



TEXAS DEPARTMENT OF AGRICULTURE
COMMISSIONER SID MILLER



TxCDBG 2019-2020 Colonia Fund

**Construction & Planning
Applications**



Deadline

The deadline for both Construction and
Planning applications is
5:00 p.m. on Sept. 13, 2019





Maximum Award Amounts

- **Colonia Construction** - \$1,000,000 and the minimum is \$150,000.
- **Colonia Area Planning** - \$100,000... (use guide matrix).
- **Colonia Comprehensive Planning** -
 - up to \$100,000 if the applicant provides matching funds of 50% or more; or
 - up to \$30,000 if the applicant provides matching funds of less than 50%
- Provide a reasonable cost justification for the proposed (updated) plan preparation.





National Program Objectives for CDBG

- 1. Principally benefit low and moderate income persons.** At least fifty-one percent (51%) of the identified beneficiaries must have a family income of less than 80% of the area median family income.





Definition of “Colonia”

A colonia is:

“Any identifiable unincorporated community that is determined to be a colonia on the basis of objective criteria, including lack of potable water supply, lack of adequate sewage systems, and lack of decent, safe, and sanitary housing; and was in existence as a colonia prior to the date of enactment of the Cranston-Gonzalez National Affordable Housing Act (November 28, 1990).”





Eligible Applicants & Locations

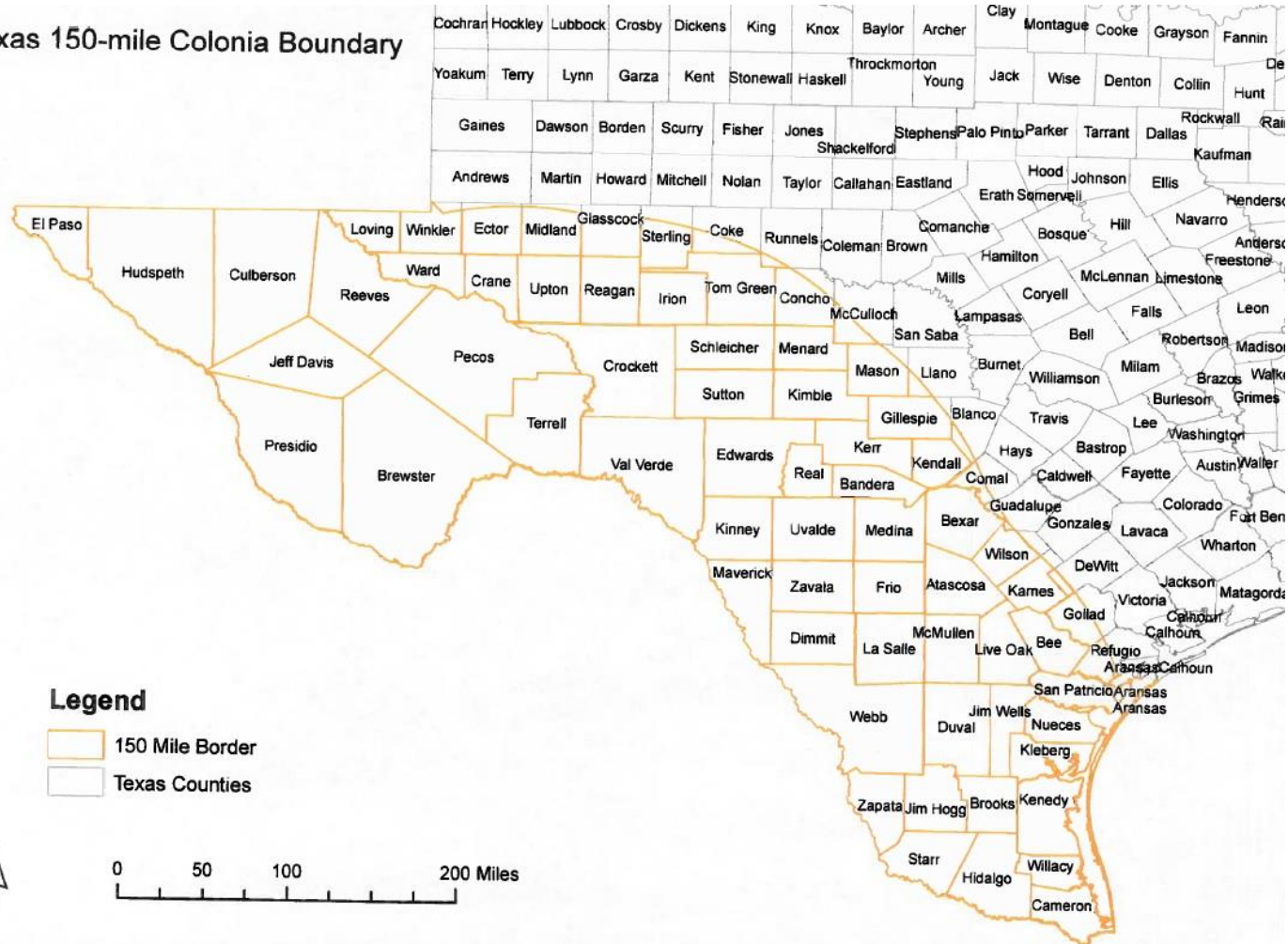
- Limited to non-entitlement **counties** with colonia areas located within **150 miles** of the Texas-Mexico border region.
- An exception to this requirement is Hidalgo County.
- Any county in the 150-mile range that is part of a metropolitan statistical area with a population exceeding 1,000,000 is **not** eligible under the Colonia Fund.



Eligible Applicants & Locations



Texas 150-mile Colonia Boundary





Number & Types of Applications

Each applicant may submit:

One (1) application for Area Planning **or**

One (1) application for Comprehensive Planning

and/or

One (1) application for the 2019-2020

CFC Application cycle.

(To apply for Area Planning, the applicant must already have a TxCDBG Colonia Comprehensive Plan in place, and the colonias in the comprehensive plan must be the ones included in the Area Planning application.)





Application Requirements

- Applicants must provide their most recent annual audit.
- Submit Housing Rehabilitation Guidelines with application. See Section C “Housing Rehabilitation” of CDBG Implementation Manual for sample.
- Waiting list of actual households must be provided for all 14a (Housing Rehabilitation) activities.
- Evidence of active SAM.gov Registration





RFQ for CFC

- Procurement of Grant Administrator or Planners or Engineering Services must be before preparation of application.
- If using a regional council, enter an Inter-Local Agreement beforehand.
- Phase One completed. Administrators approved by TDA through this RFQ process
- Phase Two – final selection process by the local govt.
- Grant application preparation by selected administrator





RFQ continued...

- Applicant must select provider of services through formal action of the governing body.
- For Administrator services contracts less than \$50K you must use the pre-approved list of services providers... streamlined procurement process.
- For administration costs over \$50K and procuring planning and/or engineering services use the traditional procurement method. (See TxCDBG Implementation Manual's Chapter 5 Procurement Procedures & Section B Planning).





Application Checklist

- Use the checklist provided in both the Planning and Construction application guides to make sure the application is complete.
 - Each item on the checklist must be included or the application will be disqualified.





Application Checklist (typical)

Applicant Name: _____

Application Review Checklist for Colonia Fund-Construction

The following items must be included in the application. If the application is found to be substantially incomplete it will be denied without further consideration. Applications that have deficiencies will be given 10 business days to satisfy those deficiencies. Applicant or Application Preparer must initial for each item included in the application or indicate that the item is not applicable. Print this page separately and insert directly behind the Application Coversheet.

| COLONIA FUND-CONSTRUCTION Application Contents | Initial if complete NA if not applicable |
|---|---|
|---|---|

Original Application - Part 1

| | |
|--|--|
| Cover Sheet | |
| Most recent Annual Audit's or CPA Opinion Letter | |
| Completed 424 Form with original signature | |
| Project Approval Information with all question answered | |
| Community Needs Assessment | |
| Project Summary by Target area and locations identified & Source and Use of non-TxCDBG funds | |
| Disclosure | |
| Cranston-Gonzalez National Affordable Housing Act | |
| Model Subdivision Rules Assessment | |
| Table 1 | |
| Table 2 | |
| National Program Objectives | |
| Colonia Identification | |

Attachments - Part 2

| | |
|---|--|
| Resolution passed by the applicant | |
| Match documentation - Letter(s) of Commitment | |
| Public notices | |
| Copy of actual published public hearing notice or Publisher's Affidavit and copy of notice | |
| Copy of actual published notice of application activities and availability of the application for public review or Publisher's Affidavit and copy of notice | |
| Listing of the local service providers that were sent the written notification of the public hearing | |
| Project Map documenting the Benefit area | |
| Census Maps for documenting the Benefit area when using Census data to qualify for LMI | |
| Waiting List and Selection Guidelines for Housing Activities (Reliab or OSSE) (if applicable) | |
| Documentation supporting Low-to-Moderate Income beneficiaries (See Appendix D) | |
| Evidence of Active SAM Registration | |
| Pre-Agreement Request letter (if applicable) | |

Electronic Copy- Part 3

| | |
|--|--|
| Only the PDF document of the of the application is needed. CD-Rom or email to cdbgapps@TexasAgriculture.gov | |
|--|--|

NOTE: The CF planning application 's guide and checklist reminds you to submit the Form A303, Environmental Review Form for projects Exempt or Categorical Exclusion Not Subject to 58.5





Application Review

- Applications that do not include all items on the checklist or are missing information needed to verify meeting a National Program Objective will be disqualified.
- e.g. Annual Audit, SAM Registration, Beneficiary Documentation (as applicable)





Construction: Eligible Activities

- Water
- Sewer
- Streets
- Drainage
- Other Improvements: Other activities eligible under Section 105 of the Housing and Community Development Act of 1974, as amended, designed to meet the needs of residents of colonias...





Ineligible Activities

Regulations expressly prohibit:

- Buildings for conduct of government & general government expenses
- Political activities
- New housing construction *(exceptions for CBDOs and Entitlements)*
- Income payments
- Purchase of equipment
- Operating and maintenance expenses





Colonia Fund Scoring (Construction)

- Community Distress
- Benefit to Low/Moderate-Income Persons
- Project Priorities (Water, Sewer & Housing)
- Project Design
- Matching Funds
- Past Performance





Project Priorities changes

- Activities providing public access to EDAP-funded water or sewer systems -195 points
- First time public water service activities - 145 points
- First time public sewer service activities - 145 points
- Housing activities - 140 points
- Drainage activities - 135 points
- First time water and/or sewer service through a privately-owned for-profit utility - 135 points
- Expansion/improvement of existing water/sewer service - 120 points
- Installation of approved residential OSSF - 120 points
- Street paving - 100 points
- All other eligible activities - 20 points





Past Performance Scoring

- **Timely submission of close-out reports:**
 - ✓ Points will be deducted for applicants that did not submit a close-out report within 60 days from the end date of the contract.
- **Timeliness of environmental clearance with the following deduction categories:**
 - Zero points will be deducted for applicants that completed the environmental review within 30 days of the environmental clearance milestone (210 days after the contract start date)
 - Deduction for applicants that completed the environmental review within 60 days of the environmental clearance milestone (240 days after the contract start date)
 - Deduction for applicants that completed the environmental review within 90 days of the environmental clearance milestone (270 days after the contract start date)
 - Deduction for applicants that did not complete the environmental review within 90 days of the environmental clearance milestone (271 days after the contract start date)
- **Timeliness of completing projects (i.e., extension of contracts):**
 - Points will be deducted for applicants that received an extension on a previous contract.





Planning: Eligible Activities

- **Payment of the cost of planning community development (including water and sewage facilities) and housing activities;**
- **Costs for the provision of information and technical assistance to residents of the area in which the activities are located and to appropriate nonprofit organizations and public agencies acting on behalf of the residents; and**
- **Costs for preliminary surveys and analyses of market needs, preliminary site engineering and architectural services, site options, applications, mortgage commitments, legal services, and obtaining construction loans.**
- Eligible activities under the Texas Community Development Block Grant Program are defined in Section 105 of the federal Housing and Community Development Act of 1974, as amended, and further defined in Section 570.205 of 24 CFR Part 570.





Ineligible Planning Activities

- Administrative activities
- Engineering/architectural design
- Audit Costs





Planning Categories

- Colonia Comprehensive Planning
- Colonia Area Planning

Submit proposals that promote solutions to colonia physical problems primarily related to water and sewer and housing.





Comprehensive Plan Grant Recipients



| | | | | |
|------------|-----------|----------|------------|--------------|
| Aransas | Atascosa* | Bandera* | Bee | Brewster |
| Brooks | Cameron | Concho | Crane | Crockett |
| Dimmit | Duval | Ector | Edwards | Frio |
| Hidalgo | Hudspeth | Irion | Jeff Davis | Jim Hogg |
| Jim Wells | Kenedy | Kerr | Kimble | Kinney |
| Kleberg | La Salle | Live Oak | Loving | Mason |
| Maverick | Medina* | Midland | Nueces | Pecos |
| Presidio | Real | Reeves | Refugio | San Patricio |
| Schleicher | Starr | Terrell | Tom Green | Upton |
| Uvalde | Val Verde | Ward | Webb | Willacy |
| Zapata | Zavala | | | |

* Indicates metro



Planning Fund & Platting Subdivisions

- Is there funding availability for physical improvements with the resultant recording of a final plat in accordance with locally adopted subdivision regulations?
- Will documentation guaranteeing construction improvements be provided with the application?





Identifying Beneficiaries

What information do we need?

- Number of beneficiaries
- Income levels
- Gender
- Race/Ethnicity
- Location

Why?

- To satisfy a CDBG National Program Objective: principally benefit low- to moderate-income persons (51% LMI).





LMI Area Benefit (LMA)

- Activities that benefit all residents of an area
- 51% LMI persons
- Area must be primarily residential
- Must determine service area of activity (*CGA*)
- Beneficiary Identification Methods include LMISD and TxCDBG Surveys.
- Typical activities: water/sewer, parks, community centers, roads





LMI Housing (LMH)

- To meet the housing national objective, structures must be occupied by low/mod households
- Aggregation allowed in some instances
- This is the only L/M national objective for housing activities
- Typical activities: homeowner unit rehab, rental acquisition and rehab, homebuyer assistance, **yard lines**





Using Census Data

- See Appendix I: Using Census Data and Surveys in Application Guide
 - ✓ Page 43 in CFC Application Guide
 - ✓ Page 30 in CFP Application Guide





Census FAQs

- Where do I find the LMISD spreadsheet?
 - TexasAgriculture.gov >> Grants & Services >> Community Development >> All Resources >> Beneficiary Documentation
- What information does it contain?
 - Census-based population & income data from HUD





LMISD Spreadsheet

- **CDBGNAME**- The name of the CDBG formula program jurisdiction that covers this area
- **COUNTY**- The numeric Federal Information Processing Standards (FIPS) county code.
- **COUNTYNAME**- The Name of the County.
- **TRACT**- The numeric code for the census tract.
- **BLKGRP**- The block group code.
- **LOWMOD**- The count of Low and Moderate income persons.
- **LOWMODUNIV**- Persons with the potential for being deemed Low and Medium income.
- **LOWMODPCT**- The percentage of Low and Moderate income persons.





Statistical Inference

Example: LOWMODUNIV population is 100. Gender data shows 52 males and 55 females.

Maintain *proportion*:

- $52 + 55 = 107$
- $52 / 107 = 0.4859$ (~49%)
- $100 * .4859 = \sim 49$ males (51 females)





Survey Manual

- The Survey Methodology Manual contains instructions on conducting door-to-door surveys.
- If you aren't sure about your beneficiary documentation, contact TxCDBG staff.



Survey Rules

- Minimum 80% response rate with 100% effort (two attempts per house)
- Random sample required if surveying 200 households or more.
- Approved surveys are good for 5 years (so for the 2019-2020 CFC cycle, surveys from 9/1/14 are OK)
- Location Form must also be submitted





Survey Rules

- For random sample surveys, we only count Sample Pool responses.
- Vacancies are not counted.
- Non-responses count as a non-LMI response at the average family size of all respondents.





Survey FAQs

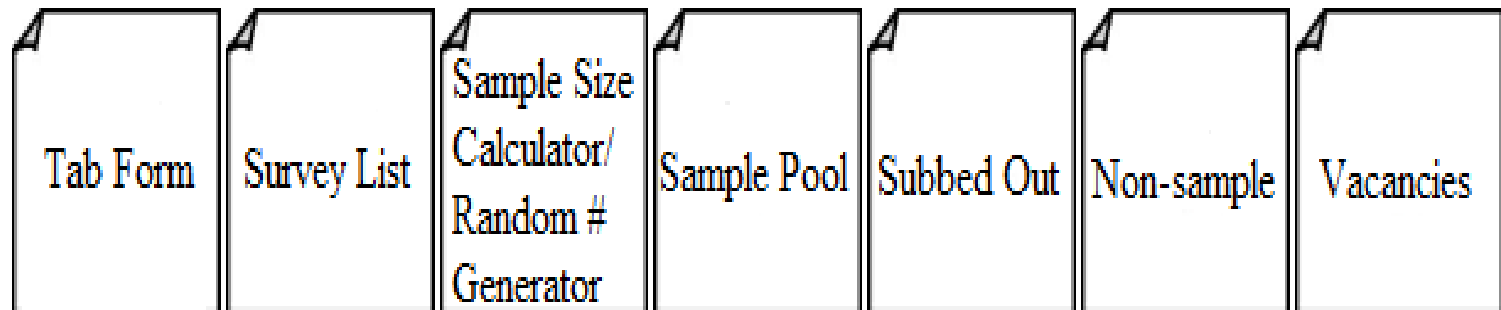
- Where are the forms?
 - TexasAgriculture.gov >> Grants & Services >> Community Development >> All Resources >> Beneficiary Documentation
- Which forms do I need?
 - Survey Methodology Manual, Survey Questionnaire, Survey Tabulation Form
 - maybe Random Number Generator/Sample Size Calculator depending on size of survey





Order of Survey Forms

Survey forms must be in the following order:



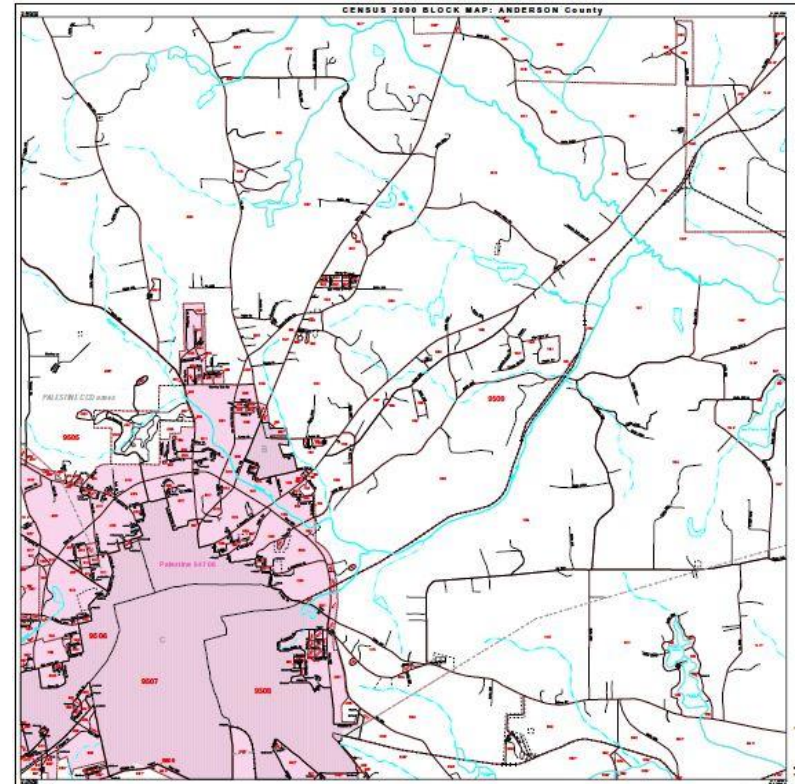
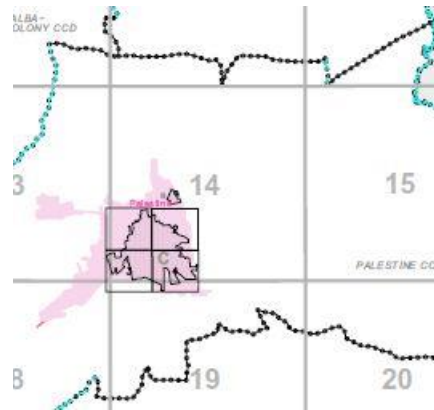
(Only random sample surveys will include the Sample Size Calculator/Random Number Generator, subbed-out questionnaires, and non-sample questionnaires.)





Census Maps

<http://www.census.gov/geo/maps-data/maps/reference.html>





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