to mission required. ❑ One additional staff in addition to executive director. ❑ Salaries and benefits are competitive and reflect the values of the organization.	planning concept in place.	❑ Staff skills set expanded for broad community development activities.

Capacity Notes   **Performance Measures Notes**

Board Capacity

Performance Standard: Board: Boards will have the diverse skills required to provide effective oversight to the full range of activities carried out by the CDC. Boards will be responsible for governance of the organization and will play a primary role in shaping the overall policy direction. Given the special relationship of CDC's to their communities, board members should be strategically recruited for their abilities to articulate and effectively represent these communities with particular emphasis on the needs of low and moderate-income people. Boards should reflect the community in which they serve including tenure, age, and income characteristics. Additionally, there shall be board members with the technical wherewithal to assure competent financial and development oversight.

Capacity	Activity	Formative	Emerging	Producing	Mature
1. Board development and leadership ❑ **Board members, employer, affiliated organiza-tions** ❑ **Board orientation manual**	❑ Select board with diverse talents and connections. ❑ Recruit board with expertise and external contacts. ❑ Create vision with clearly articulated objectives. ❑ Well attended and run board & committee meetings, by-laws reviewed periodically.	❑ Core group of residents who can communicate clearly and forcefully the community wishes and concerns. ❑ Board accepts and fulfills its roles and responsibilities as a governing body (committee work, attendance, and fund raising). ❑ Board roles clearly defined with Board manual of all key planning and organizational documents. ❑ Board training and development linked to mission required (training in housing, economic development, financial systems, and organizational structure).	❑ Process in place to define the skills, abilities, and representation needed and to recruit members who can fulfill these needs. ❑ Board membership reflects the community served by the organization. ❑ Annual review of Director. ❑ Develop procedures for new leadership capacity anticipating board turnover. ❑ Annual board review of board/staff mission. ❑ Board has opportunity to increase expertise through training.	❑ Board membership reflects the community and the full range of skills needed on the board. ❑ Executive Committee of the board constituted and works closely with director and staff. ❑ 1-2 additional board committees with active agendas. ❑ Board manual expanded to include formalized processes and procedures. ❑ Annual planning retreat. ❑ Use of ad hoc members to expand knowledge and skill set. ❑ Board training and development institutionalized and budgeted.	❑ Active board and committee structure. ❑ Performance standards for board members. ❑ Skill set needed on the board is periodically refined and used as the basis for recruitment.

Capacity Notes   **Performance Measures Notes**

CDC's Business & Financial Structure

Internal Controls and Operational Capacity **Performance Standard: Internal Controls and Operational Procedures**: he CDC will employ standard business practices, policies, and procedures that ensure the efficient operation of the organization, protects its integrity and provides maximum service to the community.

Capacity Mature	Activity	Formative	Emerging	Producing
1. Office procedural standards ❑ **Office Procedure Manual** ❑ **Accounting Manual** ❑ **Personnel Manual**	❑ Written office procedures regarding personnel, operations and fiscal management. ❑ Appropriate level of basic office support and technical equipment-computers, copier, software, furniture. ❑ Estimate project work requirements and divide among staff and outside consultants - manage consultants.	❑ Looking for office space.	❑ Key CDC systems and procedures in place, e.g. personnel, operations, fiscal management. ❑ CDC complies with current applicable employment, equal opportunity, labor, compensation and related laws. ❑ Information technology in place to support basic office functions and basic accounting (computers, copiers). ❑ Secures office space.	❑ Personnel manual developed and made available to all employees consistent with applicable labor standards. ❑ Personnel processes documented, files maintained for each employee. ❑ Board recognizes its duty to review and approve personnel policies and acts on its commitment to implement these policies. ❑ Information and technology	❑ Personnel manual updated regularly. ❑ Information systems technology applied to streamline operations and achieve productivity.

				infrastructure in place that supports CDC operations and planning.	
2. Internal legal processes and project costs ❑ **Articles of Incorpora-tion** ❑ **By-laws** ❑ **IRS Determin-ation letter** ❑ **Joint Venture Partnerships** ❑ **Subsidiary or affiliate documenta-tion**	❑ Written and properly certified and filed CDC legal structure. ❑ Monitor time and cost ❑ Make cost-benefit decision between hiring new staff versus working with consultants.	❑ CDC pursuing 501©(3) designation, developing by-laws and articles of incorporation.	❑ In good standing with governmental authorities. ❑ Articles of Incorporation, by-laws, and IRS determination letter in place. ❑ Established relationship with legal counsel who is responsive and familiar with organization's mission. ❑ Ability to define and evaluate work.	❑ Legal structures reviewed for appropriateness; board reviews by-laws on an annual basis. ❑ Annual legal review to ensure compliance with corporate, tax, and other laws. ❑ Review of joint ventures, partnerships, MOUs for appropriate legal protection.	❑ Legal structures reviewed for appropriateness on a periodic basis. ❑ Process and procedures in place to evaluate joint ventures, partnerships, and other relationships that further organization's mission.

Fiscal Management Capacity

Performance Standard: Fiscal Management and Control: The CDC will maintain the fiscal and strategic integrity of the organization through the generation of a strategic business plan, budgets, and timely and accurate financial statements which provide a comprehensive view of the organization's current and projected financial status. The CDC will employ appropriate financial management and grant management practices and procedures.

Capacity	Activity Mature		Formative	Emerging	Producing
1. Development of a strategic/ business plan ❑ **Mission Statement** ❑ **Business Plan** ❑ **Strategic Plan** ❑ **Housing needs assessment**	❑ Well-defined mission statement that identifies housing and non housing community needs. A clear development strategy. ❑ Multi-year strategic plan consistent with CDC's mission evaluated at least every year. Adjusting priorities as needed. ❑ Community wide housing needs assessment. ❑ Specific yearly housing development goals.	❑ Well articulated vision working towards a 1 year strategic/business plan, identifying one or more targets of opportunity.	❑ Annual years strategic plan, with several targets of opportunity identified with Board, staff and community input. ❑ Establish board committee responsible for financial oversight. ❑ Demonstrate ability to do adequate financial analysis in its planning and decision making process with respect to mission, and strategic plan. ❑ Ongoing strategic planning process in place, including yearly evaluation of progress by board and staff.	❑ 2 + years strategic plan; pipeline projects reflect connection to strategic plan. ❑ Development of a business plan addressing organizational growth and sustainability. ❑ Institutionalized planning process is accepted as the best method to be used to determine direction. ❑ Planning on a regular basis with growth management as key component. ❑ Board and staff evaluate plan against performance. ❑ Development of a business plan addressing organizational growth and sustainability	❑ 3-5 year strategic plan with comprehensive revitalization approach that is articulated in annual work plan and resources. ❑ Business plan that includes risk assessment and risk management. ❑ Executive Director, Board and staff appropriately involved in their respective fiscal responsibilities; they receive and are able to use financial reports as decision making and planning tools. ❑ Financial analysis is used in planning and decision making process with respect to its mission, long term development strategy and program portfolio.
2. Development of an annual budget ❑ **Budget** ❑ **Annual development production target**	❑ Projects income and expenses and strategies for developing new sources of income. ❑ Early involvement of board in reviewing and approving budget. ❑ Reflects balanced and diversified funding base with increasing fund balance. ❑ Project future funding, staffing,	❑ Develop annual budget and learn budgeting skills.	❑ Budgetary process includes a written budget, a process for modification, board approval and quarterly monitoring. ❑ Skills to accurately produce financial reports to funders are being developed.	❑ Draft budget prepared and circulated well enough in advance of the new fiscal year to enable full discussion and analysis before board adoption. ❑ Financial reports to multiple funders on varied schedules are	❑ Ability to manage changes in revenue and expenses without affecting core CDC mission.

Capacity	Activity	Formative	Emerging	Producing	Mature
number ❑ **Consultant Contract**	and operational needs. ❑ Monitor time & cost. Make cost-benefit decision between hiring new staff versus working with consultants. Use management information systems to ensure quality and affordability of projects. ❑ Contract out professional property/construction managers.		❑ Ability to define and evaluate work.	prepared accurately and on time. ❑ Cash flow projections and analysis are part of annual budget process.	

Capacity	Activity	Formative	Emerging	Producing	Mature
3. Effective fiscal management ❑ **Resume, Time sheet** ❑ **Interim financial statements** ❑ **Annual audit (last 3 years)** ❑ **Asset Management Plan**	❑ A basic accounting and cash management system in place with all required checks and balances. ❑ Dedicated staff position and time for accounting functions. ❑ Bank statements reconciled monthly and financial statement prepared and reviewed. ❑ CDC in fiscal compliance with governmental regulations. Annual audit without findings. ❑ Allocate staff hours to accounting, budget management and fiscal planning. ❑ Train relevant staff with up-to-date fiscal management skills. ❑ Employ management information systems and train staff to use them.	❑ Working towards a computer based accounting system. ❑ Basic accounting and cash management systems in place as initial funds received . ❑ In fiscal compliance with legal and governmental regulations. ❑ Working towards complying with Generally Accepted Accounting Principals.	❑ Resolve all program-monitoring findings. ❑ Provide for accurate and timely preparation of financial reports. ❑ Annual independent audit produced on a timely basis and reviewed by Board. ❑ Can internally produce simple accurate quarterly reports. ❑ Effective bookkeeper services or equivalent provided. ❑ Manages cash and has strong internal controls and procedures manuals in place.	❑ Full time financial manager on staff. ❑ Board treasurer capable and involved, strong Finance Committee. ❑ Monthly financial reports, with comparative data. ❑ Basic financial tools updated, chart of accounts, inventory of fixed assets, accounting software reviewed for appropriateness. ❑ Procedures for tracking predevelopment costs by project and incorporation of cost recovery into project planning. ❑ Reporting and compliance requirements for multiple governmental funding sources and uses. ❑ Ability to manage multiple funding sources.	❑ Ability to access regularly its financial stability and ability to manage the controllable factors that affect the CDC's fiscal health.

Capacity Notes

Performance Measures Notes

Financial and Fund Development Capacity   Performance Standard:

Financial Stability and Funds Development: The CDC will ensure its stability by securing resources sufficient to remain viable and meet the organization's community development mission.

Capacity	Activity	Formative	Emerging	Producing	Mature
1. Financial and Fund Development	❑ Attract and maintain multiple funders. ❑ Allocate sufficient staff hours to researching and pursuing new funding sources. ❑ Devote major effort to securing flexible, multi-year support. ❑ Allocate fund raising between support of operating and program costs.	❑ Public/Private sector funding sources explored and pursued. ❑ Public/private funding secured and close working relationship established with key funding sources (e.g. operational support)	❑ Demonstrate effort to start each new fiscal year without a deficit producing increasing fund balance. ❑ Connections with banks, city government and other key institutions strengthened and expanded. ❑ Aggressive pursuit of funding sources for operations, 2-3 public/private sources in place. ❑ Looking toward internal generation of funds. ❑ Develop annual fund raising plan.	❑ Fund development plan in place that reflects the agency's mission and goals. ❑ Increasing diverse funding base. ❑ Close working relationship with public/private funding sources continues. ❑ 3-4 public/private sector funding sources. ❑ Generating significant internal funds for operations and overhead.	❑ Public/private support maintained; new funding avenues pursued as agency develops new enterprises. ❑ 5 or more public/private sector funding sources. ❑ Diverse forms of funding that meet the specific needs of the CDC strategic plan are identified and pursued. ❑ Expanding internally generated funds for operations and overhead. ❑ Active board involvement in fund-raising with clear, assigned responsibilities.
2. Development Capital	❑ Obtain funds from public sector. Establish line of credit ❑ Raise funds through LIHTC ❑ Charge development fees/other ❑ Develop mixed income/mixed use projects to generate fees. ❑ Obtain grants from national and state foundations. ❑ Diversify project types to reduce dependence on single categories/funding. ❑ Annual fund development plan including evaluation of previous year. ❑ Joint projects	❑ Exploring sources of development capital.	❑ Line of credit established. ❑ Acquire funding for first project from pre-development through permanent financing. ❑ Create plan for access to development capital.	❑ Board members working directly with staff on specific fund development opportunities. ❑ Established pipeline of projects that leverage future development capital. ❑ Established set of development relationships. ❑ Ability to attract debt, equity, and sources of development subsidy.	❑ Annual fund development plan including evaluation of past year's experience. ❑ Asset and risk management plan reviewed for potential source of development funds. ❑ Increasing diverse and complex projects as sources of development capital.

Capacity Notes	**Performance Measures Notes**

CDC's Housing Programmatic Structure

Housing Programmatic Capacity

Performance Standard: CDC's playing a direct development role will produce and complete properties that are responsive to community needs. Such properties will be developed on time, in budget, in full compliance with all reporting requirements, and in a manner that ensures that properties are long-term community assets. It is understood that the responsibilities of a CDC, when acting as a developer include meeting sales and/or occupancy objectives, fulfilling property management and asset management goals/objectives.

Capacity	Activity	Formative	Emerging	Producing	Mature
1. Outcome Measurement	❏ Data collection on target population changes or benefits from CDC activities. ❏ Track changes in community attitudes that are attributable to CDC activities. ❏ Outcome measures are communicated to community stakeholders. ❏ Continually reassess community needs and incorporate into CDC mission.	❏ Can define several measurable outcomes achievable by CDC.	❏ Input by community stakeholders in developing measurable outcomes. ❏ Utilizes a "logic model" or "theory of change" that can illustrate how CDC activities affect measurable outcomes.	❏ Data collection plan for CDC's measurable outcomes. ❏ Baseline data collection on measurable outcomes.	❏ Routinely collects data on measurable outcomes. ❏ Analysis of measurable outcomes (e.g. neighborhood characteristics) for areas of success and opportunities for improvement. ❏ Reports measurable outcomes to community stakeholders. ❏ Uses past performance to set new goals.
2. Skills related to housing development ❏ **Development**	❏ Training & technical competence in all skill areas. Conduct predevelopment planning. ❏ Do site selection, market, and	❏ Developing skills related to basic project planning and management. ❏ Ability to match limited staff and consultant	❏ Ability to identify project opportunities. ❏ Ability to assess feasibility of projects (e.g. marketability and	❏ Ability to meet specific annual and biannual production goals. ❏ Housing production system in place and	❏ Ability to partner or consult with emerging organizations on housing projects. ❏ Establish dedicated

budget, rent schedule, pro forma, construction timetable, rent-up reserve calculation, cash flow analysis ❑ Staff & consultant resumes ❑ Asset Management Plan ❑ List of projects completed and in pipe line	❑ feasibility analysis. ❑ Training in housing finance, marketing & program regulations.	resources to complex and sometimes unexpected project tasks.	affordability). ❑ Knowledge of how to form a development team. ❑ Knowledge of how to package loans. ❑ Knowledge of construction management principles. ❑ Completion of at least one project. ❑ Housing production system being developed. ❑ Ability to identify, recruit, and work with partners.	development pipeline established. ❑ Able to produce financial documents to submit to lenders and regulators.	financing streams tailored to production needs. ❑ Produce a variety of housing types to meet a diversity of community housing needs.

Capacity	Activity	Formative	Emerging	Producing
Mature				

3. Management and disposition standards ❑ **Annual report of housing performance standards for each project** ❑ **Property Management Plan**	❑ Manage projects in accordance with requirements of funding sources (e.g. compliance) ❑ Sale of properties in accordance with requirements of funding sources (e.g. disposition). ❑ Strengthen property management and disposition skills.	❑ Identify potential linkages and partnerships to ensure timely lease-up and sales. ❑ Begin to acquire skills related to property and asset management and sales.	❑ Develop procedures and partnerships to ensure timely lease-up or sales of property.	❑ Formalize property and asset management and sales procedures. ❑ Establish service contracts that provide opportunities for transfer of skills to in-house staff. ❑ Develop and meet specific annual production goals appropriate to mission of organization and need of community. ❑ Ability to ensure that appropriate property management standards are met.	❑ Direct involvement in efficient rent-up or sales of properties. ❑ Establish pipeline of qualified homebuyers and renters to occupy projects. ❑ Use regulatory agreements to ensure long-term affordability.

CDC's Community Outreach Structure

Community Outreach Capacity

Performance Standard: The CDC will develop and implement, on an ongoing basis, an outreach plan that articulates a strategy for how its neighborhood(s) and the diverse constituencies of its service area will: (1) be provided with information so that they understand the role (s) of the CDC and the implications of projects and programs it undertakes; (2) have their input meaningfully sought and reflected in a systematic and ongoing fashion; and (3) encourage partnerships with other organizations that can further the goals of the CDC. The CDC will involve the community in the development, monitoring, and implementation of such a plan, making adjustments, as needed, to fulfill this overall standard.

Capacity	Activity	Formative	Emerging	Producing	Mature
1. Community participation ❑ **Review board agendas, correspond-ence and minutes for**	❑ Process that assures community participation in planning and development decisions. ❑ Hold meeting at convenient times, places and includes community members in setting agenda. ❑ Ensure that board and staff are	❑ Developing strategies to assure community participation in CDC activities (e.g. meetings, focus groups, etc.).	❑ Facilitate long term community residents participation in planning and development decisions with an inclusive process that involves organizations and residents. ❑ Formalized process for	❑ Community participation in planning and development decisions through the use of community forums or neighborhood strategic planning sessions. ❑ Developing and implementing	❑ Institutionalize community participation (e.g., quarterly community-based advisory committee meeting).

Capacity	Activity	Formative	Emerging	Producing	Mature
monthly meetings ❑ **Community Participation Plan**	representative of and responsive to community. ❑ Encourage community input in CDC activities with clear lines of accountability between CDC staff, community, and board.		assuring community participation in planning and development decisions.	representative community participation plan including strategies to foster inclusion of traditionally underrepresented groups (e.g., renters, and seniors).	
2. Relationship with other organizations ❑ **List of partner-ships, MOUs, correspond-ence, meeting documents or leadership arrangement with government, nonprofits, for-profits, & associations**	❑ Relationships between organizations that complement each other for betterment of community. ❑ Partnership with other organizations to make activities complement CDC's agenda. ❑ Support work in coalitions. ❑ Partnership with public and private groups to carry out housing real estate development. ❑ Partnership with other CDC's to fulfill community needs. ❑ Influence other organizations to make activities complement CDC's efforts. ❑ Create links to other CDCs, job trainers, and other service providers in the area.	❑ Regular communication established with other groups in the service area involved with community improvement (e.g. civic groups, churches, NPU, PTA).	❑ Evidence of membership & participation in regional partnerships key to CDC mission (e.g. AHAND). ❑ 2-3 linkages established with other community organizations for specific joint activities. ❑ Participation in municipal planning process (e.g. NPU). ❑ CDC occasionally facilitates forums for community-wide discussion of local issues.	❑ Create and implement an outreach plan. ❑ Multiple linkages with other community organizations for specific projects. ❑ May provide technical assistance and information to other organizations. ❑ Works with other community groups to develop agenda for advocacy.	❑ Diversity in the number and types of collaborations with other community organizations for specific projects. ❑ CDC plays prominent role in grass roots organizing/consensus building in its community. ❑ CDC provides a forum for civic association on an ongoing basis to come together. ❑ May provide consulting services or in-depth technical assistance to other CDCs.

Capacity   Activity   Formative   Emerging   Producing   Mature

Capacity	Activity	Formative	Emerging	Producing	Mature
3. Marketing Outreach & Education ❑ **Newsletters, brochures newspaper articles, advertise-ments, local histories, events, forums** ❑ **Marketing Plan**	❑ Create and participate in networking opportunities, conferences, and social events. ❑ Disseminate regular updates of CDC activity to existing and potential funders. ❑ Disseminate regular updates of CDC activity to local residents and community stakeholders. ❑ Disseminate info on government policy, activities, & economic forces that affect residents. ❑ Make information about CDC available to community. ❑ Educate banks, local governments, and employers about their customers & potential employees.	❑ Initiation of communication of CDC activities to local residents, community stakeholders, and potential funding sources. ❑ Developing communication strategies about organization and community.	❑ Periodic communication of CDC activities to local residents, potential funding sources and the news media. ❑ Formalized material on organization and activities (e.g. brochure). ❑ Gathering and disseminating information about community and CDC (e.g. newsletter, fact sheet).	❑ Conduct educational programs on a regular basis that inform community stakeholders about CDC activities. ❑ Provide evidence of efforts to act as a facilitator or convenor of community issues or opportunities. ❑ Communication techniques formalized. ❑ Development of a marketing/education plan that highlights CDC and community.	❑ Regular and varied communication of CDC activities to local residents, funding and potential funding sources, and news media. ❑ Implementation of marketing/education plan that highlights CDC and community (e.g. Web Site, videos about CDC activities).

4. Leveraging Community Resources	❑ Establish partnerships with other programs to extend CDC reach. ❑ Choose new program area that draws upon existing local skill and fills gaps in those skills in the community. ❑ When implementing new programs, identify existing related local organizations to avoid duplication and draw upon mutual strengths.	❑ Learning about existing resources in local area.	❑ Identifying needs and gaps in filling those needs.	❑ Working with other organizations to develop programs to fill identified gaps.	❑ Institutionalized programs to meet existing local needs. ❑ Draw from regional and national resources to meet existing local needs.
5. Political leverage ❑ **List of board members, job title, employer, and affiliated organiza-tions.** ❑ **Letters of support for projects and programs**	❑ Educate and advocate to public and private officials about community needs. ❑ Create opportunities for constituents to take on positions of responsibility. ❑ Board as training ground for future community leaders. Leadership development.	❑ Identify federal, state, and local representatives and make initial contact.	❑ Show evidence of support within the constituency for CDC projects. ❑ Develop leadership abilities of community members through board membership, general CDC membership, and committees. ❑ Begin to develop agenda for influencing local policy.	❑ Local political involvement and investment in organization's agenda. ❑ Influencing policy regarding own community and community development in general.	❑ Seen by political sector as representative of constituency. ❑ Institutionalizes policy input and activities at the local, state and national level.

Capacity Notes	**Performance Measures Notes**

Georgia Department of Community Affairs (DCA)
Housing Finance Division
CHDO Operating Assistance Program (COAP)
Document Review List

- ❑ Organizational chart
- ❑ Executive Director's resume
- ❑ Resume(s) of support staff
- ❑ Accounting personnel resume
- ❑ Mission statement
- ❑ Business plan
- ❑ Strategic plan
- ❑ Housing needs assessment
- ❑ Budget
- ❑ Interim financial statements
- ❑ Income tax returns for the last two years
- ❑ Most recent audit
- ❑ Consultant contracts(s)
- ❑ Board members, employers, affiliated memberships
- ❑ Board orientation manual
- ❑ Office procedures manual
- ❑ Accounting manual
- ❑ Personnel manual
- ❑ Articles of Incorporation
- ❑ By-laws
- ❑ IRS Non-profit determination letter
- ❑ Joint venture partnership agreement(s)
- ❑ Subsidiary or affiliate documentation
- ❑ Housing development manual
- ❑ Asset management plan
- ❑ Property management plan
- ❑ Project list and stage of completion
- ❑ Development budgets, rent schedule, pro forma, construction timetable, rent-up reserve, cash flow analysis
- ❑ Annual reports of housing performance standards
- ❑ List of partnerships or leadership arrangements
- ❑ Newsletter, brochures, articles, advertisements
- ❑ Meeting agendas and minutes
- ❑ List of sponsored community forums and events
- ❑ Letters of support for projects and programs