



## **REGIONAL REVIEW COMMITTEE GUIDEBOOK**

### **2019-2020 TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

**June 5, 2018**

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## **PART I: INTRODUCTION**

### **CAPITAL AREA COUNCIL OF GOVERNMENTS 2019-2020 REGIONAL REVIEW COMMITTEE (RRC) GUIDEBOOK**

#### **2019-2020 TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

The Capital Area Regional Review Committee (RRC) Guidebook has been prepared in accordance with the 2019-2020 Regional Review Committee (RRC) Charter for the Community Development Fund. The Guidebook provides eligible applicants from the Capital Area Council of Governments (CAPCOG) region with the application guidelines necessary to be scored under the CAPCOG RRC scoring criteria.

Any questions regarding the RRC or the Guidebook should be directed in writing after the CAPCOG RRC Guidebook has been published on the website of the TDA (Texas Department of Agriculture) to:

Suzanne Barnard  
State Director, CDBG  
Texas Department of Agriculture  
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P.O. Box 12847  
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TDA website: <http://www.texasagriculture.gov>

## **PART II: CAPCOG RRC APPROVED ACTIONS**

1. The CAPCOG RRC held its required Public Hearing on June 5, 2018, to hear public comments on the proposed objective scoring criteria, and to approve the RRC Guidebook, project priorities, and the objective scoring criteria.
2. The RRC selected the Capital Area Council of Governments (CAPCOG) as support staff to develop and disseminate the RRC Guidebook as well as to calculate the RRC scores and provide other administrative RRC support.
3. The RRC established the maximum grant amounts for the region:
  - a. Single jurisdiction: \$300,000
  - b. Multi-jurisdictions: \$500,000
4. The RRC did not establish set-asides for housing or non-border colonia projects.

## **PART III: CAPCOG RRC SUMMARY OF OBJECTIVE SCORING CRITERIA**

**Maximum Total Application Points: 180 points**

**1. Project Type: Maximum points: 45**

- First priority - **45 points**
- Second priority - **20 points**
- Third priority - **0 points**

**2. Need/Distress: Maximum points: 90**

- What is the individual poverty rate (poverty percentage) of the applicant's smallest census geographical service area to be served by the grant? **Maximum points: 45**
- Did the applicant not receive TxCDBG funding in the previous 2017/2018 Community Development Application cycle? **Maximum points: 35**
- What is the applicant's median household income? **Maximum points 10**

**3. Resources: Maximum points: 45**

- What is the applicant's match amount? **Maximum points: 10**
- What is the residential utility rate per 5000 gallons of water by the service provider? OR, for sewer-related projects, what is the monthly sewer rate, assuming the same 5000 gallons? If not a water or sewer-related project, what is the ad valorem tax rate for the same time period for the service provider? **Maximum points: 20**
- Has the applicant or the service provider increased the appropriate utility rate for water or sewer projects or the ad valorem tax rate above the effective tax rate for all other projects in the time period between 1/1/2017 and 12/31/2018? **Maximum points 15**

# PART IV: CAPCOG RRC 2019-2020 TxCDBG APPLICATION

## PROJECT TYPE/PRIORITY (Maximum 45 Points)

### **1. Is the project categorized as a first priority, second priority, or third RRC priority? (Maximum: 45 points)**

#### **Methodology:**

Table 1 will be reviewed to determine the appropriate project type category based on TxCDBG funds requested and points will be assigned. Projects that include multiple priority levels must be prorated based on percentage of all TxCDBG dollars. Using as a base figure the TxCDBG funds requested minus the TxCDBG funds requested for administration, a percentage of the total TxCDBG construction and engineering dollars for each activity is calculated. (Engineering dollars will be assigned either on a pro-rata basis or on the actual dollars applicable to each activity.) Administration dollars requested is applied on pro-rata to these amounts. The percentage of the total TxCDBG dollars for each activity is then multiplied by the appropriate score and the sum of the calculations determines the score. Related acquisition costs are applied to the associated activity. For projects that include multiple jurisdictions, the applicant with the largest percentage of beneficiaries will be considered the applicant of record.

#### Project Types:

First Priority – Water, wastewater, and first time service: 45 points

Second Priority – roads, streets, drainage: 20 points

All other eligible projects: 0 points

#### **Data Source:**

RRC Project Priorities: [RRC 2019-2020 Guidebook](#)

Project Type: [CD Application Table 1](#) verified by TDA

#### **Information Needed From Applicant to Score:**

List of projects submitted by type as stated in Table 1 (list as many as applicable)

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## NEED/DISTRESS (Maximum 90 Points)

### **2. What is the individual poverty rate (poverty percentage) of the applicant's smallest census geographical service area to be served by the grant? (Maximum 45 points)**

#### **Methodology:**

Poverty rate may be determined by reviewing the 2012-2016 American Community Survey 5-year estimate data (table S1701) for the applicant's target area that will be served by the project. The applicant's target area should be the smallest area that encompasses the entire geographic area that will be served by the project (i.e., a Census-Designated Place or Census Tract, or multiple Census-Designated-Places or Census Tracts). Once this information is obtained for each applicant, the poverty rate for each applicant is calculated by dividing the total number of persons at or below the designated poverty level by the population from which poverty persons was determined.

Next, a base is established by using the highest poverty rate among applicants. The poverty rate for each applicant is then divided by the base to determine its poverty factor.

Finally, to determine scores, the poverty factor for each applicant is multiplied by the total maximum allowable points.

For example, a region has five applicants. The maximum rate of the five applicants is 0.4096, which is used as the base. The poverty rate of each applicant is then divided by the base to determine their poverty factor. Finally, scores for each applicant are determined by multiplying the poverty factor by the maximum available points for this scoring criterion.

#### **EXAMPLE 1**

Target Area	Poverty Rate	Poverty Factor	Score
A	0.20	0.49	21.95
B	0.41	1.00	45.00
C	0.23	0.56	25.24
D	0.38	0.92	41.71
E	0.11	0.28	12.07

If the target area(s) encompasses more than one census geographic area (such as two or more Census Tracts or two or more Census-Designated Places), the poverty rate shall be calculated as follows: sum of the total number of persons at or below the designated poverty level in each census geographic areas in the target area divided by the sum of the total population from which poverty persons was determined in each census geographic areas in the target area.

#### **EXAMPLE 2**

Target area "F" consists of Census Tract F1 and Census Tract F2

Census Tract F1:

- 6,257 persons total
- 899 persons below poverty level
- 14.4% poverty rate (899 / 6,257)

Census Tract F2:

- 3,274 persons total
- 260 persons below poverty level
- 7.9% poverty rate (260 / 3,274)

Target Area F:

- 9,531 total persons (6,257 from Tract F1 + 3,274 from Tract F2)
- 1,159 persons below poverty (899 from Tract F1 + 260 from Tract F2)
- 12.2% poverty rate (1,159 / 9,531)

**Data Source:**

U.S. Census Bureau. Table S1701: Poverty Status in the Past 12 Months, 2012-2016 American Community Survey 5 Year Estimates.

**Information Needed From Applicant to Score:**

Target Area(s) identified on Census Map(s): (**attach map**)

Census-Designated Places or Census Tracts in Target Area: \_\_\_\_\_

Total Persons in Target Area: \_\_\_\_\_

Total Persons Below Poverty Level in Target Area: \_\_\_\_\_

Poverty Rate of Target Area: \_\_\_\_\_



**3. Did the applicant not receive TxCDBG funding in the previous 2017/2018 Community Development application cycle? (Maximum 35 points)**

- The applicant did not receive TxCDBG funding in the previous cycle: 35 points
- The applicant did receive TxCDBG funding in the previous cycle: 0 points

**Methodology:**

The TDA tracking system report will be reviewed and points will be assigned. An applicant will be assigned points based on the funding category that would result in the most points. An applicant may not receive cumulative points. Multi-jurisdiction applicants will be assigned points based on an evaluation of each of the participating jurisdiction’s funding and the highest points will be assigned. The multi-jurisdiction applicant may only be scored under one of the scoring categories. Applicants that received partial or marginal funding will be considered having received funding.

**Data Source:**

TDA Tracking System Report

**Information Needed From Applicant to Score:**

Applicant received funding in the previous 2017/2018 funding cycle to include CD:

Yes \_\_\_\_\_

No \_\_\_\_\_

List Contract No(s):

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**4. What is the median household income of the applicant’s smallest census geographical service area to be served by the grant? (Maximum: 10)**

**Methodology**

Median Household Income may be determined by reviewing the 2012-2016 American Community Survey 5-year estimate data (table S1903) for the applicant’s target area that will be served by the project. The applicant’s target area should be the smallest area that encompasses the entire geographic area that will be served by the project (i.e., a Census-Designated Place or Census Tract, or multiple Census-Designated-Places or Census Tracts).

Once this information is obtained for each applicant, the “range” of median household income values among all applicants is calculated by subtracting the minimum median household income value among all applicants from the maximum median household income value among all applicants.

Next, each applicant’s “Median HH Income Minus the Minimum” is divided by the “range” to determine the “% Top of the Range”.

Then, one (1) is subtracted from each applicant’s “% Top of the Range” to calculate the degree to which the applicant’s median income is near the bottom of the range.

Finally, the “% Bottom of the Range” is multiplied by the maximum number of points for the final score.

If the project serves multiple jurisdictions, each jurisdiction’s score should be calculated separately and then weighted by the total number of households in order to calculate a composite score.

**EXAMPLE:**

Jurisdiction	Median HH Income	Applicant Median HH Income Minus Minimum	% top of Range	% bottom of Range	Points (max = 10)
A	\$48,178	\$7,136	13.69%	86.31%	8.63
B	\$93,160	\$52,118	100.00%	0.00%	0.00
C	\$41,042	\$0	0.00%	100.00%	10.00
D	\$72,020	\$30,978	59.44%	40.56%	4.06
E	\$45,000	\$3,958	7.59%	92.41%	9.24

Minimum: \$41,042

Maximum: \$93,160

Range: \$52,118

Applicant A Median HH Income Minus Minimum HH Income: \$7,136

Degree to which applicant A is near top of range:  $\$7,136 / \$52,118 = 13.69\%$

Degree to which applicant A is near bottom of range:  $1 - 13.69\% = 86.31\%$

Applicant A Points: 10 points max \* 86.31%

**Data Source:**

U.S. Census Bureau. Table S1903: Median Income in the Past 12 Months (in 2016 Inflation-Adjusted Dollars), 2012-2016 American Community Survey 5 Year Estimates.

**Information Needed From Applicant to Score:**

Target Area(s) identified on Census Map(s): (**attach map**)

Census-Designated Places or Census Tracts in Target Area: \_\_\_\_\_

Median Household Income in Target Area: \_\_\_\_\_

## RESOURCES (Maximum: 45 Points)

### **5. What is the applicant's match amount? (Match Amount / TxCDBG Funds Requested) (Maximum: 10 Points)**

#### **Methodology:**

If the project is for beneficiaries for the entire county, the total population of the county is used. If the project is for activities in the unincorporated area of the county with a target area of beneficiaries, the population category is based on the unincorporated residents for the entire county. For county applications addressing water and sewer improvements in unincorporated areas, the population category is based on the actual number of beneficiaries to be served by the project activities. If the project serves beneficiaries for applications submitted by cities, the total city population is used.

Applicant(s) population equal to or less than 1,500 according to the 2012-2016 American Community Survey:

- Match equal to or greater than 5% of grant request **10 points**
- Match at least 4% but less than 5% of grant request **8 points**
- Match at least 3%, but less than 4% of grant request **6 points**
- Match at least 2%, but less than 3% of grant request **4 points**
- Match less than 2% of grant request **0 points**

Applicant(s) population equal to or less than 3,000 but over 1,500 according to the 2012-2016 American Community Survey:

- Match equal to or greater than 10% of grant request **10 points**
- Match at least 7.5% but less than 10% of grant request: **8 points**
- Match at least 5%, but less than 7.5% of grant request **6 points**
- Match at least 2.5%, but less than 5% of grant request **4 points**
- Match less than 2.5% of grant request **0 points**

Applicant(s) population equal to or less than 5,000 but over 3,000 according to the 2012-2016 American Community Survey:

- Match equal to or greater than 15% of grant request **10 points**
- Match at least 11.5% but less than 15% of grant request **8 points**
- Match at least 7.5%, but less than 11.5% of grant request **6 points**
- Match at least 3.5%, but less than 7.5% of grant request **4 points**
- Match less than 3.5% of grant request **0 points**

Applicant(s) population over 5,000 according to the 2012-2016 American Community Survey:

- Match equal to or greater than 20% of grant request **10 points**
- Match at least 15% but less than 20% of grant request **8 points**
- Match at least 10% but less than 15% of grant request **6 points**
- Match at least 5%, but less than 10% of grant request **4 points**
- Match less than 5% of grant request **0 points**

**Data Source:**

Applicant Match: SF 424, and Applicant’s Resolution or 3rd Party Commitment letter

Population: U.S. Census Bureau. Table B01003: Total Population, 2012-2016 American Community Survey 5 Year Estimates.

County Unincorporated Water/Sewer Beneficiaries: CD Application Table 1 Verified By TDA

**Information Needed From Applicant to Score:**

Applicant Population: \_\_\_\_\_

County Unincorporated Water/Sewer Beneficiaries: \_\_\_\_\_

Applicant Match From All Sources: \$ \_\_\_\_\_

**6. For water-related projects, what is the residential utility rate per 5,000 gallons of water as set by the service provider, OR, for sewer-related projects, what is the monthly sewer rate assuming 5,000 gallons? If the project is neither water nor sewer related, what is the ad valorem tax rate for the same time period? (Maximum: 20 points)**

**Methodology:**

To determine the applicant’s score, their water, sewer or ad valorem tax rate will be compared to the average rate of the applicants applying in the region.

**Utility rates will be compared to like utility rates and tax rates to tax rates.** If only one application of a certain project type is submitted, that applicant’s score will be the average score received by applicant’s applying for other project types. If an applicant applies for multiple projects, the scores for each activity will be averaged to determine the applicant’s final score.

Water, sewer or ad valorem tax rates are to be determined from a certification of the water and/or sewer rates from a Certifying Official. Ad valorem tax rates are to be determined from a certification from the Chief Appraiser. Once this information is obtained for each applicant, the maximum utility or tax rate is identified and used as the base for calculating a “utility factor” for each applicant.

Each applicant’s utility or tax rate is then divided by the base to calculate the “utility factor” or “tax factor” for the applicant. Finally, to determine the score for each applicant the utility or tax factor is multiplied by the total maximum allowable points.

For example, a region has four applicants applying for water-related projects. The highest water rate of the four applicants is 5. Each applicant’s water rate is then divided by 5 to determine its utility factor. Finally, scores for each applicant are determined by multiplying the utility factor by the maximum available points for this scoring criterion.

**EXAMPLE**

<b>Applicant</b>	<b>Water Rate</b>	<b>Utility Factor</b>	<b>Score (max = 20)</b>
A	3.75	0.7500	15
B	3.00	0.6000	12
C	4.25	0.8500	17
D	5.00	1.0000	20

Max Rate = 5.00

Utility Factor for Applicant A:  $3.75 / 5.00 = 0.75$

Score for Applicant A:  $0.75 * 20 = 15$

**Data Source:**

1.) Service provider’s water and/or sewer rate: Certifying Official (such as Chief Financial Officer or the Chief Executive Officer) supplies certification of the water and/or sewer rate (5,000 gallons/residential) as of **August 31, 2018** that the service provider bills on a regular interval (i.e. monthly, quarterly, etc.)

2.) Ad valorem tax rate: Certification from the Chief Appraiser stating the current ad valorem tax rate for the applicant as of **August 31, 2018**.

**Information Needed From Applicant to Score:**

Project(s) request for TxCDBG funding is for (mark as many as applicable)

Water: \_\_\_\_\_

Sewer: \_\_\_\_\_

All Other Eligible Activities: \_\_\_\_\_

Utility rate per 5,000 gallons of water by the service provider: \_\_\_\_\_

Monthly sewer rate, assuming 5,000 gallons: \_\_\_\_\_

Ad valorem tax rate for the same time period for the service provider for non-water, non-sewer related projects: \_\_\_\_\_

**7. Is the residential water or wastewater utility rate per 5,000 gallons or the effective ad valorem tax rate above the rate that was in effect on 12/31/2016? (Maximum Points 15)**

**Methodology:**

Applicant information related to a residential utility rate (for water/sewer projects) assuming 5,000 gallons or the effective ad valorem tax rate above the effective tax rate (for all other projects) will be reviewed and points will be assigned. Applicant must provide the official public record to document that a residential utility rate per 5,000 gallons or the effective ad valorem tax rate in effect on 12/31/2018 was higher than the rate that was in effect on 12/31/2016. Applicant must provide official public record or a certified statement from the governing body of the applicant to document the utility or effective tax rates in effect on 12/31/2016 and 12/31/2018. The relevant rate for scoring will be based on the project submitted for TxCDBG funding.

Example 1: If the project is water, then the residential water rate in effect on 12/31/2018 must be higher than the residential water rate in effect on 12/31/2016 in order to receive maximum points for this question.

Example 2: If the request for TxCDBG funding is for road improvements, then the effective ad valorem tax rate in effect on 12/31/2018 must be higher than the effective ad valorem tax rate that was in effect on 12/31/2016, meaning the jurisdiction is planning to raise more total revenue from ad valorem taxes in FY 2019 than they were in FY 2017.

If the application is for multiple projects that includes a water or wastewater project and another eligible activity, such as street repair or drainage, documentation must be provided that shows that at least one of the appropriate rates in effect on 12/31/2018 was higher than the rate that was in effect on 12/31/2016.

- 12/31/2018 rate is at least 5% higher than the 12/31/2016 rate: Max points
- 12/31/2018 rate is less than 5% higher than the 12/31/2016 rate: 0 points

**Data Source:**

Official public record or certified statements from governing body of residential water or wastewater utility rates for 5,000 gallons and/or effective ad valorem tax rates in effect on 12/31/2016 and 12/31/2018

**Information Needed from Applicant to Score:**

Applicable Utility and/or Effective Tax Rates in effect on 12/31/2016 \_\_\_\_\_

Applicable Utility and/or Effective Tax Rates in effect on 12/31/2018: \_\_\_\_\_