



## INSTRUCTIONS

### HOW TO USE THIS TOOL

The **Deciding Which Activities to Fund Tool** uses a simple four-point scale to assign values to six evaluation factors:

- Need
- Market Conditions
- Geographic Priorities
- Partnership Possibilities
- HUD Resources
- Leverage Funds

The four-point scale ranges from a low of 1 to a high of 4, and measures the **urgency, potential impact, feasibility, partner capacity, resource adequacy, and possibility for collaboration** of the identified activity. The grantee may score activities as higher or lower depending on local priorities. For example, if a grantee identifies through its Needs Assessment and Market Analysis that there is a priority need for new construction of affordable rental housing to serve multiple income groups, the grantee may score this activity higher than an activity that would provide a social service to a limited number of people. The grantee may assign a greater weight to the rental housing activity by scoring it higher across the six factors, which would yield a higher overall score on the assessment tool.

The **Deciding Which Activities to Fund Tool** can be used by grantees not only to evaluate the impacts and feasibility of different activities but also to compare similar activities proposed by multiple groups. By rating potential activities across a number of factors, the grantee may discover that one group has a strong history in performing a specific activity, while another group has access to other funding sources that will help leverage HUD and local funds. This tool will help the grantee evaluate these differences and think strategically when making funding decisions about groups proposing similar activities.

After evaluating each activity against all of the factors and assigning point values, grantees can tally the total number of points and compare across activities. Not all evaluation criteria may be relevant to a given activity. The grantee should assign point values only for the factors that are relevant. The differences between activities will help the grantee identify the relative strengths and weaknesses of the various activities.

The **Deciding Which Activities to Fund Tool** is not a foolproof method for assigning values to activities. Grantees also should consider the context of the proposed activities and use the tool as a guide to aid their decision-making. A low score may not necessarily indicate that the activity is not worth sponsoring. Some activities that address a specific and critical need may not offer the same opportunities for leveraging, partnership, and potential impact as other activities but still may be important to undertake.

Before completing the tool, grantees should have the following information about proposed activities:

- A description of the activity and the population it is designed to serve
- Specific numerical goals for the people the activity will benefit
- The location of the activity, if applicable
- The staff qualifications of the organization implementing the activity
- The project history of the organization, including successes and failures
- Knowledge of other activity partners, including funders

### IDENTIFYING ACTIVITY

To begin completing the **Deciding Which Activities to Fund Tool**, briefly describe the activity at the top of the screen and add a short nickname for the activity. The nickname will appear on the comparison report to help you compare activities.

An "activity" could be a project, such as construction of new rental units; a service, such as providing supportive services to victims of domestic violence; or a program, such as an owner-occupied housing rehabilitation loan program. Or an "activity" could be a specific proposal for a type of activity. For example, if you issue an RFP to solicit partners to manage a housing rehabilitation program, you could use the **Deciding Which Activities to Fund Tool** to compare proposals from different organizations.

Users rate activities on a four point scale, with a score of 1 indicating the activity does not meet the criteria to undertake the selected activity and a score of 4 indicating it strongly meets the criteria to take action.

### STEP 1: ADDRESSING NEED

The **Deciding Which Activities to Fund Tool** identifies various population groups by income, household type, and people who are homeless or have special needs. Grantees should refer to their Priority Needs Summary and data collected for the Needs Assessment section of their Consolidated Plan when assigning point values to factors listed in the **Deciding Which Activities to Fund Tool's** section on Needs Data. Users can assign higher point values to groups that show a higher level of need.

Use NA-10 through NA-50, SP-25 and SP-28 in the eCon Plan Template to guide ratings for this section of the tool.

### STEP 2: ADDRESSING MARKET CONDITIONS

The Market Conditions section of this tool identifies aspects of housing markets to help users determine if the local market could support a given product or service. Grantees should refer to information collected in the Market Analysis section of the Consolidated Plan when completing this section. Assign higher point values for factors that reflect the high demand and low supply of the needed product or service.

Use MA-10 through MA-45 and SP-30 in the eCon Plan Template for information to guide ratings for this section of the tool.



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### STEP 3: CORRELATING WITH GEOGRAPHIC PRIORITIES

In the Geographic Target Areas section, users rate geographic priority area activities. Some grantee activities may not be geographically based and, therefore, they may not score as highly in this section as others that are intended to have a direct impact on a limited area of the jurisdiction. However, a low score on geographic targeting does not necessarily mean the activity is not worth sponsoring. It may mean that the activity addresses a need that is area-wide versus a need that is specific to a given neighborhood or sub-area.

Use SP-10, Geographic Priorities, in the eCon Plan Template for information to guide ratings for this section of the tool.

### STEP 4: EVALUATING PARTNERS

The Potential Partnerships section helps users evaluate the capacity of potential partners. In addition to qualifications presented in a proposal, grantees often gain in-depth knowledge and information about partners through the Consolidated Plan consultation process and monitoring of past activities. In the case of agencies and organizations that do not have an established history of completed community development projects, assessing their other completed projects and programs can give grantees a good picture of the potential partner's capacity and resources.

Use PR-10, Consultation, and SP-40, Institutional Delivery Structure, in the eCon Plan Template to guide ratings for this section of the tool.

### STEP 5: IDENTIFYING FUNDING RESOURCES

Before completing the **Deciding Which Activities to Fund** Tool's sections CPD Funds and Other Leveraged Funds, the grantee should inventory the range of funding resources that may be available to support the activity.

Use SP-35 Anticipated Resources, in the eCon Plan Template for information to guide ratings for this section of the tool.

### THE FINAL STEP: ADDING IT ALL UP

The final step in using the tool is to add up all the points assigned to an activity across the six evaluation factors. The tool displays this figure next to **Total Rating Points for this Activity** at the bottom of the page. The grantee can then compare the point totals across the activities it is considering funding.

The **Deciding Which Activities to Fund** Tool is not designed to replace the decision-making authority of locally appointed and elected officials. As discussed previously, grantees can use the tool in a variety of ways to inform decisions. In general, the total score is a reflection of how well the activity meets the grantee's priorities. These scores can be used to compare similar activities or to identify those activities that are most compelling. In some cases, grantees may want to assign a minimum score to projects and consider only the activities that exceed that score.





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PLEASE ENTER INFORMATION FOR ACTIVITY 1:

DESCRIPTION

NICKNAME

## NEEDS DATA

## RATING

## COMMENTS / REASONS

Number of households in substandard housing  
 Number of households w/severe overcrowding  
 Number of households overcrowded  
 Number of households w/cost burden >50%  
 Number of households w/cost burden >30%  
 Number of households w/disproportionate need  
 Number of unsheltered homeless adults  
 Number of unsheltered homeless families  
 Number of chronically homeless individuals  
 Number of chronically homeless families  
 Long wait for homeless prevention assistance  
 Number of elderly/frail elderly  
 Number of persons w/disabilities  
 Number of persons w/HIV/AIDS  
 Number of victims of domestic violence  
 Number of persons needing supportive services  
 Number of cost burdened owner households  
 Non-housing community development needs  
 Needs for public services/programs  
 Other

## MARKET CONDITIONS

## RATING

## COMMENTS / REASONS

Population increase, esp. Low income households  
 Limited supply of decent, affordable rentals  
 Limited supply of larger rental units  
 High rent rates/cost burdened renters  
 Limited rapid rehousing options  
 Deteriorating public housing stock  
 Deteriorating owner occupied homes  
 Deteriorating owned manufactured homes  
 Deteriorating rental complexes  
 Limited number of affordable for-sale units  
 Declining supply of affordable rentals  
 Declining supply of affordable for-sale units  
 Insufficient supply of transitional housing  
 User capacity of public facilities inadequate  
 Long waiting lists for housing assistance  
 Long waiting lists for supportive services  
 High rate of foreclosures  
 Limited financing for first time buyers  
 High commute times  
 Other

## GEOGRAPHIC TARGET AREAS

## RATING

## COMMENTS / REASONS

High unemployment  
 High concentration of underserved households  
 Designated redevelopment area  
 Meets local blight definition  
 Public facilities deteriorating  
 Lack of private investment  
 Economic dislocation  
 Other

POTENTIAL PARTNERSHIPS	RATING	COMMENTS / REASONS
Project implementers have managed CPD funds Service providers have confirmed needs Experienced private sector affordable developers PHAS have development/management capacity Rehab agency has successful program Lenders/investors willing to commit financing Job training agency has capacity Community organizations can manage CD projects Redevelopment agency commits resources High capacity service providers <b>Other</b>		
CPD RESOURCES	RATING	COMMENTS / REASONS
Eligible for CDBG Eligible for HOME Eligible for ESG/Rapid Rehousing Eligible for HOPWA Sec. 108 Loan Eligible <b>Other</b>		
OTHER LEVERAGED FUNDS	RATING	COMMENTS / REASONS
Bank loans Charitable donations(foundations) Low Income Housing Tax Credit eligible New Markets Tax Credit eligible CDFI loans available Cash/non-cash local gov't incentives available Developer fee deferrals State controlled funds Brownfield funds Private Activity bonds Tax Increment Financing allocation Other federal agency funds <b>Other</b>		
<b>TOTAL RATING POINTS FOR THIS ACTIVITY</b>	<b>0</b>	



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PLEASE SELECT ACTIVITIES TO COMPARE:

SELECTION 1

SELECTION 2

SELECTION 3

SELECTION 4

SELECTION 5

SELECTION 6

NEEDS DATA	SELECTION 1	SELECTION 2	SELECTION 3	SELECTION 4	SELECTION 5	SELECTION 6
Number of households in substandard housing	N/A	N/A	N/A	N/A	N/A	N/A
Number of households w/severe overcrowding	N/A	N/A	N/A	N/A	N/A	N/A
Number of households overcrowded	N/A	N/A	N/A	N/A	N/A	N/A
Number of households w/cost burden >50%	N/A	N/A	N/A	N/A	N/A	N/A
Number of households w/cost burden >30%	N/A	N/A	N/A	N/A	N/A	N/A
Number of households w/disproportionate need	N/A	N/A	N/A	N/A	N/A	N/A
Number of unsheltered homeless adults	N/A	N/A	N/A	N/A	N/A	N/A
Number of unsheltered homeless families	N/A	N/A	N/A	N/A	N/A	N/A
Number of chronically homeless individuals	N/A	N/A	N/A	N/A	N/A	N/A
Number of chronically homeless families	N/A	N/A	N/A	N/A	N/A	N/A
Long wait for homeless prevention assistance	N/A	N/A	N/A	N/A	N/A	N/A
Number of elderly/frail elderly	N/A	N/A	N/A	N/A	N/A	N/A
Number of persons w/disabilities	N/A	N/A	N/A	N/A	N/A	N/A
Number of persons w/HIV/AIDS	N/A	N/A	N/A	N/A	N/A	N/A
Number of victims of domestic violence	N/A	N/A	N/A	N/A	N/A	N/A
Number of persons needing supportive services	N/A	N/A	N/A	N/A	N/A	N/A
Number of cost burdened owner households	N/A	N/A	N/A	N/A	N/A	N/A
Non-housing community development needs	N/A	N/A	N/A	N/A	N/A	N/A
Needs for public services/programs	N/A	N/A	N/A	N/A	N/A	N/A
Other	N/A	N/A	N/A	N/A	N/A	N/A
MARKET CONDITIONS	SELECTION 1	SELECTION 2	SELECTION 3	SELECTION 4	SELECTION 5	SELECTION 6
Population increase, esp. Low income households	N/A	N/A	N/A	N/A	N/A	N/A
Limited supply of decent, affordable rentals	N/A	N/A	N/A	N/A	N/A	N/A
Limited supply of larger rental units	N/A	N/A	N/A	N/A	N/A	N/A
High rent rates/cost burdened renters	N/A	N/A	N/A	N/A	N/A	N/A
Limited rapid rehousing options	N/A	N/A	N/A	N/A	N/A	N/A
Deteriorating public housing stock	N/A	N/A	N/A	N/A	N/A	N/A
Deteriorating owner occupied homes	N/A	N/A	N/A	N/A	N/A	N/A
Deteriorating owned manufactured homes	N/A	N/A	N/A	N/A	N/A	N/A
Deteriorating rental complexes	N/A	N/A	N/A	N/A	N/A	N/A
Limited number of affordable for-sale units	N/A	N/A	N/A	N/A	N/A	N/A
Declining supply of affordable rentals	N/A	N/A	N/A	N/A	N/A	N/A
Declining supply of affordable for-sale units	N/A	N/A	N/A	N/A	N/A	N/A
Insufficient supply of transitional housing	N/A	N/A	N/A	N/A	N/A	N/A
User capacity of public facilities inadequate	N/A	N/A	N/A	N/A	N/A	N/A
Long waiting lists for housing assistance	N/A	N/A	N/A	N/A	N/A	N/A
Long waiting lists for supportive services	N/A	N/A	N/A	N/A	N/A	N/A
High rate of foreclosures	N/A	N/A	N/A	N/A	N/A	N/A
Limited financing for first time buyers	N/A	N/A	N/A	N/A	N/A	N/A
High commute times	N/A	N/A	N/A	N/A	N/A	N/A
Other	N/A	N/A	N/A	N/A	N/A	N/A
GEOGRAPHIC TARGET AREAS	SELECTION 1	SELECTION 2	SELECTION 3	SELECTION 4	SELECTION 5	SELECTION 6
High unemployment	N/A	N/A	N/A	N/A	N/A	N/A
High concentration of underserved households	N/A	N/A	N/A	N/A	N/A	N/A
Designated redevelopment area	N/A	N/A	N/A	N/A	N/A	N/A
Meets local blight definition	N/A	N/A	N/A	N/A	N/A	N/A
Public facilities deteriorating	N/A	N/A	N/A	N/A	N/A	N/A
Lack of private investment	N/A	N/A	N/A	N/A	N/A	N/A
Economic dislocation	N/A	N/A	N/A	N/A	N/A	N/A
Other	N/A	N/A	N/A	N/A	N/A	N/A

POTENTIAL PARTNERSHIPS	SELECTION 1	SELECTION 2	SELECTION 3	SELECTION 4	SELECTION 5	SELECTION 6
Project implementers have managed CPD funds	N/A	N/A	N/A	N/A	N/A	N/A
Service providers have confirmed needs	N/A	N/A	N/A	N/A	N/A	N/A
Experienced private sector affordable developers	N/A	N/A	N/A	N/A	N/A	N/A
PHAS have development/management capacity	N/A	N/A	N/A	N/A	N/A	N/A
Rehab agency has successful program	N/A	N/A	N/A	N/A	N/A	N/A
Lenders/investors willing to commit financing	N/A	N/A	N/A	N/A	N/A	N/A
Job training agency has capacity	N/A	N/A	N/A	N/A	N/A	N/A
Community organizations can manage CD projects	N/A	N/A	N/A	N/A	N/A	N/A
Redevelopment agency commits resources	N/A	N/A	N/A	N/A	N/A	N/A
High capacity service providers	N/A	N/A	N/A	N/A	N/A	N/A
<b>Other</b>	N/A	N/A	N/A	N/A	N/A	N/A
CPD RESOURCES	SELECTION 1	SELECTION 2	SELECTION 3	SELECTION 4	SELECTION 5	SELECTION 6
Eligible for CDBG	N/A	N/A	N/A	N/A	N/A	N/A
Eligible for HOME	N/A	N/A	N/A	N/A	N/A	N/A
Eligible for ESG/Rapid Rehousing	N/A	N/A	N/A	N/A	N/A	N/A
Eligible for HOPWA	N/A	N/A	N/A	N/A	N/A	N/A
Sec. 108 Loan Eligible	N/A	N/A	N/A	N/A	N/A	N/A
<b>Other</b>	N/A	N/A	N/A	N/A	N/A	N/A
OTHER LEVERAGED FUNDS	SELECTION 1	SELECTION 2	SELECTION 3	SELECTION 4	SELECTION 5	SELECTION 6
Bank loans	N/A	N/A	N/A	N/A	N/A	N/A
Charitable donations(foundations)	N/A	N/A	N/A	N/A	N/A	N/A
Low Income Housing Tax Credit eligible	N/A	N/A	N/A	N/A	N/A	N/A
New Markets Tax Credit eligible	N/A	N/A	N/A	N/A	N/A	N/A
CDFI loans available	N/A	N/A	N/A	N/A	N/A	N/A
Cash/non-cash local gov't incentives available	N/A	N/A	N/A	N/A	N/A	N/A
Developer fee deferrals	N/A	N/A	N/A	N/A	N/A	N/A
State controlled funds	N/A	N/A	N/A	N/A	N/A	N/A
Brownfield funds	N/A	N/A	N/A	N/A	N/A	N/A
Private Activity bonds	N/A	N/A	N/A	N/A	N/A	N/A
Tax Increment Financing allocation	N/A	N/A	N/A	N/A	N/A	N/A
Other federal agency funds	N/A	N/A	N/A	N/A	N/A	N/A
<b>Other</b>	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL RATING POINTS FOR THIS ACTIVITY	0	0	0	0	0	0