



Texas Community Development Block Grant Program

Community Development (CD) Fund

Verified Scoring Factors

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Factors listed in this guide have been pre-approved as “objective and verifiable” and therefore may be considered for selection by the Unified Scoring Committee.

Needs/Distress Factors – Poverty Rate

Factor & Methodology	Data Source
<p>What is the poverty rate of the applicant?</p> <p>Methodology: Poverty rate may be determined by reviewing the U.S. Census 20XX American Communities Survey (ACS) 5 year estimate, table S1701 for the applicant. Once this information is obtained for, 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 average poverty rate of the applicants is determined by dividing the sum of all poverty rates by the number of applicants.</p> <p>Next, a base is determined by multiplying the average poverty rate by a constant such as 1.25 to represent 125%. The poverty rate is then divided by the base for each applicant to determine their poverty factor.</p> <p>Finally, to determine scores the poverty factor for each applicant is multiplied by the total maximum allowable points. Any applicants exceeding the total allowed points will be capped at the maximum.</p>	<p>ACS Data – Table S1701</p>
<p>What is the beneficiaries' low-to-moderate income percentage for the applicant's project as compared to the average low-to-moderate income percentage of all applicants?</p> <p>Methodology: Beneficiaries' Low-to-Moderate Income Percentage (LMIP) may be determined by reviewing the CDBG application. Once this information is obtained for each applicant, the LMIP for each applicant is calculated by dividing the low/mod beneficiaries by the total number of beneficiaries. Once this has been determined, the average LMIP of the applicants is determined by dividing the sum of all LMIP's by the number of applicants.</p> <p>Next, a base is determined by multiplying the average LMIP by a constant such as 1.25 to represent 125%. The LMIP for each applicant is then divided by the base to determine the Factor.</p> <p>Finally, to determine scores the Factor for each applicant is multiplied by the total maximum allowable points. Any applicants exceeding the total allowed points will be capped at the maximum.</p>	<p>Application, Beneficiary Details</p>

Need/Distress Factors – Unemployment Rate

Factor & Methodology	Data Source
<p>What is the unemployment rate for the Applicant?</p> <p>Methodology: The unemployment rate for the Applicant may be determined by reviewing data from Table DP03. Next, the average unemployment rate of the applicants is determined by dividing the sum of all unemployment rates by the number of applicants.</p> <p>Next, a base is determined by multiplying the average unemployment rate by a constant such as 1.25 to represent 125%. The unemployment rate is then divided by the base for each applicant to determine their unemployment factor.</p> <p>Finally, to determine scores, the unemployment factor for each applicant is multiplied by the total maximum allowable points. Any applicants exceeding the total allowed points will be capped at the maximum.</p>	<p>Census Data, Table DP03</p>

Need/Distress Factors – Previous Funding

Factor & Methodology	Data Source
<p>Has the applicant been funded in the previous X CD application cycles? (Previous funding in CD Program)</p> <p>Methodology: Data source documentation will be reviewed and points will be assigned. Multi-jurisdiction applications will be scored based on whether the same multijurisdictional applications were submitted and/or funded for a fixed period</p>	<p>TDA Tracking System Report</p>
<p>What is the total amount of TxCDBG funds during the last X-years TxCDBG CD Cycle? (Previous funding in all TxCDBG Programs)</p> <p>Methodology: The TDA Tracking System Report will be reviewed to determine the total amount of TxCDBG funds awarded from TxCDBG funds awarded during the period of the last X-year TxCDBG cycle.</p> <p>The TDA Tracking System Report will exclude Planning / Capacity Building Fund, STEP Fund, and Disaster/Urgent Need funding. Projects that include multiple jurisdictions - the applicant with the largest percentage (%) of beneficiaries will be considered the applicant of record.</p>	<p>TDA Tracking System Report</p>

Need/Distress Factors – Per Capita Income

Factor & Methodology	Data Source
<p>What is the per capita income of the Applicant?</p> <p>Methodology: Per capita income may be determined by reviewing the U.S. Census American Communities Survey (ACS) 5 year estimate. Once this information is obtained, the average annual per capita income is calculated by dividing the sum of all annual per capita incomes by the total number of applicants.</p> <p>Next, a base is set to provide a constant for the equation. The base is calculated by multiplying the average per capita income by a set number such as .75 to represent 75%. The base is then divided by the annual per capita income for each applicant. This number is referred to as the annual per capita income factor.</p> <p>Finally to determine the score for each applicant the annual per capita income factor is multiplied by the total maximum allowable points. Any applicants exceeding the total allowed points will be capped at the maximum.</p>	<p>ACS Data, Table B19301</p>
<p>Is the applicant's per capita income below the state average per capita income?</p> <p>Methodology: Per capita income shall be determined by reviewing the 20XX American Community Survey (5-Year Estimate) data for the applicant's jurisdiction population*. Multi-jurisdiction applications shall use the average of the per capita income for the jurisdictions listed in the application. Each applicant shall be compared to the State of Texas's per capita income as per the 20XX American Community Survey, B19301.</p>	<p>ACS Data, Table B19301</p>

Resource Factors – Match

Factor & Methodology	Data Source
<p>What is the applicant’s match amount?</p> <p>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.</p> <p>For example, the following scale may be used or modified for use:</p> <p>Applicant(s) population equal to or less than 1,500 according to most recent ACS data: Match equal to or greater than 5% of grant request Match at least 4% but less than 5% of grant request Match at least 3% but less than 4% of grant request Match at least 2% but less than 3% of grant request Match less than 2% of grant request</p> <p>Applicant(s) population equal to or less than 3,000 but over 1,500 according to most recent ACS data: Match equal to or greater than 10% of grant request Match at least 7.5% but less than 10% of grant request Match at least 5% but less than 7.5% of grant request Match at least 2.5% but less than 5% of grant request Match less than 2.5% of grant request</p> <p>Applicant(s) population equal to or less than 5,000 but over 3,000 according to most recent ACS data: Match equal to or greater than 15% of grant request Match at least 11.5% but less than 15% of grant request Match at least 7.5% but less than 11.5% of grant request Match at least 3.5% but less than 7.5% of grant request Match less than 3.5% of grant request</p> <p>Applicant(s) population over 5,000 according to most recent ACS data: Match equal to or greater than 20% of grant request Match at least 15% but less than 20% of grant request Match at least 10% but less than 15% of grant request Match at least 5% but less than 10% of grant request Match less than 5% of grant request</p>	<p>Application, Budget Details</p> <p>Applicant’s Resolution or 3rd Party Commitment letter</p> <p>Census Data – B01003</p>
<p>Is the applicant or the service provider leveraging funds from other source?</p> <p>Methodology: The commitment letters from a State source, Federal Source or other outside sources will be reviewed to determine the amount of leverage of funds injected into the project. In order to receive points under this criterion, the leveraging must be a minimum of 1% of the TxCDBG funds requested. For purposes of this criterion, leveraged funds include equipment, materials, and cash from sources other than the requesting entity. To calculate the leverage minimum, the following formula will be used:</p> <p>Leveraged Funds/TxCDBG Funds Requested = Percent Leveraged</p>	<p>Letter of Commitment from State, Federal, or other outside sources</p>

Resource Factors – Financial Capacity

Factor & Methodology	Data Source
<p>What is the per capita bonded indebtedness for the applicant as compared to the average of the per capita bonded indebtedness of all applicants?</p> <p>Methodology: This score is determined by comparing the per capita bonded indebtedness to the average per capita bonded indebtedness of all applicants. The calculation considers the applicant’s per capita bonded indebtedness compared to the average per capita bonded indebtedness of all applicants. The applicant’s bonded indebtedness is derived from the applicant’s most current Comprehensive Annual Financial Report issued within the twenty (25) months of the application date. The applicant population is determined from 20XX American Community Survey, U.S. Census Bureau. The applicant’s per capita bonded indebtedness is arrived by dividing the total bonded indebtedness by the applicant’s total population. The average per capita bonded indebtedness for all applicants is determined by totaling the bonded indebtedness of all applicants and then dividing by the total population of all applicants. The applicant’s per capita bonded indebtedness percentage is determined by dividing the applicant’s per capita bonded indebtedness by the average per capita bonded indebtedness for all applicants.</p> <p>Bonded indebtedness - shall include, in addition to the principle, any interest accrued for this debt.</p>	<p>Most current comprehensive annual financial report</p> <p>Census Data – B01003</p>
<p>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 X/X/20XX and the application deadline?</p> <p>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 X/X/20XX, 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 20XX 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.</p> <p>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 X/X/20XX, and the application deadline, i.e. tax rate or water rates.</p>	<p>Evidence of utility or tax rate increase</p> <p>Application, Project Details</p>

Is the service provider collecting the maximum sales tax allowable by law, if eligible?

Evidence of tax rate

Methodology: This score is determined by reviewing the data source/information submitted by applicant to score and then points will be assigned accordingly.

Maximum Sales Tax Allowable By Law: The State of Texas maximum sales tax allowable by law is 8.25% and is the combined state sales and use tax of 6.25% and the local sales and use tax of 2%. For this scoring question, only the local sales and use tax (2% maximum) is under consideration.

For Multi-jurisdiction applications- the service provider with the largest percentage (%) of beneficiaries will be considered the applicant of record.

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Resource Factors – Per Capita Property Taxable Value

Factor & Methodology	Data Source
<p>What is the per capita property taxable value for the applicant's jurisdiction as compared to the average per capita property taxable value of all applicants for the region?</p> <p>Methodology: This score is determined by comparing the applicant's per capita net taxable property value to the average per capita net taxable property value of all applicants. The calculation considers the difference in the applicant's per capita net taxable property value to the average per capita net taxable property value of all applicants. The applicant's net taxable property value is derived from the 20XX net taxable property values as published each County Appraisal District. The applicant's per capita net taxable property value is derived by dividing the net taxable property value by the applicant's population. The average per capita net taxable property value of all applicant's is derived by totaling the net taxable property value of all applicants and then dividing by the total population of all applicants. The applicant's per capita percentage of the regional per capita average is determined by dividing the applicant's per capita net taxable property value by the average region per capita net taxable property value.</p> <p>Next, subtracting the applicant's percentage of the region average from 100% determines the applicant's percentage below the region average. (Cities will be compared to all Cities and Counties will be compared to all Counties)</p> <p>Projects that include multiple jurisdictions – applicant with the largest percentage (%) of beneficiaries will be considered the applicant of record.</p>	<p>Application, Project Details</p> <p>Official public record of action of the appropriate governing body</p>
<p>Does the service provider collect a property tax?</p> <p>Methodology: 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.</p>	<p>Evidence of property tax rate</p>
<p>What percentage increase has the applicant experienced in its taxable property valuation for 20XX? For multi-jurisdictional projects, the applicant of record shall be the entity with the largest percentage of beneficiaries.</p> <p>Methodology:</p> <p>The applicant's property valuation for 20XX will be compared to the property valuation for 20XX. The 20XX property valuation will be divided by the 20XX property valuation. The percentage derived will be subtracted from 100% to determine the percentage increase and rounded to one decimal point. For multi-jurisdictional applications, the applicant with the largest percentage (%) of beneficiaries will be considered the applicant of record. A certification for the property valuations for 20XX and 20XX from the applicant's Chief Appraiser/Tax Collector shall be provided.</p>	<p>Application, Project Details</p> <p>Official public record of action of the appropriate governing body</p>

Default Scoring Factors – 130 Points (Maximum)

Pursuant to 4 TAC §30.50 (f) (3) (B) - In the event the Unified Scoring Committee (USC) fails to approve an objective scoring methodology to the satisfaction of the department consistent with the requirements in the current TxCDBG Action Plan, the Department will establish a scoring methodology using the factors identified below.

Previous Funding – 60 Points (Maximum)	
Has the applicant been funded an any of the four previous (4) Community Development Fund application cycles?	
Methodology: The TDA tracking system report will be reviewed and points will be assigned. The total number of times an applicant has been funded during the previous four funding cycles will be counted to determine applicant’s eligibility for points under this section.	
The applicant has not received funding during the previous four funding cycles	60 Points
The applicant has been funded once (1x) during the previous four funding cycles	40 Points
The applicant has been funded twice (2x) during the previous four funding cycles	20 Points
The applicant has been funded three times (3x) during the previous four funding cycles	0 Points
Match – 20 Points (Maximum)	
What is the applicant’s match amount?	
Methodology: Applicants that are incorporated cities will be scored based on “CITY POPULATION” table. Applicants that are Counties (regardless of benefit area location) will be scored based on “COUNTY POPULATION” table.	
CITY POPULATION	
Applicant(s) population equal to or less than 1,500 according to most recent ACS data:	
Match equal to or greater than 5% of grant request	20 Points
Match at least 4% but less than 5% of grant request	16 Points
Match at least 3% but less than 4% of grant request	12 Points
Match at least 2% but less than 3% of grant request	8 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 most recent ACS data:	
Match equal to or greater than 10% of grant request	20 Points
Match at least 7.5% but less than 10% of grant request	16 Points
Match at least 5% but less than 7.5% of grant request	12 Points
Match at least 2.5% but less than 5% of grant request	8 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 most recent ACS data:	
Match equal to or greater than 15% of the grant request	20 Points
Match at least 11.5% but less than 15% of the grant request	16 Points

Match at least 7.5% but less than 11.5% of the grant request	12 Points
Match at least 3.5% but less than 7.5% of the grant request	8 Points
Match less than 3.5% of the grant request	0 Points
Applicant(s) population over 5,000 according to most recent ACS data:	
Match equal to or greater than 20% of the grant request	20 Points
Match at least 15% but less than 20% of the grant request	16 Points
Match at least 10% but less than 15% of the grant request	12 Points
Match at least 5% but less than 10% of the grant request	8 Points
Match less than 5% of the grant request	0 Points
COUNTY POPULATION	
Applicant(s) population equal to or less than 6,000 according to most recent ACS data:	
Match equal to or greater than 5% of grant request	20 Points
Match at least 4% but less than 5% of grant request	16 Points
Match at least 3% but less than 4% of grant request	12 Points
Match at least 2% but less than 3% of grant request	8 Points
Match less than 2% of grant request	0 Points
Applicant(s) population equal to or less than 18,500 but over 6,000 according to most recent ACS data:	
Match equal to or greater than 10% of grant request	20 Points
Match at least 7.5% but less than 10% of grant request	16 Points
Match at least 5% but less than 7.5% of grant request	12 Points
Match at least 2.5% but less than 5% of grant request	8 Points
Match less than 2.5% of grant request	0 Points
Applicant(s) population equal to or less than 55,000 but over 18,500 according to most recent ACS data:	
Match equal to or greater than 15% of the grant request	20 Points
Match at least 11.5% but less than 15% of the grant request	16 Points
Match at least 7.5% but less than 11.5% of the grant request	12 Points
Match at least 3.5% but less than 7.5% of the grant request	8 Points
Match less than 3.5% of the grant request	0 Points
Applicant(s) population over 55,000 according to most recent ACS data:	
Match equal to or greater than 20% of the grant request	20 Points
Match at least 15% but less than 20% of the grant request	16 Points
Match at least 10% but less than 15% of the grant request	12 Points
Match at least 5% but less than 10% of the grant request	8 Points
Match less than 5% of the grant request	0 Points
Poverty Rate - 25 Points (Maximum)	
What is the poverty rate of the applicant?	
Methodology: Determined by reviewing the most recent U.S. Census American Community Survey (ACS) 5-year estimate Table S1701 for the applicant.	

<ol style="list-style-type: none"> 1. 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 impoverished persons was determined. Once this has been established, the average poverty rate is determined by dividing the sum of all poverty rate by the number of applicants. 2. A base is calculated by multiplying the average poverty rate by 1.25 3. The poverty rate of each applicant is then divided by the base to determine each applicant's poverty factor 4. The poverty factor for each applicant is multiplied by the total maximum allowable points. Any applicants exceeding the total allowed points will be capped at the maximum. <p>Note: Cities will be compared to all cities, and counties will be compared to all counties</p>	<p>25 Points (Max)</p>
<p>Unemployment - 25 Points (Maximum)</p> <p>What is the applicant's unemployment rate?</p> <p>Methodology: Determined by reviewing the most recent U.S. Census American Community Survey (ACS) 5-year estimate Table DP05 for the applicant.</p> <ol style="list-style-type: none"> 1. The average unemployment rate for the applicants is determined by dividing the sum of all unemployment rates by the number of applicants. 2. A base is calculated by multiplying the average unemployment rate by 1.25 3. The unemployment rate for each applicant is then divided by the base to determine their unemployment factor. 4. To determine the score, the applicant's unemployment factor is multiplied by the total maximum allowable points. Any applicants exceeding the total allowed points will be capped at the maximum. 	<p>25 Points (Max)</p>

Default Project Priorities

Pursuant to 4 TAC §30.50 (f) (3) (A) - For any region for which no project priorities are submitted, applications will be scored according to the priorities identified below:

Methodology: Application 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 the percentage of all TxCDBG dollars. First, subtract TxCDBG funds allocated to administration. Based on the figure calculated, a percentage of the TxCDBG dollars for each activity is calculated. Then, the percentage of the total TxCDBG funds for each activity is then multiplied by the appropriate score and the sum of those calculations determines the score.

Project Types	Points
Water Improvements, Wastewater Improvements, Street Improvements, Flood and Drainage Improvements, and Housing Rehabilitation	50 Points
All other eligible project types	30 Points

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