



Distressed Cities Technical Assistance Capacity Needs Assessment **Tool**

December 2020

Prepared by the Local Initiatives Support Corporation (LISC)



LISC

Table of Contents

INTRODUCTION.....	3
DCTA CNA Initiation.....	4
CNA Phase 1 Summary.....	4
DESCRIPTION OF THE ASSESSMENT COMPONENTS.....	6
Data Collection and Collaboration.....	6
Part 1 - Fiscal Health and Financial Management Capacity.....	6
Part 2 – Assessment of UGLG Needs and Capacity (Desktop Analysis).....	8
Interviews.....	20
On-Site Assessments.....	22
COMPREHENSIVE QUESTIONS LISTS FOR CNA FOCUS AREAS.....	23
Disaster Recovery and Resiliency.....	23
Governance and Management.....	25
Administrative Capacity.....	26
Fiscal Health and Financial Management Capacity.....	28
Partnerships.....	29
Private Sector Investment Attraction.....	30
Economic Development.....	31
Affordable Housing Development and Preservation.....	32
Public Grant Program Administration.....	34
Underwriting and Project Selection.....	35
Construction.....	36
Cross-Cutting Public Funding Requirements.....	36
Reporting and Monitoring.....	38
CNA REPORT AND TA RECOMMENDATIONS.....	39
Exit Conference.....	39
Report Preparation.....	39
APPENDIX 1: FINANCIAL MANAGEMENT CHECKLIST.....	41
APPENDIX 2: COVID-19 PANDEMIC ASSESSMENT.....	44

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

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INTRODUCTION

The Capacity Needs Assessment (CNA) Tool will be used to guide the CNA process under the U.S. Housing and Urban Development (HUD) Distressed Cities Technical Assistance (DCTA) Program. The DCTA Program is designed to build the administrative capacity of units of general local government (UGLGs), tribal governments, and local governments in U.S. territories with populations under 40,000 that are struggling to recover from natural disasters and/or economic decline.

The DCTA Program has three phases, with the first two divided into subparts:

Phase I: Capacity Needs Assessment

Part 1: Financial Management Assessment

Part 2: Assessment of UGLG Needs/Capacity

Part 3: CNA Report and TA Recommendations

Phase II: Technical Assistance Delivery

Part 1: Financial Management TA

Part 2: TA Related to Requested Assistance

Phase III: Engagement Closeout

The CNA Tool focuses on Phase 1 of the Technical Assistance (TA) Program. It provides the first glimpse of the community and the UGLG, and is the first stage of engagement between the HUD TA provider and the UGLG. This CNA Tool will be used to help the TA provider's team (referred to as CNA Team hereafter) to:

- Create a profile of the community, its economic and demographic characteristics, and its governmental structure and operations;
- Better understand and confirm the needs that were identified in the DCTA request and the community's readiness, willingness, and capacity to engage in the TA process; and
- Inform the development of a subsequent TA work plan to address the challenges of the UGLG and community.

The CNA Tool takes into consideration that DCTA recipients will most likely be small urban or rural distressed communities of varying size with limited staff and capacity. Therefore, the assessment will prioritize areas of particular need and importance to the UGLG. Not all checklists and sections described by this tool will necessarily be included in the assessment, and that determination will be made in conjunction with HUD, the UGLG, and the CNA Team. The CNA will be conducted primarily through desktop research, document reviews, analysis of existing data, and interviews conducted remotely or through web-based technology augmented by site visits¹ when necessary.

¹ Because of the Coronavirus Pandemic, onsite assessments are on hold until such time as it is deemed safe by public health professionals to conduct in-person business.

DCTA CNA Initiation

In order to participate in the DCTA program, the UGLG must submit a TA request to the DCTA email address. HUD then conducts an initial internal assessment of the request. HUD may ask the TA provider to participate in initial calls with the HUD field office and the UGLG. Once this initial assessment has concluded, and if HUD approves the TA request, a CNA request will be issued by HUD to the TA provider for submission of a work plan for HUD's approval. Within the work plan the TA provider will identify one engagement point of contact on the CNA Team (who will also act as the UGLG Needs/Capacity Lead), and one Financial Management Assessment Lead.

Following introductions by HUD, the CNA Team will organize a kickoff meeting with the HUD DCTA staff and the UGLG contact(s) to launch the engagement. The agenda for this meeting will include a review and discussion of the TA assignment, the CNA process, and other details of the engagement. In addition, the UGLG will identify key personnel that will participate in the assessment, and the group will set expectations, identify desired outcomes, and establish the process and timeline to complete the assessment. The CNA Team will provide the UGLG staff with any available background material, as well as an introductory packet consisting of the following documents:

- An "Introduction to the CNA" handout describing the main features of the CNA and process
- HUD DCTA Fact Sheet
- HUD DCTA Frequently Asked Questions handout
- List of the CNA Team members with brief profiles and contact information

CNA Phase 1 Summary

The following provides a brief explanation of the three parts of the first phase of the DCTA Program. Certain elements of Parts 1 & 2 may be done concurrently.

Part 1: Financial Management Assessment

The financial assessment team will use a checklist of documents to guide the process and will use an MS Excel tool to calculate financial ratios that will shed light on strengths and areas for financial management improvement. The purpose of this assessment is to strengthen the financial management skillsets among recipient staff to ensure a sound foundation from which the recipient can grow their resources to carry out their housing and community development goals. The CNA team will use a standardized template to report out the findings of this assessment. (Appendix 1)

Part 2: Assessment of UGLG Needs/Capacity

A **desktop analysis** will be performed on community demographics, changes in economic conditions, impact of natural disasters and capacity of the UGLG and key partners. By collecting, organizing and synthesizing available information, the CNA Team will create a profile of the community that will determine how to use the CNA to address the needs of the assignment. The desktop analysis report will be disseminated to all team members and HUD to ensure everyone has a shared understanding of the environment.

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

Based on the desktop analysis, qualitative research will be conducted in the form of telephone **interviews** with UGLG staff and community stakeholders to gain further insight into the reasons for economic decline, the impact of disasters, and how best to address the issues identified in the TA request. Site visits may be conducted as deemed necessary to ensure a comprehensive assessment. The qualitative research will corroborate and refine the desktop analysis.

Part 3: CNA Report and TA Recommendations

The information gleaned from the document review, interviews, and other community engagement activities will be compiled into a CNA Summary Report along with TA recommendations for discussion with the UGLG and HUD DCTA team.

The CNA Team will meet internally periodically throughout the assessment process in order to share information among team members and to ensure that it is collecting all the information needed to develop a complete report and TA recommendations.

The CNA Tool

The CNA Team will use this tool as a guide to collect relevant documents and conduct the financial and desktop analyses. The CNA Team will secure readily available information related to the community via existing documents from the UGLG staff and website, HUD, and external partners and funders. Each DCTA focus area includes a list of the documents to be collected and a set of questions on which to focus the assessment.

This tool is divided into the following sections:

1. **Description of Assessment Components** - This section describes the various components of the Capacity Needs Assessment.
 - **Data Collection and Collaboration:** This section briefly describes documents that will be requested for review during the assessment and methods for storing, sharing, and communicating among participants.
 - **Fiscal Health and Financial Management:** This section describes the documents and reviews related to fiscal operations and financial stability.
 - **Assessment of UGLG Needs and Capacity:** This section includes information sources; key data points; review of market conditions; review of policies, procedures and internal controls; and the completion of a summary community data template to create the community profile.
 - **Interviews:** This section describes the interview process and presents a list of external partners that are candidates for interviews including UGLG staff, partners, and community leaders that will be selected in consultation with the UGLG for interviews.
2. **Comprehensive Questions Lists** - This section describes the documents, interviewees, and questions for each focus area of potential DCTA.

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

- Onsite Assessments: This section describes the process of how to carry out the onsite assessments.
 - Questions Lists: A comprehensive list of questions from which the CNA Team will select for interviews with the UGLG staff and other community stakeholders and partners, as applicable.
3. **Description of the CNA Report and TA Recommendations** - This section describes the method by which the CNA Team will consolidate findings and deliver the final report containing TA recommendations to HUD.

DESCRIPTION OF THE ASSESSMENT COMPONENTS

Data Collection and Collaboration

The CNA Team will identify and request documents required to conduct the assessment including audits, financial statements, municipal charter documents, organizational charts, current strategic plans, disaster recovery action plans and/or other relevant information. Documents will be taken from online sources to avoid over burdening the UGLG if possible. If necessary, they will be requested directly from UGLG, HUD and/or partners.

The CNA Team will establish a cloud-based file storage account for document storage and collaboration. This folder will be accessible to the CNA Team and designated UGLG contacts. The UGLG contacts will be asked to inform the CNA Team Lead if documents are not available or need to be updated. If the UGLG is unable to provide a requested document, they are asked to advise the CNA Team Lead and provide the reasons why, such as inadequate access to the information, discomfort in sharing the information, or unavailability of the information, etc. The CNA Team will assure the UGLG staff that the purpose of the DCTA program is to help build capacity and it is not intended to be punitive nor address compliance issues, unless that is a part of the UGLG's TA request.

Part 1 - Fiscal Health and Financial Management Capacity

This part of the CNA will assess and document the fiscal health or stability of the UGLG and its financial management capacity to effectively administer public funds. The assessment of fiscal health and financial management capacity will cover the following areas². This assessment is not intended to be an audit or monitoring visit on behalf of HUD. It will identify areas of improvement or gaps in skillsets that will then inform the Direct TA.

1. Accounting Policy and Procedures Evaluation
2. Cost Allocation
3. Payroll
4. Budgeting
5. Disbursements
6. Financial Reporting Policies

² All of these items are described in full in the financial assessment checklist.

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

7. Internal Controls
8. Audit Requirements
9. Grants Management

Fiscal Health Assessment

Using the UGLG's prior year audit and current year actual financial statements, the CNA Team will conduct an analysis of the UGLG's financial health. The analysis should focus on the following fundamentals using financial ratios and other metrics to measure fiscal health:

- Determine if the UGLG has **adequate resources** to meet short and long-term obligations;
- Identify the key **revenue, expense and net asset trends** over the last three years (prior to and subsequent to the most recent disaster event);
- Describe the stability and diversity of **income streams**;
- Describe how any **operating deficits** have been financed including use of reserves, debt, and growing short-term payables;
- Describe the most recent **disaster impact** on the UGLG's financial position and performance;
- Describe the adequacy of the **UGLG reserves**; and
- Identify whether the UGLG is on track with meeting current **budget projections** and describe any major variances.

Financial Management Capacity Assessment

This section assesses the financial management capacity of the UGLG to protect and use federal funds effectively, efficiently, and transparently³. The CNA Team should review relevant policies and procedures, audit reports and other material with a focus on the following fundamentals:

- Review **financial controls** using the most recent single audit, monitoring reports or OIG reports, including schedules of findings, questioned costs, and the UGLG's response in accordance with 2 CFR part 200, and document any open findings or concerns.
- Review accounting policies and procedures and confirm **financial management** procedures conform to the cost principles as required by federal regulations, and document any weaknesses, gaps or concerns.
- Review accounting policies and procedures to confirm the UGLG has **internal control** standards that provide reasonable assurance that transactions are executed in compliance with Generally Accepted Accounting Principles (GAAP).
- Review the UGLG's finance department **organizational chart** to determine if lines of responsibility and authority demonstrate appropriate segregation of duties and adequate internal controls to detect and prevent fraud, waste, and abuse of funds.
- Review accounting policies and procedures to ensure that the UGLG has adequate **payment and financial reporting** standards to ensure timely expenditure of funds and ability to meet federal cash management requirements.

³ The required standards and uniform guidance for all federal awards are found at 2 CFR Part 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

- Review accounting policies and procedures to ensure program expenditures will not result in **improper payments**.
- Review **procurement** policies and procedures to determine compliance with 2 CFR 200.318-326.
- Determine whether the UGLG has adequate procedures in place to ensure **timely expenditure of funds**, including how expenditures are tracked and reported.
- Determine whether the UGLG has an approved **cost allocation** plan, and if not, whether the UGLG would qualify to use the de minimis indirect cost rate.
- Review **recordkeeping** practices to determine if standards demonstrate the ability to meet federal program requirements, as well as those required by state, regional, or county programs.

Data Review - The following documents and information will be requested and reviewed by the CNA Team, as applicable, in the course of the assessment. A full list of documents is included in the Financial Assessment Checklist. (Attachment #)

1. Last three years of audits, including management letters and responses
2. Federal, OIG or State Monitoring reports
3. Recent financial statements and reports including budget to actual comparisons
4. Financial Management or Accounting Policies and Procedures Manual(s)
5. Procurement Policies and Procedures Manual if not included in Accounting Manual
6. Other finance related policies and procedures, if applicable
7. Sample Timesheet
8. Organizational Chart

Part 2 – Assessment of UGLG Needs and Capacity (Desktop Analysis)

The purpose of the desktop analysis is to establish a baseline profile of the community and the UGLG by using readily available information in order to reduce the burden of data collection on the UGLG. The CNA Team will complete the desktop analysis by using existing national, state, regional and local data sources such as audits, websites, reports, studies, information provided by the HUD field office, and notes from the pre-assignment teleconferences with the UGLG. The desktop analysis provides a more independent and objective view of the UGLG and sets the stage for determining the reasons behind the challenges and the strategies to solve them.

The resulting profile serves as a way of understanding the TA request and the UGLG's capacity within the context of local conditions, systems, structures, strengths, and challenges. If a desktop review or other analysis has been recently completed prior to the TA request, the CNA Team will review it to see if the data is relevant and discuss its use with HUD. The HUD TA provider will train team members to conduct the desktop analysis.

The desktop analysis includes review and analysis of the following:

- **Environment** - an assessment of the community demographics, economic trends and market conditions, and the impact of disaster events, including key players and their roles in the community;
- **UGLG Priorities** - an overview of major initiatives that are planned or underway related to housing, economic development, disaster recovery and resilience, neighborhood revitalization, etc., including where the UGLG invests resources, federal initiatives, or disaster recovery efforts;

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

- **UGLG Capacity** - an evaluation of the UGLG’s administrative, financial management and staffing structure and its capacity to manage recovery efforts, administer different sources of funding, underwrite feasible housing and economic development projects as well as the UGLG’s ability to select qualified general contractors and manage construction projects; and
- **Partners** - an assessment of the capacity of UGLG’s local and regional partners and their ability to attract private sector investment and expertise and use volunteers to enhance the service capacity of these smaller distressed communities.

The following sections will describe the desktop analysis process for each focus area, including data sources and questions to focus the research⁴. Each focus area includes a list of data sources for review, and the listed documents and information—as applicable—should be analyzed by the CNA Team. Observations and relevant comments should be noted in the profile. The assessment of current efforts sections list possible current initiatives taking place that should be included in the desktop analysis, as applicable.

A few notes for all sections of the desktop analysis - For many topics, there may be overlap, especially in the disaster recovery and resiliency analysis, as disaster recovery plans can include similar elements. However, if the disaster was not a recent occurrence and the UGLG is now pursuing an unrelated long-term recovery plan, the CNA Team should use the disaster recovery section of the guide as is applicable. All of the data reviews could include assessments of collaborations with local and regional nonprofit organizations, consultants and other relevant stakeholders.

Demographic, Economic, Land Use and Market Data Summary

The first step of the desktop analysis is the demographic, economic, land use and market summary using the UGLG Demographic and Data Template provided below. The completed summary should be included as an attachment in the Capacity Needs Assessment Report.

Data Review - The following documents and information will be reviewed by the CNA Team, as applicable.

- Any locally produced market study prepared by the UGLG or other entity such as local or regional realtor association, or regional planning body
- Relevant market conditions sections of State or County Five-Year Consolidated Plan
- Disaster recovery needs assessment conducted by FEMA or HUD CDBG-DR grantee Action Plan
- Neighborhood revitalization plan or strategy, including approaches to address vacant and abandoned properties or brownfields
- Description of how neighborhood improvement activities are organized and staffed
- Neighborhood Quality of Life indicators, such as crime trends, vacant housing, slum and blight, and housing quality
- Types and levels of state, federal and local public funds allocated to neighborhood improvement

⁴ The consultation interviews and comprehensive question list that appear under each Capacity Assessment Focus Areas in Section 3 will be used to provide further insight into the challenges faced by the UGLG and the community. The desktop analysis will include a reference list of all documents reviewed.

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

- UGLG’s most recent master land use plan, redevelopment plans and transportation plans, including downtown, neighborhood, and/or sector preservation and capital improvement plans
- Regional utility service maps (electric, water, sewer, broadband, etc.) and related capital improvement plans specific to utilities
- Any recent environmental assessments of air and water quality, fire danger, and protected habitats within the UGLG’s sphere of influence
- Acres of vacant properties, brownfields, and contaminated properties (obtain or produce maps if available)
- Description of the UGLG’s planning and transportation functions, including staff size, budget, and staff bios
- Description of the UGLG’s transportation infrastructure, such as highways, connections to subway or light rail, bus routes, train depots, etc.
- Operational Budget(s), including any applicable Statewide Transportation Improvement Programs (STIPs)

The above information will be used to identify and document the essential drivers of the local economy and the pressures on local neighborhoods and households. The market dynamics before and after the relevant natural disaster should be documented.

The following template can be used to summarize the UGLG’s demographic and economic profile.

UGLG DEMOGRAPHIC AND ECONOMIC DATA						
Total Population, 2010 Census (2017 ACS):			Total Population (Estimate), 2018:			
Demographics (Race, Ethnicity, Diversity):			Disaster Declaration in Last Five Years? DR# _____			
Poverty Rate:			Current Unemployment Rate:			
Median Household Income:			Qualify as R/ECAP?			
Homeownership Rate:		# Vacant/Abandoned Homes:	Foreclosures (current year):			
Employment (2018):			Unemployment Average (2015-2018):			
LOCAL GOVERNMENT						
Number of Political Districts or Wards:						
Total UGLG Budget (current fiscal year):			Bond Rating:			
Largest Revenue Sources:						
Current List of Open Grants:			Current disaster-related funding:			
Budget Surplus/Deficits in Last Five Years		'15:	'16:	'17:	'18:	'19:
Total Workforce:		Uniformed:		Non-Uniformed:		

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

Current Key Non-Profit, Business and Philanthropic Partners:		
Does the UGLG have a Master Plan or similar document that guides the UGLG’s planning efforts? If yes, describe any redevelopment, land use or master plans the UGLG adopted prior to any disaster events. Determine, if possible, the impact the disaster(s) had on these plans.	YES:	NO:
Staffing Level for the Planning Department:		

Disaster Recovery and Resilience

For DCTA participants with a major disaster declaration, this section of the desktop analysis will assess and document the impact of the most recently declared natural disaster on the community, the UGLG’s disaster recovery planning and responses, its relationships with emergency partners, and the level of disaster related resources that are currently allocated and will be allocated to the community. This section will also explore a community’s capacity and preparedness to respond to public health emergencies.

Data Review - The following documents and information will be reviewed by the CNA Team, as applicable.

- Date of disaster (must be no earlier than 2015), declaration number and type
- Disaster Recovery (DR) and Resilience Plan
- Reports from FEMA or HUD Disaster teams on unmet needs and funding allocations including conclusions on the impact on residents and the local economy
- Contact information for local federal staff engaged with the community post-disaster
- Contact information from Long Term Recovery Groups and Voluntary Organizations Active in Disasters (VOADs)
- Outline of emergency management partnerships
- Formal and/or informal post-disaster impact assessment reports, with cost, community and priority breakdowns developed for potential federal funding requests
- Receipt of CDBG-DR funding through the State
- List of DR funds received to date from all sources
- Housing quality and resiliency standards used by the UGLG
- Private sources of DR funding received such as American Red Cross, financial institutions, philanthropy, etc.
- Community Assessment for Public Health Emergency Response (CASPER)

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

Assessment of Disaster Impacts

- Using the information provided, the CNA team will conduct an analysis of the impact of the most recent disaster on the community's infrastructure, its housing stock, and its economic life. At a minimum, the following documents and information will be reviewed by the CNA Team as part of the Disaster Recovery and Resilience analysis:
- Determine if the UGLG or other emergency response partners conducted a post-disaster needs assessment and if there is data readily available on unmet needs;
- Review data on the number, location, and types of housing, such as single family, multi-family, rental and owner-occupied, etc., that were damaged;
- Review the disaster recovery needs assessment, if available, to determine the number of abandoned or vacant homes prior to and after the disaster (Were any recovery funds allocated to address this problem(s)?);
- Review data and determine the number and types of businesses and community assets that were damaged or closed, and determine the length of time businesses were closed or limited; and
- Determine the responsiveness of essential local services, such as fire, police, and emergency medical that were able to respond during the disaster and the community's current capacity to respond;
- If there has been a recent public health emergency, determine impacts of that emergency on the UGLG's finances, economy, housing, and other community aspects. This CNA should not be considered a substitute for or equivalent to a focused public health emergency assessment, but it should shed light on how a community plans to respond in the event of an emergency.

Assessment of Current Efforts

- At a minimum, the following information will be reviewed by the CNA Team as part of the Disaster Recovery and Resilience analysis: Determine the status of dislocated families, temporary housing solutions, and health and safety repairs through regional, state, and local efforts, including how many homes are being rebuilt with disaster mitigating methods or environmental/green building codes;
- Determine what types of businesses are needed by the community but remain closed; and
- Describe the disaster response and emergency management system in the region, the UGLG's level of participation, and whether the community participates in a local or regional VOAD.

Governance and Management

This section of the desktop analysis assesses and documents the basic organizational, governance, and management structure of the UGLG and how the UGLG administers the services provided to the community.

Data Review - The following documents and information will be reviewed by the CNA Team, as applicable.

- UGLG's mission and/or aspiration statement and UGLG charter
- UGLG's strategic plan and/or master plan with a list of key goals
- List of elected officials, areas represented, and tenure

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

- Type of governance structure (such as strong mayor, council-manager, etc.)
- List of key program staff (such as UGLG City Manager, Mayor, Department Heads, etc.) and the organizational chart
- List of UGLG departments with brief descriptions, if not included in the UGLG charter
- Any consent decree related to the UGLG- identify any potential impact to TA

Based on a review of the documents above, the CNA Team should conduct an analysis of the governing structure. The analysis should focus on the following fundamentals at a minimum.

- The level and types of management functions and staffing
- The key goals of the UGLG as outlined in its strategic plan
- The UGLG's use of full-time managers and volunteers for management functions
- The level and types of vacant managerial positions
- The existence of any type of consent decree or similar arrangement that impacts the UGLG's management capacity

Administrative Capacity

This section focuses on the leadership, management, and staffing of the UGLG and its partners. The Team needs to assess whether the UGLG has effective staff training, recruitment, and communications processes, and assess the use of volunteers, consultants and collaborations with nonprofit organizations.

Data Review - The following documents and information will be reviewed by the CNA Team, as applicable.

- Full organizational chart and job descriptions for key personnel
- Total number of UGLG workforce (actuals vs. budgeted positions) by department, total number of current vacant positions, total number of part-time and full-time staff, and total number of management positions for the UGLG
- Personnel policies and procedures, as applicable
- Total number of positions that are held by uniformed personnel, such as fire, police, and EMS
- Total number of positions held by volunteers
- Total number of workers currently subject to furloughs or reduced work hours, including hiring or pay freezes
- List of services that are subcontracted externally, including public grant administration
- List of consultants and their functions as needed to assist with delivery of services, program implementation, advocacy, or public policy

Assessment of Current Efforts

Based on a review of the above documents, the TA provider should assess current efforts based on the following considerations.

1. Staffing levels and capacity - Are the organizational structure, staffing levels and skills adequate to address the community's current challenges? If not, determine areas for improvement.

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

2. Intra-governmental relationships - Identify any quasi-governmental or commissions and their structure and/or relation to the UGLG. Do relationships include 501(c)3 or 501(c)4 organizations, appointed or independent boards or commissions, and what additional staffing capacity do these organizations provide?

Partnerships

This section of the desktop analysis collects information that will help the CNA Team understand the nature and breadth of the UGLG's partnership network, including funding, community engagement, leveraged funding, and comprehensive community engagement strategies. This will help determine how the UGLG can better leverage these relationships for long-term economic recovery. In addition, this analysis will help the Team determine the capacity of community-based partners and what capacity-building TA is needed.

Data Review - The following documents and information will be reviewed by the CNA Team, as applicable.

- List of existing or planned relationships or partnerships on specific projects or programs with non-profits, HUD, USDA, State Office of Rural Development, local community groups, philanthropy, financial institutions, and anchor institutions (such as health, education, etc.)
- List of existing or planned communication and coordination between the UGLG and local school district(s), as well as city-, county-, region-, and state-wide entities
- List of non-profit organizations funded or supported through fee-waivers, letters of credit, or real estate transfers by the UGLG over the past five years, including amounts, sources of funding, and services provided
- List of city-wide community or resident associations, as applicable

Based on the document review, the CNA team should be able to understand the non-governmental, inter-governmental, and partner capacity of community stakeholders. Further analysis should focus on the following fundamentals, at a minimum:

- Identify which organizations are critical non-governmental stakeholders in the community and how the UGLG interacts with these stakeholders;
- Identify the nature of the relationships between the UGLG and anchor institutions, including past or prospective partnerships tied to planning and implementation of civic initiatives; and identify the dynamics that might help or hinder these relationships;
- Determine whether the UGLG uses partnerships with the private and nonprofit sector to leverage funding for projects and initiatives; and
- Determine if there is a variety of organizations involved in economic revitalization; describe types of organizations (such as CDCs, BIDs, Chambers of Commerce, for-profit and/or non-profit developers); and describe the types of business and organizational development agencies (such as SBDCs and MBDCs) that operate in the community.

Private Sector Investment Attraction

This section of the desktop analysis is intended to help the Team understand the private sector's

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

participation in community and economic development and how the community attracts private investments. In particular, the CNA Team wants to assess the UGLG's knowledge of federal development programs, including subsidy sources such as Low-Income Housing Tax Credits (LIHTCs) and Opportunity Zones (OZs), and the extent to which market data informs local community development design and implementation⁵.

Data Review - The following information will be reviewed by the CNA Team, as applicable:

- Identify major local or regional employers, including hospitals, that serve the community;
- Identify philanthropic organizations and their focus area(s), such as children, education, affordable housing, etc., along with recent funding levels;
- Review the relevant Qualified Allocation Plan (QAP) and recent LIHTC allocations to determine how communities' affordable housing needs are addressed;
- Review direct funding applications from UGLG to local and national funders;
- Identify the amount of private funds leveraged by public funds aimed at neighborhood improvement and/or neighborhood economic development, including sources of other funding;
- Identify the amount of low-cost private funds leveraged, including philanthropy, financial intuitions, etc.;
- Describe the UGLG's relationship with New Market Tax Credit administering agencies; and
- Identify Opportunity Zones (OZs) in the UGLG's jurisdiction as verified through U.S. Department of Treasury's website and review any OZ investor interests and strategies.

Most of the analysis in this section will likely be conducted through online research and questions with the UGLG, private investors, employers or other stakeholders. Direct interviews with the local Chamber of Commerce or similar entity, financial institutions, developers, philanthropy, anchor institutions (medical and educational), State Housing Finance Agency, and community development financial institutions (CDFIs) will be conducted as necessary.

Economic Development

This section of the desktop analysis will assess and document the UGLG's economic development strategy and implementation plans in order to determine if the UGLG has enough staff, adequate policies and procedures, and the capacity to administer an economic revitalization program that will contribute to the community's long-term recovery.

Data Review - The following documents and information will be reviewed by the CNA Team, as applicable.

- UGLG or Regional Economic Development and Business Recovery Strategies and Plans
- Recent economic market analysis for the community and/or selected neighborhoods

⁵ Parts of this topic area may be addressed in the disaster recovery and resiliency analysis as the private sector such as financial institutions, philanthropy, and humanitarian organizations such as the American Red Cross are often the "first responders" for disaster investment as well as long term rebuilding.

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

- FEMA or CDBG-DR Needs Assessment for the distribution of disaster recovery funding through UGLG or Council of Governments (COGs)
- Status of economic development loan portfolio
- Practices of the UGLG's economic development/commerce department or its equivalent
- List of economic development activities and tools, such as TIF, tax abatement, and business zones
- Size, budget, and bios for economic development staff including loan underwriting experience
- Description of recent and upcoming mixed-use and commercial job creation and retention projects
- Description of local workforce development initiatives and policies and procedures
- Description of initiatives for small, disadvantaged, women- and minority-owned businesses

Using the above information, the CNA team will identify and/or determine the following:

- Review and determine whether the community has its own economic development strategy or is a part of a larger regional strategy, and describe key points of the strategy as relevant, such as industry clusters and business districts;
- Determine the availability and the UGLG's use of economic programs, such as tax rebate, tax increment financing, business zones, and NMTCs in the area;
- Identify job creation, workforce development, small and disadvantaged business assistance programs in the area, and determine the UGLG's familiarity and use of these programs;
- Determine if the UGLG's staffing, policies and procedures, and public and private sector resources are adequate to implement a robust economic development strategy; and
- Identify the local commerce department or other agency that is creating economic opportunity or commercial district improvement, and determine if the entity is a non-profit organization or a unit of the UGLG.

Affordable Housing Development and Preservation

This section of the desktop analysis will help the CNA Team understand the UGLG's housing development and preservation strategies, current activities, developer capacity, housing costs and values, and level of subsidies needed. The section also helps describe how the UGLG intends to achieve its long-term goals for recovery in this focus area.

Data Review - The following documents and information will be reviewed by the CNA Team, as applicable.

- Affordable housing strategic plan including housing program descriptions
- Federal Consolidated Plan for state pass-through grants to UGLGs for affordable housing
- QAP for LIHTC allocations
- Percentage and types of federal pass-through funds, as well as state and local funds for affordable housing
- Roles of key housing staff including loan underwriters and housing inspectors
- Descriptions of recent and upcoming affordable homeownership and rental housing projects
- Continuum of Care Regional Plan for addressing homelessness and coordinating support services

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

- Most recent Analysis of Impediments to Fair Housing Choice and Fair Housing Action Plan
- Local or regional public housing authority 5-year and Annual Action Plan
- Public housing inventory and/or Section 8 voucher program allocations
- Local or state laws prohibiting discrimination based on source of income
- Average annual number of locally funded affordable housing projects over the past five years
- Description of the land bank legal structure in the UGLG or in the state, including information on a local or regional land banking authority
- Number of demolitions in the past five years, including funding sources
- Number of housing units built in the past five years, broken down by market-rate and affordability
- Number of buildable residential properties secured by the UGLG through donations or tax foreclosures

Using the above information, the CNA team will determine the following:

- Review and determine whether the community has its own affordable housing strategy or is a part of a larger regional strategy; describe key points of the strategy as relevant to the TA request, such as housing preservation, homeownership, infill housing, etc.; and identify partners and local and regional partnerships involved in developing affordable housing;
- Review program descriptions and policies and procedures, and document incentives for using tools for developing affordable housing, such as inclusionary zoning, affordability restrictions, impact fee and permit waivers, and local housing trust funds;
- Review State QAP and determine the use of LIHTCs in the area, and assess the UGLG's use of these tools;
- Identify job creation, workforce development, small and disadvantaged business assistance programs in the area, and determine the UGLG's familiarity and use of these programs;
- Determine if the UGLG's staffing, policies and procedures, and public and private sector resources are adequate to implement a robust affordable housing strategy, including identification of existing and potential partners in the UGLG's jurisdiction, such as the public housing authority;
- Review the availability, capacity, and the UGLG's support of local non-profit, community-based, and external developers who have an interest in the community.

Public Grant Program Administration

This section of the desktop analysis assesses and documents public grant funding that the UGLG is eligible to receive or has received in order to help the CNA team understand the management system used by the UGLG and its partners to administer public grant programs. Smaller urban/rural communities are typically not federal entitlement grant communities. They receive federal funds through state allocations as sub-recipients, usually through a competitive application or a designation process based on eligibility criteria⁶.

⁶ Such grant finding sources include HUD's Small Cities CDBG and CDBG-DR programs, USDA Rural Development, the Economic Development Administration (EDA), the U.S. Department of Labor, and the U.S. Department of Justice. Funding includes grants and loan products for affordable housing, infrastructure, workforce development, technical assistance, resiliency planning, and economic development. Some UGLGs receive TA although they are not the direct recipients of funds.

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

Data Review - The following documents and information will be reviewed by the CNA Team, as applicable.

- Description of the use of Federal block grants and indirect subsidy sources such as LIHTCs or NMTCs within the community, including review of State QAPs for LIHTCs.
- Investments in OZs
- Grant proposals submitted by the UGLG
- Grant awards and agreements for federal and state grants to the UGLG
- Periodic and close out grant reports, and federal monitoring, periodic, and close out reports over the past five years including review of details on any unresolved findings or concerns, if applicable
- Number and experience of staff dedicated to Public Community Development Funding
- Grant management policies and procedures
- History and reason for returned or recaptured Federal Funds by funding source, if applicable

The CNA team should conduct an analysis, which focuses on the following fundamentals at a minimum:

- Review local, regional, and state funding sources and action plans and determine which grants the UGLG may qualify for in relation to disaster recovery and rebuilding;
- Determine if the UGLG's staffing, policies and procedures, and public and private sector resources are adequate to manage a public grant, and identify any areas for capacity building.
- Identify existing and new partners in the UGLG's jurisdiction, and review partner records of the State Housing Finance Agency and the Department of Treasury related to LIHTCs and NMTCs, and determine the level of use of those financing tools in the region; and
- Review the relevant QAP and determine what incentives and scoring is available for areas impacted by disasters, as well as any geographic set-aside.

Underwriting and Project Selection

This section of the desktop analysis will help the CNA team understand the UGLG's systems, tools, guidelines, and staffing capacity to conduct financial analysis, underwriting, and selection of housing and economic development projects for investment by the UGLG.

Data Review - The following documents and information will be reviewed by the CNA Team, as applicable.

- Underwriting and project selection guidelines, including subsidy layering for federal, state or local funding, as applicable
- List of housing and economic development projects that have been selected and completed by the UGLG
- List and biographical information on the UGLG's staff charged with underwriting projects
- QAP for LIHTCs

The CNA team will use these documents to ascertain whether the UGLG has clear guidelines for project review, and to determine how many projects have been underwritten and selected using the guidelines. The team will also: review the UGLG's staffing, tools, and guidelines to determine whether they are adequate for underwriting the type of projects in which the UGLG will invest; determine how underwriting

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

is conducted and whether staff and/or consultants are used; and review the application process and determine how subsidy layering is conducted, where applicable.

Construction

This section of the desktop analysis will help the CAN Team understand the UGLG's process for selecting and using general contractors on real estate projects and the UGLG's capacity to manage construction projects to ensure good quality and resilience building practices.

Data Review - The following documents and information will be reviewed by the CNA Team, as applicable.

- Rehabilitation and new construction standards
- Construction policies and procedures, including procedures for bidding, bonding, and set-asides for disadvantaged and/or minority- and women owned businesses, etc.
- List of general contractors and local or regional construction trade associations
- State Housing Finance Agency construction requirements, as applicable

The CNA team will use the documents and information above to document the following:

- Describe the availability of qualified contractors and skilled trades in the market for rehabilitation and new construction projects of various sizes and complexity, and how they are procured and selected;
- Describe the availability and adequacy of rehabilitation and new construction standards and the use of resiliency concepts and methods in rebuilding; and
Determine if the UGLG's staffing, policies and procedures, and public and private sector resources are adequate to manage the construction process.

Cross-Cutting Public Funding Requirements

This section of the desktop analysis helps the CNA team understand the policies and guidelines of the UGLG and its partners that are using public funding in overseeing compliance with the federal, state, or local requirements imposed.

Data Review - The following documents and information will be reviewed by the CNA Team, as applicable.

- Policies and procedures for cross cutting regulations from state and county funding agencies
- Eligibility determination and compliance checklists
- State and County grant and loan program manuals
- Memorandums of understanding (MOUs) or grant agreements between the UGLG and its subgrantees

The CNA Team will use the above documents to ascertain the following:

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

- Review the policies and procedures, tools, and templates, and determine whether they meet the regulations and requirements of the public funding source using the program manuals as a guide⁷; and
- Review MOUs and/or grant agreements, and verify that policies and procedures are in place to meet the grant conditions.

Reporting and Monitoring

This section of the desktop analysis will focus on interviewees, and questions that address the capacity, policies, and procedures of the small community and its partners to document, report on, and monitor public programs.

Data Review - The following documents and information will be reviewed by the CNA Team, as applicable.

- Federal, state and county grant and loan program manuals
- Grant agreement requirements for reporting and monitoring
- Reporting and monitoring policies and procedures
- Copies of ongoing and monitoring reports

The CNA Team will use the above documents to verify that the UGLG has the required policies and procedures, templates, checklists and criteria for reporting and monitoring itself and its partners, and to determine that the UGLG has the capacity to meet the reporting and monitoring requirements.

Interviews

The UGLGs receiving DCTA Program support are likely to vary in size and sophistication. Many UGLGs, regardless of size, may not have the capacity to carry out all its activities, such as government service, publicly funded programs, or disaster recovery. Services can be managed and provided by part time staff, full-time staff assuming multiple roles, and volunteers. To get the most comprehensive view of the UGLG and its administrative capacity, interviews should be conducted with UGLG staff, community leaders, and external partners. The CNA Team should also determine the UGLG's level of engagement with its local, regional, and state partners, and identify opportunities for the UGLG to increase its capacity to deliver programs and services with those partners.

Candidates considered for interviews will depend on the organizational structure of the community, as well as the scope of the DCTA request and HUD assignment. UGLG staff and leadership will be consulted when developing the final list of interviewees. The CNA Team will rely on the UGLG point of contact to: identify local and regional partners; explain the nature of the UGLG's relationships with its partners, stakeholders and community leaders; and determine the appropriate individuals to interview.

The titles listed in the sections below are only approximations. The CNA Team will use its findings to interview key community stakeholders that may not have been previously identified.

⁷ Since the regulations are often comprehensive, the CNA team will review the relevant sections based on the TA request.

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

External partners can include and be classified as follows:

- Public sector partners, such as federal (e.g. FEMA), state, regional and local entities;
- State or regional offices of U.S. Department of Agriculture (USDA);
- District and small business development partners, such as Small Business Development Centers (SBDCs), Business Improvement Districts (BIDs), and incubators;
- Private sector partners such as banks, businesses, developers, property owners, philanthropic organizations, and consultants;
- Workforce development partners such as community colleges, technical schools, and Workforce Investment Boards (WIBs);
- Rural organizations such as local growers, building industry associations, farmworkers or service worker unions, local social service clubs (e.g. Elks and Lions), and tribal entities.
- National and regional organizations, such as NeighborWorks, National Development Council (NDC), Urban Land Institute (ULI), American Planning Association (APA), community development intermediaries, and community action agencies;
- Non-profits and community partners, such as churches, social service providers, community-based development entities, HOME Community Housing Development Organizations (CHDOs), Community Development Corporations (CDCs), and regional or local community action agencies; and
- Disaster recovery and resiliency organizations, such as American Red Cross and Voluntary Organizations Active in Disasters (VOADs).

Name, title, areas of responsibility, and contact information (phone and email) must be provided for each UGLG staff, external partner or community leader to be interviewed.

In smaller communities, local government communication and decision-making is often informal. It is key to identify the informal leaders and to understand how their participation in unofficial networks can be central to learning about data collecting, information sharing, and decision-making networks that keep UGLGs functioning. The CNA must be carried out in a manner that is respectful, prepared and efficiently coordinated. The use of focus groups and surveys may be useful for getting information from partners and community groups.

While the document review and desktop analysis described above will address many of the questions that need to be asked to determine the TA needs, a more detailed question guide to be used as needed and applicable is provided for each potential focus area and can be found below. Questions may be addressed to partners, community leaders, and/or to UGLG staff. The number and type of questions to be used will be selected by the CNA Team. It is important to determine what questions are pertinent to the engagement, as not all CNAs will cover all subjects.

The full set of questions should not be shared with the UGLG staff. The CNA Team will use discussion guides and agendas that provide an overview and context for questions. The CNA Team can use the checkboxes in the left-hand

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

columns of the guide to select the questions it wishes to ask the UGLG staff, community leaders, and/or partners.

The comprehensive question process is as follows:

- The CNA Team reviewer will select the applicable questions to be included as a part of the interviews with the UGLG staff, partners, community leaders and/or residents;
- Additional questions generated by the desktop analysis will be used in the interviews to clarify information or identify specific challenges, TA needs, and priorities;
- The major focus area topic headings of the guide are tied to the sections of the CNA Report, but discussions with UGLG or partner staff are not likely to be linear, and the CNA Team may need to choose questions from different sections for different interviews.
- Questions on disaster recovery and resilience, governance and management, administrative capacity, financial and fiscal health, and market conditions will be key focus areas consistent across all assessments.

On-Site Assessments⁸

The CNA will be executed remotely during the initiation, pre-engagement, desktop review, and pre-interview stages. Based on the responses in the desktop analysis and interview stages, an onsite visit may be needed to provide broader context, conduct community engagement activities, or in the case of a disaster, see the extent of damage. In addition, since the CNA will lead to a TA assignment which may be longer in duration, a site visit during the CNA may serve the purpose of developing the working relationship between the UGLG, the community, and the TA provider. The ability to personally engage with community residents can be a positive and build trust. Face to face contact may be needed to get a better sense of the dynamics between the various community stakeholders and provide education on the CNA and the TA process to follow.

There may be situations where a site visit is ideal for a cohort or collaboration approach, or to present a cost containment opportunity if TA recipients are clustered in the same region. An on-site CNA may be recommended based on the CNA Team's consensus on the following indicators:

- Initial desktop analysis indicates that additional document review will be substantial, and it will be more effective to combine in-person interviews with document reviews;
- There are multi-agency responses and resources involved and scheduling multiple parties in interview groups for in-person sessions will be more efficient than single interviews over many days. The CNA Team may identify cost containment opportunities where multiple open work plans in a common geographic footprint exists;
- UGLG staff is overburdened and an on-site engagement represents a more flexible opportunity to satisfy the needs that would otherwise be achieved during the desktop review and phone interviews; and

⁸ Because of the Coronavirus Pandemic, onsite assessments are on hold until such time as it is deemed safe by public health professionals to conduct in-person business. The CNA team will gather the necessary information via email, phone, and video conference.

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

- The UGLG requests an in-person engagement in order to better navigate language or cultural sensitivities.

The CNA Team will deploy an in-person site visit as part of its assessment that is based on a tested model of work with smaller rural network partners and in disaster areas. The model includes document review, with questions and follow-ups from the document review covered at in-person interviews. Follow-up and/or interviews with on-the-ground partners occur during this targeted field time. Additionally, field time will be spent visiting the work sites of the UGLG including, if applicable, housing units, business areas, community facilities, parks and designated disaster areas. The site visit deployment will follow the interview model outlined in this toolkit and will incorporate appropriate site visits⁹ as identified during those interviews.

COMPREHENSIVE QUESTIONS LISTS FOR CNA FOCUS AREAS

As a follow up to the desktop analysis, the following sections and checklists are intended to increase the CNA Team’s understanding of the unique challenges faced by the community and prioritized in their DCTA request. While the desktop analysis provides baseline information, the capacity needs assessment focus areas identify interviewees and provide detailed questions for those interviews. Interviewees will include UGLG staff, community leaders, officials, and representatives of local stakeholder organizations. The CNA Team will select questions from the relevant list based on the additional information needed, and will determine who the questions will be directed to, with advice from the UGLG staff. The CNA Team will check the relevant boxes in the charts below as a guide for the interviews. For all of the charts below, the Team will select relevant interview questions from each list to supplement the desktop analysis.

Disaster Recovery and Resiliency

Please note, disaster recovery and resiliency strategies may also require the integration of strategies from other focus areas covered in subsequent sections.

Proposed personnel for interviews: UGLG staff responsible for Planning, Housing, and Grants Management; personnel at FEMA (including Regional staff and assigned Joint Field Office (JFO) staff), HUD (including CDBG-DR regional contact and local field office representatives), Department of Labor (DOL), State Emergency Management, Economic Development Administration, USDA and State Rural Development; and key personnel of other statewide, regional, and local nonprofit organizations, as well as consultants that collaborate with the UGLG.

Ask This Question (check if yes)		
UGLG	Partner or local leader(s)	
Essential Local Services (Police, Fire, and Emergency Medical Services)		
<input type="checkbox"/>	<input type="checkbox"/>	Who operates and funds the Police, Fire, and Emergency Medical Services (EMS)?
		Does the UGLG pay into a county or regional cooperative system for Police, Fire, and Emergency Medical Services?

⁹ If travel is possible.

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have performance data on responsiveness to emergency calls for police and fire? Similarly, is there data on successful prevention of damage to property (fire) and crimes (police)?
<input type="checkbox"/>	<input type="checkbox"/>	Is the UGLG's fire department all-volunteer staff? What is the average tenure?
<input type="checkbox"/>	<input type="checkbox"/>	How are smaller local EMS agencies supported? For example, EMS may be supported by a fee on motor vehicle registrations and allocated to each county.
<input type="checkbox"/>	<input type="checkbox"/>	Has a hospital closed within your local service area within the last 10 years? If yes, how has it impacted the community?
<input type="checkbox"/>	<input type="checkbox"/>	Are there any Federally Qualified Health Centers (FQHCs), free clinics, annual free health, or free medical care services in the community?
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have any mutual aid agreements between agencies or jurisdictions to lend assistance with personnel, equipment, or expertise?
<input type="checkbox"/>	<input type="checkbox"/>	How does the UGLG proclaim a local state of emergency to authorize use of local resources, expenditure of local funds, or waive the usual bidding process for goods and services?
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG follow a process for requesting the State Emergency Management Agency to provide state and/or federal assistance?
Public Health Emergencies		
<input type="checkbox"/>	<input type="checkbox"/>	How are your clinics or healthcare facilities tied into (or not) to the work of the disaster preparedness managers?
<input type="checkbox"/>	<input type="checkbox"/>	Does your community do a Community Assessment for Public Health Emergency Response (CASPER)? If so, who is responsible for it? If not, is there another approach to gathering household level epidemiological data?
<input type="checkbox"/>	<input type="checkbox"/>	Are there any public health emergency plans? If so, are they updated and how often?
<input type="checkbox"/>	<input type="checkbox"/>	What is the mechanism for the health department, city/town, and healthcare providers to stay connected and communicate during and after a public health emergency?
<input type="checkbox"/>	<input type="checkbox"/>	Who disseminates public health guidance from the CDC and other public agencies?
DR Impacts, Goals, and Activities		
<input type="checkbox"/>	<input type="checkbox"/>	What has been the experience with other disaster impacts, on timing of planning, rollout of FEMA, CDBG-DR, state emergency funding, and private disaster recovery funding? What lessons were learned from any recent disaster?

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

		Does the UGLG have a plan for coordinating with these different agencies and funding sources?
<input type="checkbox"/>	<input type="checkbox"/>	Is the UGLG part of a state or regional VOAD or does it participate in a local long-term recovery group?
<input type="checkbox"/>	<input type="checkbox"/>	What are the neighborhood improvement priorities of the community leadership? What are the key gaps or areas in which the UGLG leadership identified need for assistance?
<input type="checkbox"/>	<input type="checkbox"/>	What strategies are the community implementing to reduce gaps in access to broadband or the internet? Does the UGLG have any goals related to broadband and connectivity?
<input type="checkbox"/>	<input type="checkbox"/>	Are the recovery needs expected to be met by federal and/or state funds and response?
<input type="checkbox"/>	<input type="checkbox"/>	What is the capacity of non-profits to respond to disasters? Are there any gaps?
<input type="checkbox"/>	<input type="checkbox"/>	How is the disaster affecting program and service delivery limited contractor pool, and materials availability? What are needs and gaps in response?
<input type="checkbox"/>	<input type="checkbox"/>	Has the UGLG determined and mapped where the storm or flood damaged houses and buildings are located?
<input type="checkbox"/>	<input type="checkbox"/>	Are outdated, maxed out, or failing infrastructure systems, including water and/or sewer lines and roads and bridges, having an impact on the UGLG's ability to meet its neighborhood improvement priorities and goals?
<input type="checkbox"/>	<input type="checkbox"/>	Are there houses that are occupied despite being storm damaged?
<input type="checkbox"/>	<input type="checkbox"/>	Where houses have low appraised values, what is the average gap between the post-rehab value and the cost of rehabbing as part of disaster recovery?
<input type="checkbox"/>	<input type="checkbox"/>	Is the UGLG currently receiving funding or participating in any programs related to disaster recovery?

Governance and Management

Proposed personnel for interviews: UGLG City Manager and/or Mayor or designee, Department Head(s), and elected officials, as applicable.

Ask This Question (check if yes)		
UGLG	Partner or local leader(s)	
Governance and Structure		
<input type="checkbox"/>	<input type="checkbox"/>	What is the role of the governing team in addressing any of the UGLG's identified challenges for which the UGLG is requesting technical assistance?
<input type="checkbox"/>	<input type="checkbox"/>	Who are the emerging leaders in the community?

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

Ask This Question (check if yes)		
UGLG	Partner or local leader(s)	
		How are they developed?

Administrative Capacity

Proposed personnel for interviews: UGLG City Manager and/or Mayor or designee, Department Head(s), and elected officials, as applicable. Partner staff from State and regional non-private and other public organizations as well as consultants that supplement the UGLG’s administrative capacity.

Ask This Question (check if yes)		
UGLG	Partner or local leader(s)	
Administrative Effectiveness		
<input type="checkbox"/>	<input type="checkbox"/>	Is the organizational structure and staffing levels and skills adequate to address the community’s current challenges? If no, what are the areas needing improvement?
<input type="checkbox"/>	<input type="checkbox"/>	What are the existing fiscal, political, and human capital resources of the UGLG that could be applied to successful implementation of reforms after federal technical assistance ends?
<input type="checkbox"/>	<input type="checkbox"/>	How do the leadership and management teams communicate the UGLG’s mission and directives with staff?
Intra-Governmental Relationships		
<input type="checkbox"/>	<input type="checkbox"/>	How does the UGLG coordinate and collaborate across departments? Are there any gaps?
<input type="checkbox"/>	<input type="checkbox"/>	Describe any collaborations between quasi-governmental and/or public or private organizations.
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have a redevelopment commission or an independent redevelopment entity? What is that entity’s structure (e.g. 501(c)3 or 501(c)4, appointed or independent board or commission, etc.) and/or its relation to the UGLG? I.e.?
<input type="checkbox"/>	<input type="checkbox"/>	What are some examples of how departments of the UGLG work well together? What are some examples of challenging multi-department coordination?
Staff Recruitment, Retention, and Staffing Levels		
<input type="checkbox"/>	<input type="checkbox"/>	Have there been members of the leadership team who have left the agency and are difficult to replace, or are there others who, if they left, would be difficult to replace?
<input type="checkbox"/>	<input type="checkbox"/>	Do any departments within the UGLG have a retention challenge? What are the causes of retention challenges?

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

<input type="checkbox"/>	<input type="checkbox"/>	Are there current contracts with any employment or temporary services or agencies? Are volunteers used in the UGLG's staffing structure? If so, in which roles?
<input type="checkbox"/>	<input type="checkbox"/>	What workforce development and training opportunities exist? Are there contracts with local firms?
<input type="checkbox"/>	<input type="checkbox"/>	How many positions are political or non-civil service appointees?
<input type="checkbox"/>	<input type="checkbox"/>	How many of those positions have job descriptions used for hiring? How many of those positions can only be filled through a civil service or other type of examination?
<input type="checkbox"/>	<input type="checkbox"/>	How does the UGLG determine which positions will be selected to participate in furlough or layoff programs, if applicable?
<input type="checkbox"/>	<input type="checkbox"/>	How does the UGLG determine that its total compensation program is competitive with those of other organizations competing for qualified competent staff?
<input type="checkbox"/>	<input type="checkbox"/>	Overall, is the UGLG sufficiently staffed to carry out its programs? If no, what departments and/or programs are under or over staffed? If understaffed, what is the cause?
Staff Expertise and Productivity		
<input type="checkbox"/>	<input type="checkbox"/>	In general, does UGLG staff have the skills it needs to effectively do its job? What are the capacity gaps?
<input type="checkbox"/>	<input type="checkbox"/>	How does the UGLG provide training and staff development for employees? Are there written job descriptions, and are they accurate?
<input type="checkbox"/>	<input type="checkbox"/>	Are there any services or operations currently provided by outside contractors that, at one time, were provided by local government employees? How does the UGLG determine when to use contractors vs. employees?
Technology		
<input type="checkbox"/>	<input type="checkbox"/>	How effective is the UGLG in using technology to improve performance?
<input type="checkbox"/>	<input type="checkbox"/>	What are some examples of technological improvements that have been successfully implemented in the past five years?
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have a centralized information technology infrastructure?
<input type="checkbox"/>	<input type="checkbox"/>	What technology infrastructure does the UGLG have that may enable their personnel to work from alternate locations, if needed?
Priority Challenges and Obstacles		
<input type="checkbox"/>	<input type="checkbox"/>	What are the top three administrative challenges facing the UGLG over the next three years?
<input type="checkbox"/>	<input type="checkbox"/>	What, if any, legal obstacles exist to implement reforms of the UGLG (e.g. state law pre-emption, charter, or local law amendment process)?

Fiscal Health and Financial Management Capacity

Proposed personnel for interviews: UGLG staff responsible for finance and budget functions, grant management, etc., as applicable.

Ask This Question (check if yes)		
UGLG	Partner or local leader(s)	
Budgeting and Financial Controls		
<input type="checkbox"/>	<input type="checkbox"/>	Does the organizational chart show established lines of responsibility, approving authorities, and segregation of duties?
<input type="checkbox"/>	<input type="checkbox"/>	Do approval controls provide reasonable assurance that appropriate individuals approve transactions?
Fiscal Health		
<input type="checkbox"/>	<input type="checkbox"/>	What are the underlying causes of changes or trends in revenues and expenditures, operating deficits and/or surpluses and general fund balances over the last three years?
<input type="checkbox"/>	<input type="checkbox"/>	What is the impact of the disaster event on government finances? What is the decline and delinquency rate on major taxes (e.g. property, income)? What are the plans for accessing disaster recovery resources?
<input type="checkbox"/>	<input type="checkbox"/>	What funding resources are used to support community and economic development activities? How does the UGLG decide how to allocate or spend its public grant programs, if applicable? Are decisions on expenditures of public grant program funds arrived through a robust community engagement process?
<input type="checkbox"/>	<input type="checkbox"/>	Has the UGLG applied for and/or received federal grants from a state or county agency that manages federal resources?
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG provide local general tax dollars to support the implementation of housing and community development objectives including HUD, regional, and statewide grant programs, where applicable?
<input type="checkbox"/>	<input type="checkbox"/>	Does the local government provide funding for any other local government entities over which it does not have control (e.g. independent school districts)? If so, which ones and how much do they receive?
Policies, Procedures, and Internal Controls		
<input type="checkbox"/>	<input type="checkbox"/>	Does the organizational chart show established lines of responsibility, approving authorities, and segregation of duties? Do approval controls provide reasonable assurance that appropriate individuals approve transactions?

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

Expenditures and Timeliness		
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have procedures in place to ensure timely expenditure of funds?
<input type="checkbox"/>	<input type="checkbox"/>	Do the procedures indicate how expenditures are tracked each month and steps to address budget variances? Who receives reports and are they current?
<input type="checkbox"/>	<input type="checkbox"/>	Do the procedures indicate how the UGLG monitors expenditures of subrecipients?
Federal or State Pass Through Financial Reporting Systems		
<input type="checkbox"/>	<input type="checkbox"/>	Who handles set up, draws, financial reporting and review of reports for the UGLG? Does this differ by activity or program? Is the UGLG's data and reporting current?
<input type="checkbox"/>	<input type="checkbox"/>	Who handles FederalReporting.gov data entry and review of reports for the UGLG (if applicable)?
<input type="checkbox"/>	<input type="checkbox"/>	Are federal financial and/or reporting systems and the UGLG internal accounting systems routinely reconciled?
Procurement		
<input type="checkbox"/>	<input type="checkbox"/>	What, if any, are the UGLG's goals for M/WBE contracting? How is this incorporated into the procurement process?
Subrecipient Management		
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG use subrecipients to carry out government activities? If so, who are they and how are they used?
<input type="checkbox"/>	<input type="checkbox"/>	What oversight mechanisms are in place to assess capacity, manage agreements, track progress, and monitor subrecipient performance?

Partnerships

Proposed personnel for interviews: UGLG staff responsible for community relations, planning, and neighborhood improvements, as well as local and regional community action agencies, chambers of commerce or similar organizations, non-profits, financial institutions, developers, and philanthropy. Focus groups may be used to perform interviews with multiple partners.

Ask This Question (check if yes)		
UGLG	Partner or local leader (s)	
Non-Governmental Relationships		
<input type="checkbox"/>	<input type="checkbox"/>	What are some examples of successful partnerships with non-governmental organizations?

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

Ask This Question (check if yes)		
UGLG	Partner or local leader (s)	
<input type="checkbox"/>	<input type="checkbox"/>	What is the nature of past collaboration between the UGLG’s public health department (and/or other agency with responsibility for population health improvement) and local health care institutions, if any?
<input type="checkbox"/>	<input type="checkbox"/>	What other opportunities exist for public-private partnerships? What has prevented these partnerships from going forward?
Inter-Governmental Relationships		
<input type="checkbox"/>	<input type="checkbox"/>	What is the current state of relations between the UGLG and other governmental agencies, (such as federal, state, or county governments), and with independent departments and agencies (such as housing authorities, housing finance agencies, or redevelopment authorities)?
Partner Capacity		
<input type="checkbox"/>	<input type="checkbox"/>	What is the capacity of local community-based organizations within the community?
<input type="checkbox"/>	<input type="checkbox"/>	Does the community have strong and engaged community and business leaders?
<input type="checkbox"/>	<input type="checkbox"/>	What types of business and organizational development agencies such as SBDCs and Minority Business Development Centers (MBDCs) operate within the community?
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG financially support or provide technical assistance to community partners and businesses?
<input type="checkbox"/>	<input type="checkbox"/>	Are there partnerships between high functioning organizations and emerging ones?
<input type="checkbox"/>	<input type="checkbox"/>	Is there a culture of collaboration and willingness to influence and advocate for community driven solutions?

Private Sector Investment Attraction

Proposed personnel for interviews: UGLG staff responsible for economic development, housing, and neighborhood reinvestment.

Ask This Question (check if yes)		
UGLG	Partner or local leader	
Private Sector Investment		
<input type="checkbox"/>	<input type="checkbox"/>	Are you working with any major employers on business expansion, job creation, or community improvement activities? What is your opinion about the nature of these relationships and are they working well?

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

Ask This Question (check if yes)		
UGLG	Partner or local leader	
<input type="checkbox"/>	<input type="checkbox"/>	To what degree are health care entities (hospitals, health systems, insurers) in your area involved in efforts to address “social determinants of health,” including quality affordable housing, employment, healthy food access and transportation?
<input type="checkbox"/>	<input type="checkbox"/>	Have local development partners engaged in public-private partnerships? If so, describe.
Opportunity Zones (OZs)		
<input type="checkbox"/>	<input type="checkbox"/>	Are you familiar with OZs? If so, how is the UGLG planning to take advantage of this investment tool?
<input type="checkbox"/>	<input type="checkbox"/>	What are the opportunities for attracting OZ investments? Alternatively, what are the barriers, such as local zoning regulations or rules? Are there potential OZ projects in the development pipeline?
<input type="checkbox"/>	<input type="checkbox"/>	Are there interested OZ investors in the market, including those with a social impact imperative?
<input type="checkbox"/>	<input type="checkbox"/>	Is there a lead organization or planning task force willing to anchor the OZ planning process?
Low-Income Housing and New Market Tax Credits		
<input type="checkbox"/>	<input type="checkbox"/>	Are you familiar with LIHTC and NMTC? If so, how is the UGLG planning to take advantage of these investment tools?
<input type="checkbox"/>	<input type="checkbox"/>	What are the opportunities for attracting LIHTC or NMTC investments? Alternatively, what are the barriers? Are there potential projects in the development pipeline?
<input type="checkbox"/>	<input type="checkbox"/>	Is there a lead organization that proactively works to attract these investments?

Economic Development

Proposed personnel for interviews: UGLG staff responsible for economic development, transportation, grants management, business development. county or regional alliance, county Workforce Development Boards/Workforce Investment Boards, and Chamber of Commerce or similar organization, as well as other statewide, regional, and local non-profit organizations and consultants that collaborate with the UGLG.

Ask This Question (check if yes)		
UGLG	Partner or local leader	
Planning Documents and Processes		
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG solicit private sector input in the establishment of economic development

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

Ask This Question (check if yes)		
UGLG	Partner or local leader	
		goals and have buy-in and support from the business community?
<input type="checkbox"/>	<input type="checkbox"/>	What are the UGLG's priorities? What are the key gaps or areas in which the UGLG leadership identified a need for assistance? Is planning assistance needed?
<input type="checkbox"/>	<input type="checkbox"/>	What are the UGLG's goals for near and long-range planning? Is there general agreement on these goals?
<input type="checkbox"/>	<input type="checkbox"/>	Describe the UGLG's progress against its goals.
Economic Development Goals and Activities		
<input type="checkbox"/>	<input type="checkbox"/>	Have market studies been used to develop economic development strategies for the community or selected neighborhoods?
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG fund direct business assistance or microenterprise assistance? What other types of job creation activities are funded?
<input type="checkbox"/>	<input type="checkbox"/>	How does the UGLG coordinate with commerce department or other agency creating economic opportunity or commercial district improvement?
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have a local business district development strategy, including infrastructure and physical improvement?
<input type="checkbox"/>	<input type="checkbox"/>	What is the UGLG's outreach strategy to understand concerns and build relationships with the business sector, especially business districts?
<input type="checkbox"/>	<input type="checkbox"/>	What type of financial incentives are available for business development? Is the UGLG familiar with economic development funding sources such as USDA, EDA, SBA, the State Small Cities grants, and State Rural Development programs?
<input type="checkbox"/>	<input type="checkbox"/>	What are the local anchor institutions and their influence on the local economy, such as major hospitals, universities, corporations or other entities? Impacts can be through employment, purchasing, land use, real estate development, or other community investments.
<input type="checkbox"/>	<input type="checkbox"/>	What financial institutions have a local presence or serve the community? What are their community investment strategies, CRA goals, demand for services, lending challenges, etc.?

Affordable Housing Development and Preservation

Proposed personnel for interviews: UGLG staff responsible for housing, planning, and grants management; financial institutions, non-profit and for-profit developers, philanthropy; Executive Director and CFO of the Public Housing Authority; personnel at USDA and State Rural Development, and State Small Cities grants, as applicable and other statewide, regional, and local non-profit organizations and consultants that collaborate

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

with the UGLG.

Ask This Question (check if yes)		
UGLG	Partner or local leader	
Strategy and Practices		
<input type="checkbox"/>	<input type="checkbox"/>	What are the priorities of the leadership? What are the key gaps or areas in which the UGLG leadership identified housing needs for assistance and support?
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG partner work with any other regional and county government entities in developing affordable housing in the UGLG area?
Housing Goals and Activities		
<input type="checkbox"/>	<input type="checkbox"/>	Do affordable housing projects align with target areas highlighted in the UGLG's Master Plan?
<input type="checkbox"/>	<input type="checkbox"/>	Is there a clear set of goals, objectives, and procedures for the assemblage, disposition, and reuse of publicly owned land for affordable housing? Does the UGLG own developable land? Have they developed land (turnkey or other) for affordable housing in the past? What is the process for addressing tax-foreclosed properties? Identify any challenges.
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG offer any programs that provide incentives to employers who create employer-assisted housing?
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have a private development subsidy?
<input type="checkbox"/>	<input type="checkbox"/>	Which department(s) fund or develop homebuyer housing or owner-occupied rehabilitation? If more than one department is involved, how do the departments coordinate with one another?
Disaster Recovery – Housing		
<input type="checkbox"/>	<input type="checkbox"/>	How much of the housing stock has been repaired since the disaster?
<input type="checkbox"/>	<input type="checkbox"/>	How much disaster-recovery work remains to be done related to homes?
<input type="checkbox"/>	<input type="checkbox"/>	How many homes are being rebuilt with disaster mitigating methods or environmental green codes?
Public Housing and Housing Choice Vouchers		
<input type="checkbox"/>	<input type="checkbox"/>	Does the Public Housing Authority (PHA) have a Housing Choice Voucher (HCV) Program? Does the PHA have any HCVs available? If no, is the waiting list currently open? Are there any wait list preferences?
<input type="checkbox"/>	<input type="checkbox"/>	How many executed Housing Assistance Payment (HAP) contracts does the PHA have? Do they have any special purpose voucher programs?

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

Ask This Question (check if yes)		
UGLG	Partner or local leader	
<input type="checkbox"/>	<input type="checkbox"/>	What is the PHA's lease up success rate?
<input type="checkbox"/>	<input type="checkbox"/>	Does the PHA partner with private developers and other entities to develop housing and help HUD-assisted families?
<input type="checkbox"/>	<input type="checkbox"/>	Is the PHA financially healthy based on reviewed financials? Is the PHA in receivership or a troubled housing authority?
<input type="checkbox"/>	<input type="checkbox"/>	Has the PHA applied for or gone through any Rental Assistance Demonstration (RAD) conversions?

Public Grant Program Administration

Proposed personnel for interviews: UGLG staff responsible for planning, housing, grants management, and disaster recovery; personnel at HUD, USDA, State Rural Development, State Small Cities grants, and State Housing Finance Agency for LIHTCs, as applicable, and other statewide, regional, and local non-profit organizations and consultants that collaborate with the UGLG.

Ask This Question (check if yes)		
UGLG	Partner or local leader	
Policies, Procedures, and Written Agreements		
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have a written manual of policies and procedures for each public grant program or for each activity type (rental housing, homeownership assistance, etc.)? Review the manual for sufficiency, as relevant.
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG enter into written agreements with each of its partners (such as subgrantees, other non-profits, and/or developers)? Review for sufficiency, as relevant.
Planning Documents and Processes		
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG participate or apply for funding at the state or county level for community development activities?
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have a master plan or a comprehensive plan? How frequently do the plans get updated? What is the public engagement process? How does this plan relate to the Consolidated Plan? Has the master or comprehensive plan been implemented? If no, why not?

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

		What impact has the master or comprehensive plan had on development?
<input type="checkbox"/>	<input type="checkbox"/>	What is the local consolidated planning and State Small Cities grants application process?
<input type="checkbox"/>	<input type="checkbox"/>	What is the land use regulatory development permitting process like, and how does it affect private investment?
Selection of Clients and Partners		
<input type="checkbox"/>	<input type="checkbox"/>	What is the UGLG's process for selecting program partners (such as subrecipients or developers)? How many partners does the municipality currently fund (either in total or by activity and/or funding source)?
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have enough existing partners with the skills necessary to help it undertake programs or activities for which they may apply?
<input type="checkbox"/>	<input type="checkbox"/>	What type of training or capacity building does the UGLG provide to its partners?
Ownership and Property Management		
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG own any vacant, abandoned or tax-foreclosed properties?
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have an asset and property management process? If yes, who is responsible for these tasks? Are there systems and tools in place for managing the UGLG's portfolio of properties?
<input type="checkbox"/>	<input type="checkbox"/>	How does the UGLG ensure that effective property and asset management is occurring at any public-funded properties?

Underwriting and Project Selection

Proposed personnel for interviews: UGLG staff responsible for Planning, Housing, and Grants Management; personnel at USDA and State Rural Development, Housing Finance Agency for LIHTCS, and Treasury Department for New Market Tax Credits; and other statewide, regional, and local non-profit organizations and consultants that collaborate with the UGLG.

Ask This Question (check if yes)		
UGLG	Partner or local leader	
Underwriting and Project Selection Process		
<input type="checkbox"/>	<input type="checkbox"/>	How does the UGLG track projects and/or activities against targeting and priorities identified in the UGLG's master plan and state or federal Consolidated Plan, as applicable? How does the UGLG track or ensure this?
<input type="checkbox"/>	<input type="checkbox"/>	Who makes final decisions concerning project and/or activity selection? How does this vary by activity type or public funding source?

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

Ask This Question (check if yes)		
UGLG	Partner or local leader	
<input type="checkbox"/>	<input type="checkbox"/>	Who is responsible for conducting and documenting the subsidy layering analysis?
Staff Skills		
<input type="checkbox"/>	<input type="checkbox"/>	What is the general skill level of UGLG staff? Does the UGLG contract out underwriting and project selection to external consultants?
Financial Assistance		
<input type="checkbox"/>	<input type="checkbox"/>	What methods does the UGLG use to invest in projects (such as loans, deferred payment loans, grants, etc.)? Does this vary by activity and funding program?
<input type="checkbox"/>	<input type="checkbox"/>	Is the staff skilled at determining the right level and type of assistance needed for a project? How many projects are financially troubled?

Construction

Proposed personnel for interviews: UGLG staff responsible for Planning, Housing, and Grants Management. Personnel at USDA and State Rural Development, Housing Finance Agency for LIHTCS. Other statewide, regional, and local non-profit organizations, and consultants that collaborate with the UGLG.

Ask This Question (check if yes)		
UGLG	Partner or local leader	
Construction Management		
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG maintain a list of qualified contractors and is able to secure at least three competitive bids?
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG work with local and regional non-profits and CDCs, and in what capacity?
<input type="checkbox"/>	<input type="checkbox"/>	Does the process and personnel for monitoring construction and/or rehabilitation vary by activity and/or funding?
<input type="checkbox"/>	<input type="checkbox"/>	What is the UGLG's cost estimating system? Is the system automated?
Codes and Standards, Including Green Building		
<input type="checkbox"/>	<input type="checkbox"/>	What is the process for inspecting and documenting compliance with these standards? Are there any issues with this process?

Cross-Cutting Public Funding Requirements

Please note the intent of the CNA is to lay the groundwork for capacity building and not to document or monitor compliance. If a compliance issue is identified as a part of the CNA, the DCTA Team will refer the UGLG to the

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

funding agency such as HUD or USDA to address. There may be cases where the UGLG needs and requests TA with compliance issues that have an impact on their capacity. Such requests will be included in the TA recommendations to the HUD DCTA Team.

Proposed personnel for interviews: UGLG staff responsible for Planning, Housing, and Grants Management; personnel at HUD, USDA and State Rural Development, Housing Finance Agency for LIHTCS, and Treasury Department for New Market Tax Credits; And RECAP agencies that partner with UGLG; and other statewide, regional, and local non-profit organizations and consultants that collaborate with the UGLG. Interviews may be done with sub-grantees of the UGLG.

Ask This Question (check if yes)		
UGLG	Partner or local leader	
Acquisition/Relocation		
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have the personnel and capacity to ensure that the statutory and regulatory requirements of the Uniform Relocation Act or other local rules are met, as applicable? Please describe.
<input type="checkbox"/>	<input type="checkbox"/>	If yes, are Uniform Relocation Act acquisition requirements being met? What is the process for determining if the proper voluntary sale notices are being sent to sellers? Who is responsible for ensuring compliance with the involuntary sale process?
Environmental Review		
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have the personnel and capacity to ensure that the requirements of the environmental statutes and regulations are met, as applicable? Please describe.
<input type="checkbox"/>	<input type="checkbox"/>	Are historic preservation requirements being met? What is the process used to obtain State Housing Preservation Office (SHPO) approval?
Labor Standards and Drug Free Workplace		
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have the personnel and capacity to ensure that the requirements of the Davis Bacon Act and other labor-related statutes and regulations are met? Please describe.
<input type="checkbox"/>	<input type="checkbox"/>	How does the UGLG comply with the Drug Free Workplace requirements?
Fair Housing and Equal Opportunity		
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have the personnel and capacity to ensure that the requirements of the fair housing and equal opportunity statutes and regulations are met?
<input type="checkbox"/>	<input type="checkbox"/>	What is the process for determining when the Section 504 requirements apply?
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have the personnel and capacity to ensure compliance with the HUD Section 3 requirements?
Lead-Based Paint		
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have the personnel and capacity to ensure that the requirements of the lead-based paint statutes and regulations are met?

Reporting and Monitoring

Proposed personnel for interviews: UGLG staff responsible for Planning, Housing, and Grants Management; personnel at USDA Rural Development’s state or regional office, Housing Finance Agency for LIHTCs, Treasury Department for New Market Tax Credits; RECAP agencies that partner with UGLG; and other statewide, regional, and local non-profit organizations and consultants that collaborate with the UGLG. Interviews may be done with sub-grantees of the UGLG.

Ask This Question (check if yes)		
UGLG	Partner or local leader	
Reporting		
<input type="checkbox"/>	<input type="checkbox"/>	What is the process for collecting and entering project and beneficiary data into grant reporting systems or data bases (if applicable)?
Recordkeeping		
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have the personnel, tools, templates, and processes to maintain programmatic recordkeeping? Are there any capacity gaps?
<input type="checkbox"/>	<input type="checkbox"/>	What is the process for reviewing and retaining records of subrecipients or developers?
<input type="checkbox"/>	<input type="checkbox"/>	What is the process for ensuring confidentiality of personal applicant data?
Outcomes and Performance Measures		
<input type="checkbox"/>	<input type="checkbox"/>	Does the UGLG have the personnel, tools, templates, and processes to track and report on the outcomes of its grant-funded activities?
<input type="checkbox"/>	<input type="checkbox"/>	How has this affected program design?
<input type="checkbox"/>	<input type="checkbox"/>	What affect do these measures have on the UGLG’s and subrecipient’s ability to carry out programs?
Closeout		
<input type="checkbox"/>	<input type="checkbox"/>	What triggers an activity close-out? What is the UGLG’s process for closing out and completing an activity? Are there standardized close-out checklists?

CNA REPORT AND TA RECOMMENDATIONS

Exit Conference

Upon completion of the CNA, including desktop analysis, remote engagement with UGLG and partner staff, and onsite visit¹⁰, as applicable, the CNA team will conduct an exit conference with the UGLG staff and HUD DCTA Team (if available). The exit conference will consist of the following:

1. Review of the main findings of the CNA and their alignment with the requested TA. It is possible that, based on the CNA, additional TA needs may have been identified, TA needs may have changed, or different priorities assigned to the TA request by the UGLG;
2. Review of any follow up actions required on the part of the CNA team and the UGLG, as applicable, such as requests for additional information, names of interviewees, etc.;
3. Discussion of proposed TA recommendations as a result of the CNA; and
4. Review of protocol, timelines, and next steps for report submission, review and approval by HUD, and issuance of TA work plan.

Report Preparation

Within five days of the exit conference, the team lead will send thank you emails to the UGLG staff and partners and assemble the CNA team to prepare the CNA report for submission to HUD. The CNA report will consist of the following sections, as applicable.

1. **Community Profile and Local Market Conditions:** high level summary of key demographic, economic, disaster declaration, and market information on the community.
2. **Governance and Management:** recap of the UGLG's organizational and leadership structure, administrative capacity, and availability of policies and procedures.
3. **Administrative Capacity:** assessment of the knowledge capacity, skill levels, training, recruitment, and communication practices, as well as general capacity of major for-profit and non-profit partners.
4. **Financial and Fiscal Health:** assessment of state of fiscal health, internal controls, budgeting, financial management and effectiveness.
5. **Partnerships with Local and Regional Stakeholders:** assessment of partners, community engagement, partner capacity, and funding relationships.
6. **Private Sector Investment Attraction:** assessment of how the UGLG partners with local, regional, and state organizations, including incentives, knowledge, and capacity to attract private sector investment.
7. **Disaster Recovery and Resilience Planning:** assessment of the impact of disasters and economic decline on the community, its funding sources availability, and its capacity to address neighborhood improvement/revitalization, economic development, affordable housing development and preservation; a summary of the UGLG's capacity to be first provider of

¹⁰ When deemed possible for travel.

Distressed Cities Technical Assistance Program Capacity Needs Assessment Tool

emergency services and coordinate recovery and rebuilding with FEMA, state, and local emergency departments; a recap the most recent storm with an assessment of how the UGLG and community were able to respond; and identification of current or anticipated financial and technical assistance from any other disaster related program.

8. **Public Health Emergencies:** assessment of the public health emergency impact on the community and the UGLG's capacity around communications and coordination.
9. **Public Grant Program Administration:** assessment of how the UGLG uses State, regional, and local funding, including HUD CPD programs, USDA, and State Rural Development and how it manages funding for effectiveness. As a subset, the report will recap the UGLG's capacity related to underwriting and project selection, construction, cross cutting requirements and reporting and monitoring.

The report will include a summary of capacity gaps across all the applicable TA focus areas and highlight those that connect to the UGLG's TA request. The CNA team will list the recommended TA actions that were discussed with UGLG staff. The CNA report will be signed and submitted to HUD for review and discussion, and, upon HUD's approval of the report, a copy will be sent to the UGLG.

APPENDIX 1: FINANCIAL MANAGEMENT CHECKLIST

DCTA Checklist Checklist for Financial Management Capacity Needs Assessment

Document Request

- Last Three-Years Audit including management letters and responses
- Federal, OIG or State Monitoring reports
- Recent financial statements and reports including budget to actual comparisons
- Financial Management or Accounting Policies and Procedures Manual
- Procurement Policies and Procedures Manual if not included in Accounting Manual
- Other Financial related policies and procedures, if applicable
- Sample Timesheet
- Organizational Chart

Accounting Policy and Procedures Evaluation: *(obtain a copy of P&PM)*

1. Does a policy and procedures manual exist for accounting and record keeping and is readily available?
2. Does the financial management policies and procedures describe how it will establish records within its financial management system that show the source and application of funds for various activities?
3. Does the policies and procedures describe record creation, maintenance, and retention requirements that describe how the entity will maintain source documentation to support the financial management system records? [2 CFR 200.302(b)(3); 2 CFR 200.302(a)]
4. Does the established policies and procedures meet Generally Accepted Accounting Principles (GAAP) and cover the critical areas of:
 - a. Roles and responsibilities (including separation of duties)?
 - b. Review and approval processes?
 - c. Reporting processes?
 - d. Processing financial transactions?
5. Does a written chart of accounts exist that accurately reflect categories of income, expenditures, assets, and liabilities?
6. Does the financial management system demonstrate that it will have effective control over, and accountability for, all funds, property, and other assets to ensure they are used solely for authorized purpose?
7. Are there policies and procedures to comply with applicable record retention and access requirements at 2 CFR 200.333?
8. Is there a procurement policy?
 - a. Does it uphold the principles of full and open competition with evaluation of the cost or price of the product or service?
 - b. Does the policy adopt the specific procurement standards of 2 CFR 200.318 through 200.326?

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

Cost Allocation (Validate in Audit)

1. Does the organization have an indirect cost allocation plan or utilize the de minimus rate as prescribed in 2 CFR 200.414?

Payroll (Validate P&PM exist for payroll; review Sample Timesheet)

1. Are there clear policies and procedures for managing payroll activities?
2. Is a time and attendance system in place that accounts for time and effort spent on federal programs?

Budgeting (Review Financial P&PM)

1. Does a policy and procedures manual exist for budgeting?
2. Does the entity have an annual budget development process in place, including steps for review and approval?
3. Does the budget process cover the following?
 - a. Projected ongoing revenues and expenditures
 - b. Occasional or special revenues and expenditures
 - c. Capital expenditures

Disbursements (Validate in Financial P&PM)

1. Are there procedures to ensure that program expenditures will not result in improper payments? [2 CFR 200.302(b)(4)]
2. Are their procedures to take prompt and appropriate corrective actions(s) to address any identified improper transactions? [2 CFR 200.302(b)(4) and 2 CFR 200.303(d)]

Financial Reporting Policies (Validate in Financial P&PM; review budget to actual report if available)

1. Does written policies exist for financial reporting?
2. Does the financial management system provide for comparison of expenditures to the budget reporting?

Internal Controls

1. Is there an organizational chart? Ensure org chart reflects separation of duties.

Audit Requirements (*obtain a copy of last three years audit and management report or other monitoring reports*)

1. Is the annual audit up to date; if not, determine reasons for delay. Are there any findings, concerns, adverse or qualified opinions?
2. Does the UGLG require a single or program-specific audit in accordance with 2 CFR part 200, Subpart F, Audit Requirements? If required, has the audit been performed?

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

3. Have all audit findings or concerns been adequately addressed in accordance with 2 CFR 200.511(b) and 2 CFR 200.511(C)?

Grants Management

1. Is there a Grants Management system that provides the basis for monitoring, controlling, and reporting on progress, schedule, costs, and milestones provided for in grant agreements?
2. Does the grant management system identify expenditures according to classification that identify the use of eligible activities permitted [2 CFR 200.302(a) and (b)(3)]?
3. Does the grant management system include procedures to ensure it will charge to the award only allowable costs incurred during the period of performance?

APPENDIX 2: COVID-19 PANDEMIC ASSESSMENT

The COVID-19 pandemic has reached far beyond the realm of public health and healthcare to infiltrate most aspects of public policy and governance at the local level. In order to control the spread of COVID-19, public health experts have encouraged communities across the country to enact some form of modification to economic activities and activities of daily living through at least the end of 2021. The shutdowns to businesses and restrictions on gatherings that began on March 13, 2020 have had an indelible impact on local communities in a variety of ways including shrinking of economic activity, creating stresses on owners and renters' ability to meet housing payment obligations, reducing general revenue, and straining UGLG's administrative capacity to deliver services to their communities. The documents and information as well as the interview questions listed below will assess the short- and medium-term impacts of the pandemic on housing and economic development. The information gathered will also assess where to focus TA with the intention of guiding UGLGs towards solutions that support their long-term recovery strategies. This assessment does not replace a more in-depth public health assessment and plan.

Data Review - The CNA Team will review information to gauge the depth of the impact of the pandemic on the community using following information, where publicly available.

- Hospital visits
- Emergency department visits
- Infections rates for infectious diseases
- Mortality numbers
- Air/Water quality
- Staffing in public health sectors – doctors, nurses, mental health professionals, others

(Information from the housing and economic development sections of the CNA will shed light on the pandemic's impact on those topics):

Proposed personnel for interviews: UGLG City Manager and/or Mayor or designee, Department Head(s), non-profit staff, and elected officials, as applicable.

Ask This Question (check if yes)		
UGLG	Partner or local leader	
<input type="checkbox"/>	<input type="checkbox"/>	What impact has the pandemic had on your homeless population? What has the UGLG or other partners done to assist this vulnerable group during the pandemic?
<input type="checkbox"/>	<input type="checkbox"/>	How are renters and homeowners doing in your community? Are renters able to continue paying rent? How are landlords faring? What concerns are local landlords having that you've been working to address?

Distressed Cities Technical Assistance Program
Capacity Needs Assessment Tool

Ask This Question (check if yes)		
UGLG	Partner or local leader	
		Have homeowners in your UGLG been able to continue paying their mortgage, or otherwise negotiate forbearance with their lenders?
<input type="checkbox"/>	<input type="checkbox"/>	<p>What percentage of local businesses have been able to remain open?</p> <p>What type of policies are being implemented for businesses that are open? Is this because of state or local guidance, or the business itself is setting guidance?</p> <p>Were local businesses able to access PPP loans successfully?</p> <p>If no, what were some of the barriers?</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p>What staff roles at the UGLG have been essential during the pandemic?</p> <p>What additional staff positions would be helpful to manage something like this more successfully in the future?</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p>How have your UGLG operations and management shifted during the pandemic?</p> <p>Are employees able to work remotely? What challenges and opportunities has this presented?</p> <p>In terms of office operations, what would be useful to memorialize in the event of a future public health emergency like the COVID-19 pandemic?</p>