HOUSTON-GALVESTON AREA COUNCIL

REGIONAL REVIEW COMMITTEE

GUIDEBOOK

2019-2020 TxCDBG PROGRAM

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PART I - INTRODUCTION

HOUSTON-GALVESTON AREA COUNCIL OF GOVERNMENTS REGIONAL REVIEW COMMITTEE GUIDEBOOK

2019-2020 TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Houston-Galveston Area Regional Review Committee (H-GAC RRC) Guidebook has been prepared in accordance with the 2018 TxCDBG Action Plan and the 2019-2020 Regional Review Committee Charter. The Guidebook provides eligible applicants from the Houston-Galveston Area Council region with the application guidelines necessary to be scored under the H-GAC RRC scoring criteria.

Public Comment and Input

The H-GAC RRC opened the public comment period regarding the proposed scoring criteria on Monday, June 18, 2018. Notice was published in the Houston Chronicle and on the Harris County, Texas Secretary of State, and H-GAC websites. The proposed set of scoring criteria was made available on the H-GAC website and in hard copy at the H-GAC office located at 3555 Timmons Lane in Houston, Texas. The H-GAC RRC received no written comments or questions during the stated comment period outside of those given during the public hearing.

Any questions regarding the H-GAC RRC or the Guidebook should be directed in writing after the H-GAC RRC Guidebook has been published on the website of the Texas Department of Agriculture, Office of Rural Affairs (TDA) to:

Suzanne Barnard, State Director
Community Development Block Grant Program
Texas Department of Agriculture
P.O. Box 12847
Austin, Texas 78711-2847
E-mail address: Suzanne.Barnard@texasagriculture.gov
TDA website: www.texasagriculture.gov

PART II
H-GAC RRC APPROVED ACTIONS

1. The H-GAC RRC held an Organizational Meeting on June 18, 2018, to discuss amendment of previously adopted scoring criteria to support the 2019-2020 Texas Community Development Block grant program. The H-GAC RRC also held its required Public Hearing on June 18, 2018, to hear public comments on the proposed objective scoring criteria and fair housing; as well as to approve project priorities and the objective scoring criteria.

2. The H-GAC RRC has an established policy that prohibits voting by committee members who arrive late or do not attend the public hearing.

3. The H-GAC RRC has an established policy that an appointed RRC member may designate a proxy from his/her city or county for the purposes of a quorum, but that only appointed RRC members may vote on RRC actions.

4. The H-GAC RRC has an established policy that the committee shall not adopt scoring factors that directly negate or offset TDA scoring factors.

5. The H-GAC RRC elected to not establish set-asides for housing and non-border colonia projects.

6. The H-GAC RRC established the maximum grant amounts for the region:

   - Single jurisdiction: $350,000.00
   - Multi-jurisdictions: $350,000.00

7. The H-GAC RRC selected Houston-Galveston Area Council staff as support staff to develop and disseminate the H-GAC RRC Guidebook. The H-GAC RRC instructed H-GAC staff to develop the H-GAC RRC Guidebook. The H-GAC RRC selected the Houston-Galveston Area Council as support staff to calculate the H-GAC RRC scores and provide other administrative H-GAC RRC support.

8. The H-GAC RRC authorized H-GAC staff to amend the scoring criteria based on the results of the June 18, 2018, public hearing, and subsequent public comment period, and to negotiate final language of the scoring criteria with the Texas Department of Agriculture (TDA).

PART III
H-GAC RRC
SUMMARY OF OBJECTIVE SCORING CRITERIA

Summary of the H-GAC RRC Objective Scoring Criteria

Scoring criteria methodologies, required information and other details are presented in Part IV.

Total Points by H-GAC: 180 points

1. Project Type: Total Points: 30

- First priority - 30 points
- Second priority - 10 points
- Third priority - 5 points

2. Match/Leverage: Total Points: 24

- What is the applicant's match amount? (Maximum 24 Points)

3. Need/Distress: Total Points: 56

- What is the poverty rate (poverty percentage) of the project service-area compared to the H-GAC region? – (Maximum 4 Points)
- What is the per capita income of the project service-area compared to the H-GAC region? (Maximum 6 Points)
- What is the 2017 annual unemployment rate for the project service area based on the appropriate county data? (Maximum 4 Points)
- Has applicant not been funded in the previous two Community Development Fund (CD) application cycles? (Maximum 42 Points)

4. Cost Effectiveness: **Total Possible Points: 35**

- Does the project address first time public water and/or first time public sewer service? (Maximum 20 Points)
- What is the cost per household in TxCDBG dollars requested in the CD Fund application? (Maximum 15 Points)

5. Financial Capacity: Total Points: 20

- Does the city or county collect a property tax? (Maximum 20 Points)

6. Utility Rates: Total Points: 15

- 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 January 1, 2016 and the application deadline? (Maximum 15 Points)

PART IV
H-GAC
RRC OBJECTIVE SCORING CRITERIA

MAXIMUM TOTAL OBJECTIVE SCORE POSSIBLE: 180

Reviewed by H-GAC Regional Review Committee on May 6, 2016

H-GAC RRC OBJECTIVE SCORING CRITERIA

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SUMMARY: 180 RRC POINTS + 20 TDA POINTS = 200 TOTAL POSSIBLE POINTS

PROJECT TYPE/PRIORITY (Maximum 30 Points)

PROJECTS THAT INCLUDE MULTIPLE PRIORITY LEVELS MUST BE PRORATED BASED ON PERCENTAGE OF ALL TXCDBG DOLLARS. PROJECTS THAT INCLUDE MULTIPLE JURISDICTIONS – THE APPLICANT WITH THE LARGEST PERCENTAGE (%) OF BENEFICIARIES WILL BE CONSIDERED THE APPLICANT OF RECORD

1. Is the project categorized as a first priority, second priority or third RRC priority? **(Maximum 30 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.

Project Types:

1. First Priority – Water, wastewater, septic tanks, first-time service water/wastewater yard lines : **30 Points**

2. Second Priority – Roads, streets, drainage: **10 Points**

3. Third Priority – Housing and all other eligible projects: **5 Points**

Data Source: As Stated Below
RRC Project Priorities: RRC Guidebook
Project Type: CD Application Table 1 verified by TDA and RRC

Information Needed From Applicant to Score:
List of projects submitted by type as stated in Table 1 (list as many as applicable)

1. _____ 2. _____ 3. _____

MATCH/ LEVERAGE (Maximum 24 Points)

1. What is the match amount (as percentage)? (Maximum 24 Points)

If the project is for beneficiaries for the entire city/county, the total population of the city/county is used. For city/county applications stating project activities for a target population, the population category is based on the actual number of beneficiaries to be served by the project activities. The population category under which multi-jurisdiction applications are scored is based on the combined populations of the applicants according to the methodology described in the preceding paragraph. For scattered sites where a target area is not defined, and survey information is not available, projected number of beneficiaries will be based on the average number of people per household for the H-GAC Region, 2.7 people per household based on the 2010 Census. [Formula for percentages below: Match Amount / TxCDBG Funds Requested]

Applicant(s) actual number of beneficiaries is equal to or less than 1,000:

- Match equal to or greater than 5% of grant request **24 Points**
- Match at least 4% but less than 5% of grant request **22 Points**
- Match at least 3%, but less than 4% of grant request **19 Points**
- Match at least 2%, but less than 3% of grant request **16 Points**
- Match less than 2% of grant request **10 Points**

Applicant(s) actual number of beneficiaries is equal to or less than 2,000 but over 1,000:

- Match equal to or greater than 10% of grant request **24 Points**
- Match at least 7.5% but less than 10% of grant request **22 Points**
- Match at least 5%, but less than 7.5% of grant request **19 Points**
- Match at least 2.5%, but less than 5% of grant request **16 Points**
- Match less than 2.5% of grant request **10 Points**

Applicant(s) actual number of beneficiaries is greater than 2,000:

- Match equal to or greater than 15% of grant request **24 Points**
- Match at least 11.5% but less than 15% of grant request **22 Points**
- Match at least 7.5%, but less than 11.5% of grant request **19 Points**
- Match at least 3.5%, but less than 7.5% of grant request **16 Points**
- Match less than 3.5% of grant request **10 Points**

Data Source (Applicant must provide information and attach documentation to support data source):
Applicant Match: SF 424 and Resolution; if match is coming from a 3rd party and not a city/county, letters of commitment from 3rd party sources to document match contributions
Applicant Population: 2010 Census Data Summary File 1 Table P1
Actual number of beneficiaries: CD Application Table 1 Verified by TDA and RRC

Information Needed From Applicant to Score:
Applicant Population: _____ Applicant TxCDBG Amount: $_____

Number of actual beneficiaries _____ Applicant Match from All Sources:$_____

NEED/ DISTRESS (Maximum 55 Points)

1. What is the poverty rate (poverty percentage) of the project service-area compared to the H-GAC region? (Maximum 4 Points)

Methodology:

Poverty rate may be determined by reviewing the U.S. Census 2016 American Communities Survey (ACS) 5 year estimate data, table B17001 for the applicant's jurisdiction (i.e., census tracts, city-wide, and other boundaries as applicable). 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. Once this has been determined, the applicants' poverty rate is compared against the poverty rate of the H-GAC region, **15.4%**. Data for poverty rate will be presented to one decimal place. Rounding to one decimal place will use the following method. Numbers five and above will be rounded up and numbers below five will be rounded down. Example: 13.76% will be rounded to 13.8%. 13.42% will be rounded to 13.4%. Points are awarded based on the criteria below. In the case of projects with multiple jurisdictions, the poverty rate for the jurisdiction with the most beneficiaries will be used.

Applicant poverty rate equal to or above H-GAC Region poverty rate: **4 Points**
Applicant poverty rate below H-GAC Region poverty rate: **2 Point**

Data Source: As Stated Below
Population and Poverty Rate: 2016 Census ACS 5 year estimate, table B17001

Information Needed From Applicant to Score:
List of Project Service Area(s) Census Geographic Area(s):_____
Total population of the Census Geographic Area(s): _____
Project Service Area(s)Poverty Rate: _____
Number of beneficiaries for each Census Geographic Area(s):_____

2. What is the per capita income of the project service-area compared to the H-GAC region? (Maximum 6 Points)

Methodology:

Per capita income may be determined by reviewing the U.S. Census 2016 American Communities Survey (ACS) 5 year estimate data for the applicant's project service-area based on census geographic areas (i.e., block groups, city-side, and other boundaries as applicable). Once per capita income has been determined, the applicant's per capita income is compared against the per capita income of the H-GAC region, **$30,956** based on the 2016 ACS 5 year estimate data. Data for per capita income will be presented to two decimal places and rounded to whole dollars using the following method. Numbers above five will be rounded up and numbers below five will be rounded down. Example $21,640.56, will be rounded to $21,641. $21,639.42 will be rounded to $21,639. Points are awarded based on the criteria below. In the case of projects with multiple jurisdictions, the per capita income for the jurisdiction with the most beneficiaries will be used.

Applicant per capita income equal to below H-GAC Region capita income: **6 Points**
Applicant per capita income above H-GAC Region per capita income: **2 Point**

Data Source: Per Capita Income for project service-area(s) 2016 Census ACS 5 Year Estimate, table B19301

Information Needed From Applicant to Score:
Per Capita Income for project service-area(s): _____

3. What is the 2017 annual unemployment rate for the project service-area area based on the appropriate county data? (Maximum 4 Points)

Methodology:

The 2017 annual unemployment rate for the applicant's jurisdiction may be determined by reviewing county data from the Tracer section of the Texas Workforce Commission's website. Once this has been determined, the applicants' 2017 annual unemployment rate is compared against the 2017 annual unemployment rate of the H-GAC region, **5.2%**. Data for unemployment will be presented to one decimal place and round using the following method. Numbers five and above will be rounded up and numbers below five will be rounded down. Example: 3.76% will be rounded to 3.8%. 3.42% will be rounded to 3.4%. Points are awarded based on the criteria below. In the case of projects with multiple jurisdictions, the unemployment rate for the jurisdiction with the most beneficiaries will be used.

Applicant 2017 annual unemployment rate equal to or greater than H-GAC Region: **4 Points**
Applicant 2017 annual unemployment rate below H-GAC Region: **2 Point**

Data Source: TWC Tracer for 2017 Annual Data (Not Seasonally Adjusted). Applicants may retrieve a link to this source on the TDA website at www.texasagriculture.gov or directly through the Texas Workforce Commission website at www.tracer2.com.

Information Needed From Applicant to Score:
Applicant's unemployment rate for 2016 Annual Data: _____

4. Has applicant been funded in the previous 2 Community Development Fund (CD) application cycles? (Maximum 42 Points)

Methodology: Data source documentation will be reviewed and points will be assigned. Multi-jurisdiction applications will be scored based on whether the same multi-jurisdiction applications were submitted and/or funded in CD 2013/2014 or CD 2015/2016. Scoring is based on most recently funded project. Points cannot be accumulated for multiple projects (only the most recent project will be used to determine points). Partial and marginally funded projects count as funded projects for scoring purposes.

If not funded in previous 2 CD cycles (2015/2016, 2017/2018)	**42 Points**
If funded 2015/2016	**28 Points**
If funded 2017/2018	**14 Points**
If funded 2015/2016 and 2017/2018	**00 Points**

Data Source: TDA Tracking System Report

Information Needed From Applicant to Score:
Funded in previous 2 cycles (2015/2016 and/or 2017/2018) : yes or no
If yes, list Contract No. and Year Funded

_____ _____

_____ _____

COST EFFECTIVENESS (Maximum 35 Points)

1. Does the project address first time public water and/or first time public sewer service? (Maximum 20 points)

Methodology:

• First-time public water and/or first time public sewer service, including first-time service on private property(includes yard lines and/or on-site sewer facilities) **20 Points**

• Not first-time public water and sewer service (includes replacement of non-compliant on-site sewer facilities) **05 Points**

• All other eligible activities **0 Points**

If project is a combination of both types of service, points will be pro-rated based on TxCDBG construction dollars

Data Source: As Stated Below

Information Needed From Applicant to Score:
First time Public Water or Sewer Service: yes____ or no____

TxCDBG Construction Dollars:
For Multi-Scoring Level Activities
First-Time Public Water or Sewer Service Construction Dollars: $_____
Non-First Time Public Water or Sewer Service Construction Dollars: $_____

Data Source: CD Application Table 1 Verified by TDA and Table 2, 17b. For first time on-site sewer facilities, Table 2 must say *first-time on-site sewer facilities* to receive points and for non-compliant on-site sewer service facilities, Table 2 must say *non-compliant on-site sewer facilities.*

2. What is the cost per household in TxCDBG dollars requested in the CD Fund application? (Maximum 15 Points)

Methodology:

This score is determined by dividing the total TxCDBG project dollars by the number of households identified in the CD Fund National Objective Data Form. Data for cost per household will be presented to two decimal places and rounded to whole dollars using the following method. Numbers above five will be rounded up and numbers below five will be rounded down. Examples: $34,999.56 will be rounded to $35,000. $34,999.42 will be rounded to $34,999. Points are awarded based on the criteria below.

- Cost per household is less than $9,999 **15 Points**
- Cost per household between $10,000 and $14,999 **13 Points**
- Cost per household between $15,000 and $19,999 **11 Points**
- Cost per household between $20,000 and $34,999 **09 Points**
- Cost per household greater than $35,000 **00 Points**

Data Source: As Stated Below: CD Application National Objective Data Form

Information Needed From Applicant to Score:
Total No. of Households: _____
Total Project Amount TxCDBG Only: $_____

FINANCIAL CAPACITY (Maximum 20 Points)

1. Does the city or county collect a property tax? (Maximum 20 Points) For multi-jurisdictional applications, all jurisdictions are considered in the scoring process. Example 1: Jurisdiction A and B both collect a property tax. Jurisdiction A and B both collect a tax that is equal to or greater than $0.10 per one hundred dollars. Score=20 points. Example 2: Jurisdiction A and B collect a property tax. Jurisdiction A collects a tax that is greater than $0.10 per one hundred dollars, but Jurisdiction B collects a tax that is less than $0.10 per one hundred dollars. Score = 10 points. Example 3: Jurisdiction A collects a property tax that is equal to or less than $0.10 per hundred dollars. Jurisdiction B collects a tax that is less than $0.10 per one hundred dollars. Score= 10 points. Example 4: Jurisdiction A collects a property tax that is equal to or greater than $0.10 per one hundred dollars. Jurisdiction B does not collect a property tax. Score= 0 points

Points cannot be accumulated for multiple jurisdictions on a single application (i.e., maximum points for item b) = 05 points, maximum points for item c) = 05 points).

Methodology:

a) Yes, Applicant levies a property tax and tax is equal to or greater than $0.10 per one hundred dollars. **20 Points**
b) Yes, Applicant levies a property tax , but tax is less than $0.10 per one hundred dollars. **10 Points**
c) No, Applicant does not levy a property tax. **00 Points**

Data Source: As Stated Below

Tax rate: Printout of the applicant's 2016 total property tax rate as identified on the applicable County Appraisal District Website or County Tax Office Website.

Information Needed From Applicant to Score:

As noted above in data source.

UTILITY RATES OR AD VALOREM TAX RATES (Maximum 15 Points)

1. Has the applicant or the service provider:

- **a.** Increased the water or wastewater rate if applying for TxCDBG funding for a water or wastewater project; or
- **b.** Increased the ad valorem tax rate above the effective tax rate if applying for TxCDBG funding for all other eligible projects in the time period between January 1, 2016 and the application deadline?

(Maximum 15 Points) **YES: 15** **No: 0**

Methodology: Applicant information related to a utility rate (for water/sewer projects) or 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 utility rate or the ad valorem tax rate above the effective tax rate has been raised at least once between January 1, 2016, and the application deadline. Applicant must also provide official public record or a certified statement from the governing body of the applicant to document the utility rate in 2016 for comparison.

The utility rate increase by the applicant or the service provider must be associated with the project submitted for TxCDBG funding. Example: If the project is water, then the water rates must have been raised during the applicable period. However, if the application for TxCDBG funding is for both water and sewer projects, then the applicant will receive the maximum points if at least one of the rates was increased.

If the applicant's request for TxCDBG funding is not for a water or wastewater project, only then will the applicant be evaluated for scoring purposes based on an increase in the ad valorem tax rate above the effective tax rate. Example: If the request for TxCDBG funding is for road improvements, then the documentation related to an increase in the ad valorem tax rate above the effective tax rate will need to be submitted by the applicant to receive the maximum points.

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 one of the appropriate rates was increased between January 1, 2016, and the application deadline, i.e. tax rate or water rates.

Data Source: As Stated Below

Rate Increase: Official public record of action of the appropriate governing body (examples: ordinance or resolution)

Project Submitted: CD Application Table 1 Verified By TDA

Ad Valorem Tax Rate Above Effective Tax Rate: Certification from the Chief Appraiser dated not later than the application deadline.

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 Increase: Official public record of action of the appropriate governing body (examples: ordinance or resolution)

2015 Utility Rate: Official public record of action of the appropriate governing body (examples: ordinance or resolution) or a certified statement from the appropriate governing body stating the 2015 rate and the increased rate after January 1, 2016.

Project Submitted: CD Application Table 1 Verified By TDA

Ad Valorem Tax Rate Above Effective Tax Rate: Certification from the Chief Appraiser dated not later than the application deadline.

2015 Tax Rate: Official public record of action of the appropriate governing body (examples: ordinance or resolution) or a certified statement from the appropriate governing body stating the 2015 rate and the increased rate after January 1, 2016.