



**TDA Working Summary - Consolidated Plan Stakeholder Engagement**  
**Community Development Fund 2021-2022**  
**Community Development Criteria Committee**  
**(replacing Regional Review Committee structure)**

As part of the Consolidated Plan process (5-year plan), TDA is assessing the existing Texas CDBG program.

TDA Decision: Beginning with the 2021-2022 round of the Community Development Fund, a more sustainable statewide structure will replace the previous Regional Review Committee (RRC) structure.

Opportunities for Stakeholder Feedback:

- Funding continue to be allocated to each Council of Governments (COG) region. No change has been proposed for the funding allocation formula.
- Community and Economic Development Assistance Funding (CEDAF) remains an important tool for providing technical assistance and other activities throughout the state. The funds previously provided to support the Regional Review Committee (RRC) process will be made available to COGs for other designated activities.
- Scoring is proposed to be allocated 20-70-10:
  - **20 points for Regional Project Priorities**  
Each COG is requested to provide scoring for project priorities in the region. Currently, 22 of the 24 regions use “Project Priorities” as a scoring criterion, with most heavily weighting this metric.  
Ex. Water and Sewer projects, Street projects, Drainage projects, Housing Rehabilitation projects, etc.
  - **70 points for Community Development Criteria Committee (CDCC) Criteria**  
Appointed members of the CD Criteria Committee will select scoring criteria to be used in all regions.  
Ex. Previous Funding (Currently used by 22 of 24 regions)  
Ex. Matching Funds (Currently used by 20 of 24 regions)  
Ex. American Community Survey (ACS)-based Needs Data (Unemployment Rate, Per capita Income, Poverty Rate, Median Household Income) (Currently used by 15 of 24 regions)  
Ex. Other approved criteria to score local effort, project impact, and other priorities
  - **10 points for State Administrative Criteria**  
TDA staff will determine scoring to promote administrative efficiency and HUD goals.  
Ex. Past Performance measures for projects funded within past 4 years – timely project completion, expenditure of funds, environmental review, etc.  
Ex. Basic Needs – points for projects that address basic human needs such as housing and utilities

**Estimated Timeline:**

- June - Sept 2019 - Stakeholder input
- Fall 2019 - Texas Administrative Code revised to reflect program changes
- December 2019 – TDA begins accepting applications for appointment to the Community Development Criteria Committee (CDCC) application (published on TDA website)
- January 2020 - Commissioner Miller appoints CDCC
- March 2020 - CDCC meets (public hearing) to determine scoring criteria
- Late Summer 2020 - Community Development Fund 2021-2022 application released
- February 2021 - Community Development Fund 2021-2022 applications due



## **TDA Working Summary - Consolidated Plan Stakeholder Engagement 2021-2022 Community Development Criteria Committee Frequently Asked Questions**

### **Doesn't HUD require RRCs?**

No. The RRCs were created in the early 1980s when the state began administering the CDBG non-entitlement program. No other state uses a similar regional committee structure. HUD determined that the original structure was not acceptable approx. 15 years ago, as the committees had not been required to provide objective scoring that was transparent to communities, and the RRC process has been modified several times since. HUD requires that the process of selecting applications be clear and understandable to communities, and that any scoring criteria be objective and based on verifiable information.

### **Why is this change occurring?**

The RRC model is no longer sustainable and TDA must change the structure in order to ensure effective administration of the Community Development Fund.

The RRC model was originally structured so each Council of Governments (COG) staff would coordinate public hearings, collect scoring decisions from members, and tally the RRC scores. However, HUD's requirement for objective scoring criteria has resulted in the centralization of RRC scoring for all regions at TDA, with RRC staff serving as a secondary scoring review. Over the years, 10 of the 24 COG regions have relinquished this limited role as RRC support in order to instead provide grant administration services; at least 3 more COGs are currently interested in doing the same. TDA has continued to absorb these additional RRC responsibilities with existing staff resources and contracted services.

The efforts involved in coordinating the 24 separate RRCs is significant, especially as the committee members typically meet only once every two years. This infrequency has resulted in a reliance on last-minute appointments and proxies that may be unfamiliar with the RRC process. In the previous CD cycle, 38% of RRC meetings required proxies to form a quorum (7 members present), with almost one-third of RRC committees attended by multiple proxy members.

These factors have resulted in a gradual consolidation of RRC support responsibilities at TDA, where 2-3 FTE employees administer 24 separate funding competitions. The current process requires 4-5 months to score the hundreds of CD applications received each biennium. (To contrast, State Scoring based on Past Performance which is standardized across all regions can be calculated in a few hours.) A unified scoring system is expected to significantly reduce the time required for basic scoring functions, allowing communities to know their rank much sooner and staff to focus their efforts on technical assistance and other tasks needed to complete the funding process.

With the limited participation from appointed members and administering COGs, and the limited staff resources for RRC coordination and scoring, TDA is not able to sustainably administer 24 separate CD scoring systems using the existing RRC model.

### **What role will the regions have?**

The plan retains a regional approach in two ways:

1. Funding will continue to be allocated to each region by formula (based on HUD's allocation formula for entitlements and states) to ensure that all areas of the state have access to funding.
2. The plan retains regional selection of the Project Priority scoring criteria. COGs that wish to support water and sewer projects before other project types can continue to do so, while other COGs can establish priorities for streets, drainage improvements, community centers, etc.



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### **Is the state taking control of all the points?**

No. TDA will select criteria for only 10% of all CD fund points. These criteria support the timely and complete expenditure of funds, as well as compliance with program requirements.

The bulk of the points will be determined by a committee of local officials and stakeholders from across the state; although the selected criteria will apply to all regions, this is not "state scoring" directed by the State/TDA. TDA welcomes suggestions on the makeup of this committee.

### **Who will be on the CD Criteria Committee?**

The CD Criteria Committee will be appointed by the Commissioner of Agriculture to represent stakeholders across the state. Up to 24 members may be appointed, and TDA welcomes suggestions on the makeup of this committee. TDA plans to make available an application for interested persons to be considered for appointment to the committee.

### **How will I know what the Committee chooses?**

The CD Criteria Committee may follow a process similar to that used in recent grant cycles:

Prior to the committee meeting, TDA would announce the schedule, publish a draft Acceptable Scoring Criteria document, and accept recommendations for additional scoring criteria to be considered. TDA would add those criteria determined to be "objective and verifiable" in the final document. The draft and final documents would be available on TDA's website for public review, and stakeholders may respond with support or concerns for specific criteria, which TDA would provide to CD Criteria Committee members. The CD Criteria Committee meeting will be held as a public hearing, including an opportunity for public comment, and the scoring criteria adopted will be published promptly, well in advance of the application deadline.

### **What about my region's unique scoring factor?**

In previous funding cycles regions were permitted to select from a large number of objective and verifiable scoring factors, yet the actual criteria selected had significant overlap. All regions will likely see some change from their previous RRC scoring to the scoring adopted by the CD Criteria Committee in 2020. However, most regions will likely see several familiar factors considered by the new committee, because most areas of the state shared similar priorities.

Under the 2019-2020 RRC scoring criteria:

- 33% of available points were based on the type of project / project priorities;
- 33% of available points were based on previous funding and matching funds committed;
- 14% of available points were based on American Community Survey data for documenting need (poverty rate per capita income, unemployment rate, and median household income);
- 8% of available points were based on basic beneficiary data (cost per beneficiary and percent low- to moderate-income beneficiaries); and
- 11% of available points were based on all other scoring factors.

While the RRCs chose similar criteria to focus on similar priorities, the definitions used varied from region to region, which adds to the confusion in the current process. Many residents and communities seeking assistance have a hard time understanding the process, the various criteria, and the specific definitions that are relevant to them. Changing to a consistent scoring methodology will also help TDA and its partners to provide clear guidance to communities regarding options for improving their application score, or advising communities considering project changes.