**Resilient Community Development Finance Initiative**

**Resilience Assessment Tool for**

**CDFI Lending Programs**

# Instructions for the Resilience Assessment Tool for CDFI Lending

*For additional instructions and helpful examples, see the Tool Pilot Test Phase Implementation Guide.*

**NO ADDITIONAL RESEARCH REQUIRED**. One of the goals of this pilot phase is to understand whether the information produced and gathered in normal underwriting and portfolio management is sufficient for a resilience evaluation of this type.

* **Enter the information you have, make judgements based on what you know, and keep moving through the Tool.**
* **For any question or data field that is not applicable, write “N/A”.**
* **If a question or data field is relevant but you lack the necessary information to complete it, write “insufficient information” in the notes section.**

While we expect the Tool to be completed using only the information provided by the borrower or obtained or generated by the CDFI in the ordinary course of business, you may ask the applicant additional questions prompted by the Tool or do additional research that is outside of your CDFI’s normal process. **Of course, this extra digging is welcomed, but not expected or required.**

If successful, the Tool will generate information to support your CDFI in decision-making and loan structuring and−most importantly−will surface opportunities for building greater resilience in the loan, the underlying project or business, and the community.

**The Tool is not a “pass/fail” screen.**

**The Tool has six sections:**

1. *Loan/Deal Information*
2. *Community Development Resilience Principle #1 Assessment*
3. *Community Development Resilience Principle #2 Assessment*
4. *Community Development Resilience Principle #3 Assessment*
5. *Summary and Overall Ranking*
6. *Reviewer Information*

In each section, the reviewer will be asked to enter information about the loan/deal/underlying project or business. In sections 2-5, after entering factual data, the reviewer will be asked to make judgments about the project or business to be financed using a scale from “not at all” to “significantly”, see example below. Please include notes to explain your conclusions. In the final section, please enter information about yourself and your role.

**Do not be discouraged** if you find that you are entering “insufficient information” or checking “Not at all” repeatedly. Those answers are to be expected in these early loan tests. All data is good data, will help establish the baseline, and will surface opportunities.

# Assessment Scale

**The scale:**

* *“****Not at all****”:* Choose “not at all” if no or minimal work or progress has been made on this resilience measure.
* *“****Partially****”:* Choose “partially” if **some work or progress** has been made on this resilience measure but there are clear additional steps that could and should be taken. Make sure to back up this choice with notes detailing what has been done or accomplished.
* *“****Significantly****”:* Choose “significantly” if **considerable work or progress** has been made on this resilience measure. Make sure to back up this choice with notes detailing what has been done or accomplished.

|  |  |  |  |
| --- | --- | --- | --- |
| **Questions – EXAMPLE ONLY** |  |  |  |
|  | **Not at all** | **Partially** | **Significantly** |
| 1. Has stakeholder/community engagement been completed or used from within the community, neighborhood, etc.? | ❐ | ❐ | ❐ |
| **Notes:**  The developer of this new community center project held a set of focus groups in the community, but some key stakeholders were missed. | | | |

# Blank Resilience Assessment Tool for CDFI Lending Programs

The Tool starts on the following page. Please use the Tool to assess just one project, business, or deal. Complete the Tool separately for each project, business, or deal.

**Resilience Assessment Tool for CDFI Lending**

## Loan/Deal Information

*Complete this section using the information provided by the borrower or obtained or generated by the CDFI in the ordinary course of business. For any question or data field that is not applicable, write “N/A”. If a question or data field is relevant but you lack the necessary information to complete it, write “insufficient information”. If you prefer to keep the borrower’s identity confidential, just enter a unique identifier of some kind.*

|  |  |
| --- | --- |
| **BORROWER INFORMATION** | |
| Business or organization name  [or unique identifier to anonymize data] |  |
| City, State |  |
| Legal structure |  |
| Number of employees prior to the loan |  |
| Description of business or organization |  |

|  |  |
| --- | --- |
| **PROJECT/BUSINESS FINANCED [if different from borrower]** | |
| Project/business name  [or unique identifier to anonymize data] |  |
| City, State |  |
| Legal structure or ownership |  |
| Number of employees prior to the loan |  |
| Description of business or project financed by the loan |  |

|  |  |
| --- | --- |
| **LOAN INFORMATION** | |
| Lender |  |
| Loan amount |  |
| Interest rate |  |
| Term |  |
| Amortization |  |
| Relevant terms or conditions [Regulatory, Lien, Restrictions, Uses] |  |

## Sources and Uses of Project Funds

|  |  |  |  |
| --- | --- | --- | --- |
| **Use of Funds** | | **Sources of Funds** | |
| Land and/or building purchase |  | Loan |  |
| New building construction |  | Owner’s investment |  |
| Building improvements |  | Other funding sources |  |
| Machinery and equipment |  |  |  |
| Inventory |  |  |  |
| Working capital |  |  |  |
| Other |  |  |  |
| Other |  |  |  |
| Other |  |  |  |
| **Total Project Uses** |  | **Total Project Sources** |  |

## Resilience Principle #1 Assessment: Process

**Resilience-based process:**

***Has an inclusive investigative process surfaced relevant information to inform decision-making?***

Has a resilience-based process surfaced community objectives, insights, and other relevant information and ensured that all decisions have been, and will continue to be, informed by the most complete and best available information, including the guidance and preferences of the people the decision will touch, especially communities of color, Native Nations, and those that are under-resourced? **Keywords: resilience process, stakeholders, shocks, stresses**

**Principle One Assessment – Community and Stakeholder Engagement**

Have the community and affected/influenced/lead stakeholders been identified and engaged? Have their objectives, insights, preferences, and guidance been documented and taken into account?

|  |  |
| --- | --- |
| ***Examples of stakeholders:*** | ***Examples of engagement:*** |
| *Clients, customers, competitors* | *Focus group, charrette, or other meeting* |
| *Neighbors and community members, municipal departments and leaders* | *Permitting process with community input or comprehensive plan, policy reviews/input* |
| *Anyone affected by waste, carbon emissions, or other byproducts* | *Meetings with environmental organizations and watchdogs* |

In the chart below, list this loan/deal’s community and stakeholders and the ways and the extent to which they have been engaged and their input has been captured. See the ***List of Potential Stakeholders and Methods of Engagement***in the **Resource** section of the Guide for additional examples. Add additional lines to the chart as needed.

|  |  |
| --- | --- |
| **Project stakeholders:** | **How and to what extent have these stakeholders been engaged?** |
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**Principle One Assessment – Chronic Stresses**

Have the economic, social, health, physical, and other chronic stresses that could impact the project and/or interfere with the desired performance and intended outcomes been fully investigated? Chronic stresses weaken the fabric of a community on a day-to-day or cyclical basis. See the ***List of Chronic Stresses and Acute Shocks***in the **Resource** section of the Guide.

|  |  |
| --- | --- |
| ***Examples of chronic stresses:*** | ***Examples of investigation:*** |
| *High unemployment* | *Analysis of unemployment trends* |
| *Endemic violence* | *Analysis of crime statistics and trends* |
| *Chronic food shortages* | *Analysis of students on free and reduced lunch* |

In the chart below, list the chronic stresses that threaten the project or business financed and how and to what extent those stresses have been investigated. See the ***List of Chronic Stresses and Acute*** in the **Resource** section of the Guide. Add additional lines to the chart as needed.

|  |  |
| --- | --- |
| **Chronic stresses that threaten the project** | **How and to what extent has this stress been investigated?** |
|  |  |
|  |  |
|  |  |

**Principle One Assessment – Acute Shocks**

Have the economic, social, health, physical, and other acute shocks that could impact the project and/or interfere with the desired performance and intended outcomes been fully investigated? Acute Shocks are the sudden, sharp events that threaten a community.

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| --- | --- |
| ***Examples of acute shocks:*** | ***Examples of investigation:*** |
| *Wildfires* | *Analysis of historic wildfires and future risk* |
| *Floods* | *Analysis of flood risk* |
| *Disease outbreaks* | *Analysis of medical resources, chronic health issues* |

In the chart below, list the reasonably foreseeable acute shocks that threaten the project or business and how and to what extent those shocks have been investigated. See the ***List of Chronic Stresses and Acute*** in **Resource** section of the Guide for additional examples. Add additional lines to the chart as needed.

|  |  |
| --- | --- |
| **Acute shocks that threaten the project** | **How and to what extent has this shock been investigated?** |
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**Principle One Assessment – Resilience-Based Process**

**Resilience-based process**: Has a resilience-based process surfaced community objectives, insights, and other relevant information and ensured that all decisions have been, and will continue to be, informed by the most complete and best available information, including the guidance and preferences of the people the decision will touch, especially communities of color, Native communities, and those that are under-resourced? **Keywords: resilience process, stakeholders, shocks, stresses**

|  |  |  |  |
| --- | --- | --- | --- |
| **Questions** |  |  |  |
|  | **Not at all** | **Partially** | **Significantly** |
| 1. Has a stakeholder/community engagement been completed or used from within the community, neighborhood, etc.? | ❐ | ❐ | ❐ |
| **Notes:** | | | |
| 2. To what extent have past, present, and future shocks and chronic stresses been identified and considered in the design and implementation plan? | ❐ | ❐ | ❐ |
| **Notes:** | | | |
| 3. To what extent have potential cascading systematic failures/sensitivities been identified and considered in terms of local social, cultural, and physical systems, and how effectively has local multi-sector collaboration been solicited and developed around mutual operational risks? | ❐ | ❐ | ❐ |
| **Notes:** | | | |

|  |  |  |  |
| --- | --- | --- | --- |
| **Questions** |  |  |  |
|  | **Not at all** | **Partially** | **Significantly** |
| 4. How have risks of all types (social, reputational, political, financial, continuity, physical, environmental, systemic/infrastructure, etc.) been anticipated, assessed, managed, and mitigated as a part of a long-term development plan or resilience strategy? | ❐ | ❐ | ❐ |
| **Notes:** | | | |
| 5. Does the project/deal take into account and enhance the resilience of local governmental planning processes and community, city, regional holistic resilience? | ❐ | ❐ | ❐ |
| **Notes:** | | | |
| 6. Has the project/deal benefited from an existing tool or process that supports project and/or community resilience? (See **Resources** for a list) | ❐ | ❐ | ❐ |
| **Notes:** | | | |
| 7. How effectively does the project engage and integrate with the local workforce to promote local jobs and community resilience? | ❐ | ❐ | ❐ |
| **Notes:** | | | |
| 8. Does the project adhere to or surpass local requirements and approvals for the project/deal type? | ❐ | ❐ | ❐ |
| **Notes:** | | | |

**Summary: Principle One Assessment – Resilience-Based Process**

In sum, has a resilience-based process surfaced community objectives, insights, and other relevant information and ensured that all decisions have been, and will continue to be, informed by the most complete and best available information, including the guidance and preferences of the people the decision will touch, especially communities of color, Native Nations, and those that are under-resourced?

Score this loan/deal on a scale from “not at all” to “significantly” and explain your choice.

|  |  |  |  |
| --- | --- | --- | --- |
| **Resilience Principle #1** |  |  |  |
|  | **Not at all** | **Partially** | **Significantly** |
| **Resilience Based Process** | ❐ | ❐ | ❐ |
| **Notes:** | | | |

## Resilience Principle #2 Assessment: Outcomes

**Reliable performance and intended outcomes:**

***Will the project or business perform as intended in both routine and extraordinary situations throughout its lifespan?***

Have all decisions been made, and will future decisions be made, in furtherance of equity and economic empowerment and other clearly articulated outcome goals and to meet defined performance standards in both routine and extraordinary situations under all reasonably foreseeable conditions over the delivery lifespan, informed by and respecting the resilience-based process? **Keywords: project, performance, outcomes, risk avoidance**

**Principle Two Assessment – Intended Outcomes & Measures Defined**

Before one can assess whether a project will perform reliably and deliver intended outcomes in both routine and extraordinary situations over the full lifecycle of the project, one must *define the desired performance and intended outcomes*.

* What does the borrower want to achieve through the project or business to be financed by the loan?
* What does the CDFI want to accomplish by financing the project or business?
* To what extent will the loan further the CDFI’s mission, vision, and values?

In this section, list the outcomes that borrower and CDFI hope to achieve. Then, indicate how important each outcome goal is to the borrower and/or CDFI. Finally, list the indicator(s) that the CDFI will measure in order to evaluate the performance and success of the project or business. Consult the Guide for examples of ***Performance and Outcome Objectives and Measurable Indicators*.** Remember: there may be multiple goals in a range of spheres: physical, social, economic, environmental, equity, etc. Add additional lines to the chart as needed.

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| --- | --- | --- |
| **Desired Performance /**  **Intended Outcome** | **Priority** | **Measurable indicator(s)** |
| E.g., residents will be safe | High | Number of days residents could safely shelter in place; wind rating of windows; time required to fully evacuate the building. |
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**Principle Two Assessment – Project Evaluated**

How and to what extent has the project, program, or business been evaluated to see how it will perform and whether intended outcomes will be met in both routine and extraordinary situations under all reasonably foreseeable conditions over the delivery lifespan?

|  |  |
| --- | --- |
| ***Examples of evaluation types*** | ***Examples of evaluation tools & resources*** |
| *examination of forecasting/lifecycle data* | *Useful life of major components; scientific predictions of flooding, hurricanes, wildfires; lifecycle costs and cost savings; potential recovery costs avoided because of precovery measures.* |
| *consideration of project stages (construction, startup, etc.)* | *Business modeling, project management software/models,* |
| *financial stress testing* | *Excel cash flow model* |

In the chart below, list the evaluations, tests, assessments, and analysis that has been completed to assess likely performance of the project or business and the primary findings or conclusions. Consult the Guide for a ***List of Resilience-Related Project Evaluation Types, Tools, and Resources****.* Add additional lines to the chart as needed.

|  |
| --- |
| **Major findings and evaluations conducted of the project** |
| E.g., Financial stress testing revealed that apartment project can survive 20% vacancy |
|  |
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**Principle Two Assessment – Project Structured**

How and to what extent has the project been structured to avoid, minimize, mitigate, and recover from all reasonably foreseeable acute shocks, chronic stresses, and potential cascading events?

|  |
| --- |
| ***Examples of project structures:*** |
| *Design of building at high risk for flooding puts all equipment above the flood line* |
| *Design of senior multifamily project includes emergency power, food, and other necessities to allow residents to safely shelter in place for 5 days during a power outage* |

In the chart below, list how and to what extent the project been structured to avoid, minimize, mitigate, and recover from reasonably foreseeable acute shocks, chronic stresses, and potential cascading events. Consult the Guide for additional ***examples of how projects/deals can be structured to increase resilience*** in the face of foreseeable threats. Add additional lines to the chart as needed.

|  |
| --- |
| **Project attributes that make it resilient in the face of foreseeable threats:** |
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|  |
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**Principle Two Assessment – Reliable Performance**

**Reliable performance and intended outcomes:** Have all decisions been made, and will future decisions be made, in furtherance of equity and economic empowerment and other clearly articulated outcome goals and to meet defined performance standards in both routine and extraordinary situations under all reasonably foreseeable conditions over the delivery lifespan, informed by and respecting the resilience-based process? **(Keywords: project, performance, outcomes, risk avoidance)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Questions** |  |  |  |
|  | **Not at all** | **Partially** | **Significantly** |
| 1. Has some form of risk assessment been conducted to address potential shocks and chronic stresses identified through the “resilience-based process”? | ❐ | ❐ | ❐ |
| **Notes:** | | | |
| 2. To what extent have the anticipated shocks and stresses been addressed in the proposed plan? | ❐ | ❐ | ❐ |
| **Notes:** | | | |
| 3. Are key community social and/or racial equity performance impact measures addressed? What kinds of social and equity impact assessments and/or related community assessments have been completed? | ❐ | ❐ | ❐ |
| **Notes:** | | | |
| 4. Have local climate data been taken into account for the project/deal (and as a lending institution)? | ❐ | ❐ | ❐ |
| **Notes:** | | | |
| 5. What kinds of environmental impact assessments have been completed for the project/deal and/or related assessments that may affect the project/deal? | ❐ | ❐ | ❐ |
| **Notes:** | | | |
| 6. Are there immediate land tenure, occupation, ownership concerns, and/or environmental threats that might affect the project/deal? | ❐ | ❐ | ❐ |
| **Notes:** | | | |

|  |  |  |  |
| --- | --- | --- | --- |
| **Questions** |  |  |  |
|  | **Not at all** | **Partially** | **Significantly** |
| 7. Have sustainability and resilience been considered and incorporated into processes/guidelines for upfront decision-making including project design, procurement, and construction? (or the contractors for the project/deal) | ❐ | ❐ | ❐ |
| **Notes:** | | | |
| 8. Has sustainability and resilience been considered and incorporated into processes/guidelines for the full lifecycle planning (operations and management, disposal, etc.)? | ❐ | ❐ | ❐ |
| **Notes:** | | | |

**Summary: Principle Two Assessment – Reliable Performance**

Have all decisions been made, and will future decisions be made, in furtherance of equity and economic empowerment and other clearly articulated outcome goals and to meet defined performance standards in both routine and extraordinary situations under all reasonably foreseeable conditions over the delivery lifespan, informed by and respecting the resilience-based process?

Score this loan/deal on a scale from “not at all” to “significantly” and explain your choice.

|  |  |  |  |
| --- | --- | --- | --- |
| **Resilience Principle #2** |  |  |  |
|  | **Not at all** | **Partially** | **Significantly** |
| Reliable Performance | ❐ | ❐ | ❐ |
| **Notes:** | | | |

## Resilience Principle #3 Assessment: System Impacts

**Maximum positive “co-benefits” and minimal negative impacts:**

***Does the project or business integrate responsibly into the community fabric****,* ***contributing to and benefiting from systemic interdependencies?***

To the extent practicable, have all decisions minimized reasonably foreseeable negative consequences while furthering the community and greater system objectives for vulnerable populations, equity, climate mitigation and disaster risk reduction, and will future decisions continue to do so? **Keywords: co-benefits, positive impacts, interdependencies**

**Principle Three Assessment – Identify Community and Systemic Resilience Objectives**

Before one can assess whether the project, program, or business positively affects the community and greater system, boosts positive impacts, and avoids or lessens negative impacts and unintended consequences, one must identify the community wide, systemic objectives for resilience and disaster prevention most relevant to this loan/deal.

|  |  |
| --- | --- |
| ***Examples of Community/Systemic Resilience Objective*** | ***Examples of Sources*** |
| *Add XX,XXX units of affordable housing in the community by XXXX* | *City housing plan* |
| *Reduce carbon emissions in the state by XX% by XXXX* | *State environmental plan* |

In this section, list the relevant local, regional, national, and/or global objectives for resilience most relevant to this loan/deal. Objectives could include economic development, equity, climate mitigation, and disaster risk reduction. Consult the Guide for examples of ***Community and Systemic Resilience Objectives****.* Remember: there may be multiple objectives in a range of spheres: physical, social, economic, environmental, equity, etc. Add additional lines to the chart as needed.

|  |  |
| --- | --- |
| ***Community/Systemic Resilience Objective*** | ***Sources*** |
|  |  |
|  |  |
|  |  |

**Principle Three Assessment – Maximize Co-Benefits**

Has the project, program, or business been structured to further community and greater system objectives for vulnerable populations, equity, climate mitigation, and disaster risk reduction? Will the loan/deal positively affect the community and greater system and boost positive impacts?

|  |  |
| --- | --- |
| ***Examples of possible co-benefits:*** | ***Examples of how to maximize co-benefits:*** |
| *Emergency shelter for neighbors* | *The community room at the financed multifamily housing complex is designed to provide emergency shelter to neighbors as well as residents and includes emergency materials, temporary communications, power supplies, etc.* |

In the chart below, list the project’s co-benefits—the ways in which the loan/deal and financed project, program, or business positively affects the community and greater system and boosts positive impacts. Next, list the ways in which the project, program, or service has been structured to maximize community and systemic resilience. See the ***Examples of Potential Co-Benefits***in the **Resource** section of the Guide for additional examples. Add additional lines to the chart as needed.

|  |  |
| --- | --- |
| **Co-Benefits:** | **Loan/deal attributes that maximize co-benefits:** |
|  |  |
|  |  |

**Principle Three Assessment – Minimize Negative Impacts**

Has the project, program, or service been structured to avoid or lessen negative impacts and unintended consequences? Will the loan/deal adversely affect the community and greater system and have negative impacts?

|  |  |
| --- | --- |
| ***Examples of potential negative impacts and unintended consequences:*** | ***Examples of how to avoid or lessen negative impacts and unintended consequences:*** |
| *Pollution* | *Waste from financed hog farm is converted to energy through an anerobic digester* |
| *Runoff* | *Decrease impervious surfaces and add rain gardens* |

In the chart below, list the ways in which the project, program, or business has been structured to avoid or lessen negative impacts and unintended consequences. See the ***List of Potential Negative Impacts***in the **Resource** section of the Guide for additional examples. Add additional lines to the chart as needed.

|  |  |
| --- | --- |
| **Negative impacts and unintended consequences:** | **Loan/deal attributes that minimize negative impacts and unintended consequences:** |
|  |  |
|  |  |
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**Principle Three Assessment – Contributes to Systemic Resilience**

**Maximum positive “co-benefits” and minimal short and long-term negative impacts:** To the extent practicable, have all decisions minimized reasonably foreseeable negative consequences while furthering the community and greater system objectives for vulnerable populations, equity, climate mitigation, and disaster risk reduction, and will future decisions continue to do so?

|  |  |  |  |
| --- | --- | --- | --- |
| **Questions** |  |  |  |
|  | **Not at all** | **Partially** | **Significantly** |
| 1. Does the project/deal have specific “resilient community development” impact goals within a specific timeframe? | ❐ | ❐ | ❐ |
| **Notes:** | | | |
| 2. In addition to planned project/deal deliverables to target market/audience, to what extent have additional co-benefits (to the project/deal or to the community/neighborhood) been included? | ❐ | ❐ | ❐ |
| **Notes:** | | | |
| 3. To what extent does the project/deal reinforce/expand local cultural and social traditions, practices, land use, history, architecture, buildings, etc.? | ❐ | ❐ | ❐ |
| **Notes:** | | | |

|  |  |  |  |
| --- | --- | --- | --- |
| **Questions** |  |  |  |
|  | **Not at all** | **Partially** | **Significantly** |
| 4. To what extent are local biodiversity, the interconnectedness of systems, and natural environment conditions respected, preserved, or improved? | **❐** | **❐** | **❐** |
| **Notes:** | | | |
| 5. Does the project/deal reinvigorate or regenerate the existing status of physical, social, cultural, environmental, and economic norms for vulnerable people and inherently reinforce equitable resilience? | **❐** | **❐** | **❐** |
| **Notes:** | | | |
| 6. To what extent are the negative impacts and unintended consequences noted in Principle 2 imbedded in the design and delivery of project/deal? | **❐** | **❐** | **❐** |
| **Notes:** | | | |
| 7. What new (multi-sectoral) stakeholders were brought into or advised on the project/deal? | **❐** | **❐** | **❐** |
| **Notes:** | | | |

**Principle Three Assessment – Resilience Opportunities**

As CDFIs, we work to deliver business development services and structure loans to maximize the returns and impact for the community, as well as the borrower, beneficiaries, and the CDFI itself. To that end, we look for opportunities to strengthen the deal by raising possibilities that may have been missed and making feasible features considered impossible.

|  |  |
| --- | --- |
| ***Examples of opportunities to increase resilience*** | ***Examples of opportunities to minimize negative impacts*** |
| *Increase energy reliability through the addition of power backup/generator* | *Minimize the impacts of runoff from project parking lots by installing rain gardens* |
| *Increase groundwater quality by installing pervious sidewalks and parking areas* | *Handle plastic waste from new water bottling plant through a recycling program* |

Consider the loan/deal before you: does it **grow our shared community resilience?** Could the loan/deal be tweaked to increase the project’s resilience? To maximize co-benefits? To further reduce or eliminate negative impacts? Brainstorm on potential ways to increase the resilience of the project and its contributions towards systemic resilience. Do not judge the feasibility of the possible additional resilience strategies that you generate—just list them in the chart below. Add additional lines to the chart as needed.

|  |  |
| --- | --- |
| ***Opportunities to increase resilience*** | ***Opportunities to minimize negative impacts*** |
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|  |  |
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**Principle Three Assessment – Reasonable Aspirations**

Now it is time to judge the feasibility of the possible additional resilience strategies that you listed. How could this project best be tweaked or restructured to **grow our shared community resilience?** Could the project reasonably take advantage of any resilience opportunities in the short term? Medium term? Long term? How difficulty or costly would it be? List each aspirational change or improvement, how difficult or costly it would be, and a potential timeline for such aspirations.

|  |  |  |
| --- | --- | --- |
| **Aspirational Changes/Improvements** | **Level of difficulty and cost** | **Timeline (short, medium, or long-term)** |
| E.g. double the amount of insulation to save energy | Easy, low cost | Short term—during construction |
| E.g. install equipment on the roof instead of the basement to decrease flood damage risk | Easy, minimal cost | Short term—during construction |
|  |  |  |
| **Aspirational Changes/Improvements** | **Level of difficulty and cost** | **Timeline (short, medium, or long-term)** |
|  |  |  |
|  |  |  |
|  |  |  |
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**Summary: Principle Three Assessment – Systemic Resilience**

In sum, to the extent practicable, have all decisions minimized reasonably foreseeable negative consequences while furthering the community and greater system objectives for vulnerable populations, equity, climate mitigation, and disaster risk reduction, and will future decisions continue to do so?

Score this loan/deal on a scale from “not at all” to “significantly” and explain your choice.

|  |  |  |  |
| --- | --- | --- | --- |
| **Resilience Principle #3** |  |  |  |
|  | **Not at all** | **Partially** | **Significantly** |
| Systemic Resilience: Co-Benefits and Negative Impacts | ❐ | ❐ | ❐ |
| **Notes:** | | | |

## Summary and Overall Resilience Score

In summary, taking into account all of the facts and assessments above, how resilient is this loan/deal−and the underlying financed project, program, or business−and how much will it contribute to growing overall systemic resilience?

Score this loan/deal on a scale from “not at all” to “significantly” and explain your choice.

|  |  |  |  |
| --- | --- | --- | --- |
| **Overall resilience** |  |  |  |
|  | **Not at all** | **Partially** | **Significantly** |
| Overall resilience of loan/deal | ❐ | ❐ | ❐ |
| **Notes:** | | | |

Based on your assessment, what are the top threats to this loan/deal/project or business? Are there feasible ways that the loan, project, business, or deal could be modified to increase project, community, and/or systemic resilience? List them in the chart below.

|  |  |
| --- | --- |
| **Top 5 potential acute shocks that threaten this loan/deal** | **Top 5 chronic stresses that threaten this loan/deal** |
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| --- |
| **Top 5 most feasible opportunities to increase resilience through loan, project, business, or deal modifications** |
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## Reviewer Information

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| --- | --- |
|  | **Please provide the following information:** |
| Name of the Lead Reviewer |  |
| Title |  |
| CDFI name |  |
| Reviewer’s phone number |  |
| Reviewer’s email address |  |
| Did you do any research beyond the regular due diligence process? If so, please explain. |  |
| Time invested in completing the assessment |  |
| Comments |  |

**End of Tool**

# Rating the Principles and Tool

Now that you have used the Tool to assess the resilience of a loan/deal, please complete the following short ***Principles and Tool Evaluation Form*** to assess the Tool itself and how it performed. **Please explain your answers.**

Your input on the tool and related questions/prompts is extremely helpful. Thank you!

**Principles and Tool Evaluation Form**

|  |  |  |  |
| --- | --- | --- | --- |
| **Questions** |  |  |  |
|  | **Disagree** | **Neither agree nor disagree** | **Agree** |
| This tool was simple to use | ❐ | ❐ | ❐ |
| **Notes:** | | | |
| This assessment will help our CDFI underwrite or manage this loan/deal | ❐ | ❐ | ❐ |
| **Notes:** | | | |
| This assessment generated actionable ideas that the CDFI will pursue | ❐ | ❐ | ❐ |
| **Notes:** | | | |

|  |  |
| --- | --- |
| **Questions** | **Please answer each question as completely as possible:** |
| Was anything missing in this assessment? If so, what? |  |
| Was anything in the assessment confusing or difficult to understand? |  |
| How would you improve the tool? |  |
| Comments |  |

**Thank you!**