



**TEXAS DEPARTMENT OF AGRICULTURE**

# **Unified Scoring Committee (USC) Charter**

**Texas Community Development Block Grant Program**

# UNIFIED SCORING COMMITTEE CHARTER

## **Executive Summary**

### **Overview**

The Texas Department of Agriculture (TDA) administers the non-entitlement portion of the Texas Community Development Block Grant (TxCDBG) Program, which provides financial assistance to cities with populations of less than 50,000 and counties with populations under 200,000. At the federal level, the funds are allocated to the State annually under the Community Development Block Grant (CDBG) Program by the U.S. Department of Housing and Urban Development (HUD). The TxCDBG funding is a key federal source of funding that provides direct grant assistance to rural areas for public infrastructure improvements, disaster relief, housing, and economic development.

### **HUD Planning Process and Consultation**

The HUD Planning Cycle is centered around a five-year Consolidated Plan that identifies the needs of the state and the goals of the four HUD Community Development and Planning programs – CDBG, HOME, Emergency Solutions Grants to address homelessness, and Housing Opportunities for Persons with AIDS (HOPWA). This planning process is led by the Texas Department of housing and Community Affairs (TDHCA) and requires consultation with local stakeholders. The 2021-2022 TxCDBG Program’s Community Development Fund is designed to support the goals of the 2020-2024 Consolidated Plan.

Each year, an Action Plan is developed that provides an estimate of the annual allocation, funding categories, and the method that the state will use in distributing the funding. TxCDBG annually funds approximately one-third of the applications received for a two-year cycle. (TxCDBG allocation for the 2020 Program Year (PY): \$68,084,526.)

### **Community Development Fund**

The Community Development (CD) Fund is the largest TxCDBG funding category (2020 PY: \$45,857,057). The CD Fund is available on an annual basis for funding through a biennial application competition in each of the twenty-four state planning regions. The CD Fund application cycle will be based on a scoring methodology that considers objective factors for selection and ranking of applicants for funding.

The maximum score for a CD Fund application will be 200 points in all regions. These points are assigned in three ways:

- 65% of the points are assigned based on objective factors adopted by the Unified Scoring Committee.
- 25% of the points are assigned based on the Regional Project Priorities selected by the governing board, or a designated committee, of each state planning region.
- 10% of the points are assigned based on State Scoring factors adopted by TDA.

### **Role of the Unified Scoring Committee (USC)**

The role of the USC is to establish scoring factors that will be used to evaluate applicants for funding under the CD Fund. The USC process begins with a meeting to obtain public input related to the needs of the non-entitlement communities, which may be considered by the USC in determining objective scoring factors. The USC will conduct a public meeting to accept public comment on objective scoring factors, formally adopt the scoring factors, and establish the point values assigned to each scoring factor.

The USC decisions will be compiled to document the following:

- Objective scoring factors adopted
- Numerical value of points assigned to each scoring factor
- Scoring methodology – indicating how responses will be scored
- Data sources verifiable to the public

### **TDA Responsibilities**

For purposes of this charter, reference to “TDA” may mean the Texas Department of Agriculture state agency, its employees, executive staff or officers, or TxCDBG program staff, as applicable.

TDA is responsible for supporting the USC through technical assistance and administrative support. TDA is also responsible for reviewing all applications for completeness and eligibility, scoring and ranking applications within each region, and recommending applications for funding.

# UNIFIED SCORING COMMITTEE CHARTER

## I. Organization of the USC

The Committee will consist of twenty-four (24) members appointed by the Commissioner of the Texas Department of Agriculture. The Commissioner may also designate a member of the TDA Executive staff to serve as a non-voting committee chairperson. Each state planning region is invited to nominate one member for appointment to the USC. USC members serve at the pleasure of the Commissioner and serve until replaced.

## II. Procedural Requirements of the USC

### A. Public Hearing at the USC Meeting to Adopt Objective Scoring Factors.

1. The USC proceedings are subject to the Texas Open Meetings Act; however, the provisions of the Act allowing executive or closed sessions do not apply to the USC.
2. The public meeting notice must include in the agenda an opportunity for public comments prior to any action to adopt final scoring factors.
  - a. The public must be given an opportunity to comment on the scoring factors being considered by the USC.
  - b. The USC may limit the duration of public comment period and length of time for comments.

### B. Quorum Required for USC Meeting

1. A public meeting of the USC requires a quorum of thirteen of the twenty-four members appointed by the Commissioner.
2. If an appointed member has authority provided by the Local Government Code, or local ordinance, charter or bylaws to designate another local official to represent that individual at a meeting or before a public body, then that member's designee or proxy may attend the USC meeting for the purpose of meeting a quorum, and may participate in the meeting.
  - a. The designee or proxy must be a current elected or appointed official of a non-entitlement community.
  - b. The designee or proxy must be authorized as stated above, and in writing from both the official being represented and the state planning region being represented prior to his/her participation in any USC meeting.
  - c. No local official may serve as a designee or proxy to the appointed member if he/she accepts funds to either prepare TxCDBG grant applications or administer TxCDBG grant contracts for any community other than the community he/she serves as an elected or appointed official.

### C. Voting on USC Actions

1. A majority of the quorum is required to pass an action. A local official serving as a member's designee or proxy may NOT vote on a matter at a USC meeting.
2. USC discussions, deliberations and votes must be taken in public and must comply with the Texas Open Meetings Act.

## III. Role of the USC - Adoption of Objective Scoring Factors

The USC is responsible for determining objective scoring factors based on public input. The USC shall establish the numerical value of the points assigned to each scoring factor, and the total combined points for all USC scoring factors must equal 130 points.

### A. Discuss, Select, and Adopt Scoring Factors

1. A public hearing to discuss and adopt objective scoring factors shall be conducted by the USC. The final selection of the scoring factors is the responsibility of the USC.
  2. The USC may only adopt scoring factors included in the Verified Scoring Factors Guide published by TDA in advance of the public hearing. (See Section IV.A.)
  3. The USC may not adopt scoring factors that directly negate or offset the State TxCDBG scoring factors.
- B. USC Indicates How Responses Will Be Scored and Identifies Data Sources
1. The USC must clearly indicate how responses would be scored under each factor and use data sources that are verifiable to the public (see **Verified Scoring Factors Guide**).
  2. After the USC's adoption of its scoring factors, the score awarded to a particular application under any USC scoring factor may not be dependent upon an individual USC member's judgment or discretion. (This does not preclude collective USC action that TDA has approved under any appeals process.)
- C. USC Selects Tiebreaker

The USC must select at least one additional scoring factor that will only be considered if a tie score exists within a region, and there are insufficient funds available to fund all applications with the same score.

#### IV. Role of TDA

- A. Support for USC
1. Verified Scoring Factors
    - a. TDA will review factors previously used for Community Development Fund scoring to ensure that the scoring factors are in compliance with 24 CFR 91.320(k)(1). The regulation states in part that, "The statement of method of distribution must provide sufficient information so that units of general local government will be able to understand and comment on it and be able to prepare responsive applications."
    - b. TDA will offer an opportunity prior to the USC public hearing on scoring factors for stakeholders to propose new scoring factors to be considered.
    - c. TDA may determine that certain scoring factors may not be used because the data is not readily available or would require excessive effort to verify in a timely manner. TDA may also establish the maximum number of USC scoring factors that may be used.
    - d. TDA will publish the Verified Scoring Factors Guide, from which the USC will select scoring factors, no less than eight (8) days prior to the USC meeting and public hearing to discuss and adopt scoring factors.
  2. Technical Assistance
    - a. In order to give USC members an opportunity to become familiar with the committee procedures and available scoring factors, a mandatory training session will be provided by TDA. The training will cover a brief overview of the TxCDBG program and USC roles and responsibilities for establishing scoring factors, scoring methodology, identifying data sources and other procedures.
    - b. TDA will provide technical assistance to USC members prior to and during the USC meeting in order to support members' understanding of the scoring factors under consideration.
  3. Administrative Support to USC
    - a. Schedule USC meeting and public hearing
      - i. TDA will coordinate with USC members and establish a USC meeting date for each CD Fund application cycle.

- ii. TDA must notify the public in writing of the date, time and place of the USC meeting and public hearing at least eight (8) days prior to the public hearing. Notice must be posted in the Texas Register; TDA should also post the notice on the TDA website and notify stakeholders through the TxCDBG email distribution list.
  - iii. TDA may establish a deadline for the USC to adopt objective factors for all of its scoring factors. TDA may identify and publish the scoring factors that will be used if the USC does not adopt objective scoring factors by the established date. (See Attachment C)
- b. Publish scoring factors
- i. Following the USC meeting and public hearing, TDA will compile the selected scoring factors, including the points available, scoring methodology, and data sources used to verify responses. As part of the compilation process, the TDA may provide further details or elaboration on the objective scoring methodology, data sources and other clarifying details without the necessity of a subsequent USC meeting.
  - ii. TDA will provide a copy of the compiled scoring factors to each member of the USC prior to publication, to allow members to verify that the USC decisions have been accurately recorded.
  - iii. TDA will publish the USC scoring factors in the Community Development Fund Application Guide.

#### B. Other Scoring Responsibilities of TDA

1. State-Selected Scoring Factors - TDA will publish the State-Selected Scoring Factors in the Community Development Fund Application Guide as follows:
  - a. Past Performance on previously awarded contracts (2014-2020) - Maximum of 16 Points
    - Timely submission of Close-out reports
    - Environmental clearance within 6 months of the contract start date
    - Extension of contracts (i.e., timeliness of completing projects)
    - Maximum utilization of grant funds awarded
  - b. TxCDBG Priorities – Maximum of 4 points
    - Early public hearing
    - Fair Housing activity
2. Regional Project Priorities
  - a. TDA will provide a format and procedures to each state planning region for the selection of Regional Project Priorities
  - b. TDA will collect and compile the project priorities for each state planning region, and publish the priorities as scoring factors in the Community Development Fund Application Guide.
  - c. TDA may establish a deadline for the state planning regions to adopt project priorities and submit the selection to TDA. TDA may identify and publish the project priorities that will be used if the state planning region does not adopt project priorities by the established date.

### V. Summary of the Application Process

#### A. Eligible Applicants Submit CD Fund Applications to TDA

An eligible applicant may submit one application under the Community Development Fund per funding cycle. The application must be furnished to TDA according to the published application procedures no later than the CD Fund application deadline. (See tentative timeline - Attachment B). The CD Fund application must include all of the information provided in the Application Guide for each scoring factor in order to receive the associated points.

## B. Review of Applications for Completeness and Initial Eligibility

TDA will perform a completeness and initial eligibility review of the CD application to determine whether the application is complete and whether all proposed activities are program eligible, have submitted documentation that the activities meet a national objective, and are in compliance with other TxCDBG requirements. Only TDA may disqualify a CD Fund application.

## C. Scoring and Ranking Applications

Applications will be scored and ranked by TDA. Scores will be calculated based on information provided in the application for all scoring factors, including USC objective scoring factors, State-Selected Scoring factors, and Regional Project Priorities.

TDA will provide each applicant with its preliminary scores, either individually or through posting on the TDA website. Initial release of scores is preliminary and subject to change. Once finalized, TDA is responsible for publishing the final ranking of the applications. Only the applications within funding range will be reviewed further for eligibility.

## D. Review of Applications for Completeness and Eligibility

TDA will perform a more detailed eligibility review of the CD applications that appear to be within funding range. If the application is complete and not subject to initial disqualification but needs further clarification, TDA will contact the applicant for clarification. Clarification responses may not change the project target area, substantially change the project description or project details of the cost justification, provide new beneficiary information, or supplement the application with documents required to be submitted by the application deadline. A response must be submitted to TDA within 10 calendar days from the date of contact.

## E. Publication of Final Scores

1. TDA is responsible for publishing the final ranking of the applications on the TDA website.
2. Appeals of scoring or funding decisions will be handled in accordance with Title 4, Part 1, Chapter 30, Subchapter A, Division 1, §30.6 of the Texas Administrative Code (TAC).

## F. Funding Recommendations - 2021 Program Year Applications

1. TDA will recommend projects for funding based on all scoring factors.
  - a. The highest ranking applications in each state planning region will be recommended for funding until the funds allocated for that region are exhausted.
  - b. If insufficient funds remain to fund the next highest scoring application, or if there are no eligible unfunded applications remaining in a region, TDA may reallocate the remaining funds to maximize the total number of grants awarded, regardless of region. Only the next highest ranking application in each region will be considered for re-allocated funds.
2. The Commissioner of Agriculture will approve and announce grant awards.

## G. TDA Works with the Recipients to Execute Contracts

Upon the announcement of awards, TDA will begin working with recipients to prepare and execute contracts. TDA will make a site visit to each of the applicants recommended for funding to verify information included in the application. These visits will take place prior to the preparation of contracts. While the award must be based on the information provided in the application, TDA may negotiate any element of the contract with the recipient so long as the award amount is not increased and the level of benefits described in the application is not decreased. (Level of benefits may be negotiated only when the projects can only be partially funded with the remainder of the target allocation within a region.)

## H. Program Year 2022 – Funding Recommendations and Contracting

Steps F and G are repeated once the Program Year 2022 regional allocations are known, continuing with the next highest scoring application not funded the previous year.

## ATTACHMENT A

### **USC Scoring Format and Suggested Process**

Step 1: Determine Which Types of Factors are Important and Assign Weight

Determine which categories are important to the USC members, and the relative importance of each category. Assign weight on a percentage basis to each category that will total 100%.

**EXAMPLE** (reflects USC Default Scoring Factors):

Project Factors	Need / Previous Funding	Need / Distress Factors	Resources / Match	Resources / Other	USC Total
0%	46%	38%	16%	0%	= 100%
0 points	60 points	50 points	20 points	0 points	= 130 points

Step 2: Select the Specific Questions/Scoring Factors from Verified Scoring Factors Guide and Assign Points

- a. Select questions/scoring factors for each category.
- b. Modify the scoring factor methodology as needed, if approved by TDA during the USC meeting.
- c. Based on assigned weights, assign points to each question that will add up to the total amount of points for that category. Consider whether a lesser number of points may be assigned for responses that do not earn the maximum number of points for that scoring factor.

**EXAMPLE:**

Need / Distress Factors:

Question 1: What is the poverty rate of the census geographic area? (Maximum 25 points)

Question 2: What is the unemployment rate for the applicant based on the appropriate county data? (Maximum 25 Points)

## ATTACHMENT B

### **Community Development Fund Default USC Scoring Factors**

#### **Previous Funding**

1. Has the applicant been funded in any of the four (4) previous Community Development Fund application cycles (eight years)? (Maximum 60 points)

The Applicant has not received any 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.	10 points
The Applicant has been funded four times (4x) during the previous four funding cycles	0 points

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 three funding cycles will be counted to determine applicant's eligibility for points under this section.

Data Source: TDA Tracking System Report Score

#### **Match**

2. What is the applicant's match amount? (Match Amount / TxCDBG Funds Requested) (Maximum 20 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 number of persons benefitting from the project's 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 most recent American Communities Survey (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 grant request 20 points
- Match at least 11.5% but less than 15% of grant request 16 points
- Match at least 7.5%, but less than 11.5% of grant request 12 points
- Match at least 3.5%, but less than 7.5% of grant request 8 points
- Match less than 3.5% of grant request 0 points

Applicant(s) population over 5,000 according to most recent ACS data:

- Match equal to or greater than 20% of grant request 20 points
- Match at least 15% but less than 20% of grant request 16 points
- Match at least 10%, but less than 15% of grant request 12 points
- Match at least 5%, but less than 10% of grant request 8 points
- Match less than 5% of grant request 0 points



**Need**

3. What is the poverty rate of the applicant? (Maximum 25 Points)

Methodology: Determined by reviewing the most recent U.S. Census American Community Survey (ACS) 5-year estimate Table B17001 for the applicant. Note: Cities will be compared to city applicants within their region, and counties will be compared to counties applicants within their region.

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.

Data Source: Most recently available ACS 5-year estimate, Table B17001

4. What is the unemployment rate for the applicant based on the appropriate county data? (Maximum 25 Points)

Methodology: Determined by reviewing the most recent U.S. Census American Community Survey (ACS) 5-year estimate, Table DP05 for the applicant.

Next, the average unemployment rate of the applicants is determined by dividing the sum of all unemployment rates by the number of applicants. 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. 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.

Data Source: Most recently available ACS 5-year estimate, Table DP05

## ATTACHMENT C

### **Community Development Fund Selection and Award Timeline**

	<b>Tentative Dates</b>	<b>Activity/Action</b>
1.	April 2021	The CD application (inclusive of USC scoring information) is due to TDA by the established deadline. Original hard copy and electronic submission requirements are subject to TDA processes and will be published at least 3 months prior to the deadline.
2.	April 2021	Application intake and initial review for completeness
3.	May - June 2021	Applications are scored by TDA for initial ranking of 2021-2022 applications for each region.
5.	June - August 2021	Applications within funding range will be reviewed further for eligibility. Applicants have 10 calendar days from date of contact by TDA to respond to any clarifications requested by staff.
6.	July - August 2021	Upon receipt of the HUD annual allocation, TDA will make funding recommendations. TDA staff begins site visits to communities likely to be recommended for funding in 2021 to confirm application information and contract preparation commences.
7.	September - October 2021	Upon receipt of the HUD grant award, Commissioner of Agriculture will issue grant awards for 2021 CD Fund and TDA will draft contracts.
8.	July - August 2022	Upon receipt of the HUD annual allocation, TDA will make funding recommendations. TDA staff begins site visits to communities likely to be recommended for funding in 2022 to confirm application information and contract preparation commences.
9.	September - October 2020	Upon receipt of the HUD grant award, Commissioner of Agriculture will issue grant awards for 2022 CD Fund and TDA staff will draft contracts.