

#### TEXAS DEPARTMENT OF AGRICULTURE Commissioner sid miller

Texas Community Development Block Grant Program 2021 Application Guidance Updates

Good afternoon and thanks for joining us for today's 2021 Application Updates. I'm Aubrey-Ann Gilmore and I work with the Texas Community Development Block Grant Program. Also joining me on the line are my fellow program specialists: Crystal Ortegon, Michelle Phares, and Eva Cruz.

A couple housekeeping items before we get started.

Please mute your lines and feel free to use the chat feature to ask questions. We'll also take general questions after the presentation, but if you have projector community-specific questions, please reach out via email.

Alright let's get started!



Today we'll start with an overview of the Texas Community Development Block Grant Program

Next we'll discuss application updates, share exciting news about the grant management system development, and best practices to adopt.

Then we'll dive into each program, highlighting program specific changes in the application cycles recently announced.



Here are a few highlights of our program...

Larger cities and counties receive their funding directly from the Dept of Housing and Urban Development.

For smaller communities in Texas, which are predominately rural in nature, the Texas Department of Agriculture Administers the non-entitlement allocation of CDBG funds.

For reference, cities with populations under 50K and counties with a nonmetropolitan population under 200K are eligible for our program.

Texas receives the largest non-entitlement CDBG allocation in the nation and our program serves over 850 cities and 244 counties.

In PY 2020, TxCDBG program received a little over \$68M



The annual allocation is then broken down into multiple fund categories (or sometimes called "programs")

Today we'll talk about the 2021-2022 application cycles for Community Development Fund, Colonia Fund; Construction, and the 2021 application cycle for Downtown Revitalization.



Every CDBG project within every fund category must meet at least one National Program Objective designated by HUD – these are:

- The benefit to low- to moderate income persons
- Elimination of Slum and blighted conditions
- Urgent Need

Colonia Fund and CD address the NPO of benefitting low and moderate income persons, whereas DRP addresses the elimination of slum and blighted conditions, and SUN fund addresses urgent needs of the community.

# Application Deadlines

Fund Category	Application Due Date
Community Development (CD)	May 3, 2021
Downtown Revitalization Program (DRP)	May 3, 2021
Colonia Fund: Construction (CFC)	May 3, 2021
State Urgent Need (SUN) Fund	Open/As needed – first- come first-serve basis

CD, CFC, and DRP applications will be due Monday, May 3, 2021 at 11:59 PM. Technical assistance from TDA staff however will cease at 5PM.

Fund History	
Recent Funding History	
2019-2020 Community Development (CD) \$	90M
,	7M + remaining unds from TCF
2019-2020 Colonia Fund (CFC) \$	513.6M
Note: Approximate funding amounts only based off PY 2019 and 2020 Actual funding levels vary due to budget changes and additional funding If your community has an eligible pro AN APPLICATION!	ing resources.
Do not be discouraged against applyin funds because of your community's po MANY "lower"-scoring and eligible	otential score -

I know what question comes next... "what's the anticipated level of funding for each program?"

Well, it's still too early in the federal fiscal year to have PY 2021 numbers. BUT, here's some recent funding history. Between PYs 2019 and 2020 CD Fund awarded over \$90M in allocation alone. DRP/MS set a record year in 2020 with a larger than usual amount of funding due to unspent funds in the TCF umbrella. And between PYs 2019 and 2020, CFC had almost \$14M available in allocation for awards. And these figures are low approximations since they do not include other sources of funding such as deobligated funds and program income.

All of this to say.... Please resist the urge to pre-score applications and use preliminary figures as a "guestimate" to the likelihood of an application to be funded. These figures change frequently and as we saw in 2020, funds become available that we did not originally anticipate. So if you have an eligible project, please submit an application.



Let's talk general application updates.... Admin/engineering caps have been updated to include a dollar amount threshold of \$35K and \$55K respectively (Except for CFC, which we'll get to). So If actual costs exceed these caps, matching funds will be assigned.



The sample resolution in the app guides has been updated to include a few more items; now the resolution can authorize signatories for contract execution, environmental review, and cost reimbursement if an application is funded. Hopefully, this will help streamline some early steps in the contract process and communities can begin their grant projects a little quicker.

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The language surrounding multi-jurisdictional applications has been clarified in the new guidance. Project benes must reside within an applicant's jurisdiction. And for single jurisdiction applications, which is the bulk of projects we see, this pretty self-explanatory language. However, if only a portion of the project beneficiaries reside within the jurisdiction of the applicant community, they must partner with another eligible unit of local government that has jurisdiction in the remaining portion of the project.

Partnering does not prevent partnering jurisdiction from submitting a separate and unrelated application in the same round so long as the project do not serve the same benefit area and are in separate locations.



- Guide to National Program Objective

   Subsequent webinar to be hosted
- Instructions for completing TxCDBG applications in TDA-Go!



Speaking of that, we're excited to announce our new online grant management system, TDA GO! We anticipate a mid-January launch for public access and will be the platform for 2021 TxCDBG application submissions.



TDA will set up the "organization" for communities with recent contracts and will confirm contact information with local staff.

Authorized Signatory of the organization (city/county) will begin the application and add consultant role for application preparation assistance.

Authorized Signatory must certify and submit the application on behalf of applicant community.

Each community will have an organizational account, and TDA will set up accounts for recent contracts and confirm contact information with local staff.

Within the organization, each person involved in the application and contract process will have an individual account and login information. The authorized signatory of the organization (city/county) will begin the application and add consultant account(s) for application preparation assistance.

Authorized signatory must certify and submit the application.

Home Searches -		
CDV2021055	Project Benaficiaries an Locations	eficiaries and Locations
✓ Forms	ntywide - 03j	R
Application Forms	Gilmore Street - 14A	a ha and save the page.
	Gilmore Street - 031	1
	3	e HUD activity code. If you do not know the HUD activity code, click here for a description
Community Needs I Assessment	3	Activity: *
Project Beneficiaries and 🔭 🗣		Iressed within the application for this benefit area. *
Budget Details	3	ment facility (WWTP) has components that are aged and deteriorated, resulting in frequ instream. The main pump and aerator have been intermittently functional and need reg
	з	
	8	
	3	roblem(s) and their anticipated outcomes. Include specific materials and quantities *
CDV - Community I Development Fund	3	-time sever service connections to 25 households in the Addison Neighborhood in the on of yardlines, tap fees and decommission of existing septic tanks.
✓ Tools		at the wastewater treatment plant and rehabilitate the pond liner to reduce threats to s of Purple. Constructions shall include the installation of two new pumps, pond aerator

In tandem with TDA-Go's public launch, more specific instructions on application completion will be published. But for now, here's a sneak peak at some of the features we're most excited about.

Similar to the "Project Summary" narrative section of the paper application, the new "Project Beneficiaries and Locations" area of the online application is broken down by benefit area (which is terminology the program will be transitioning to from "target area" and "service area" language). So in our example, the City is applying for citywide sewer improvements, and sewer improvements and first-time service in the Gilmore Street benefit area. Therefore, the application will generate a "benes and locations" page for citywide 03J, Gilmore Street 03J activities, and Gilmore Street 14A activities.



As you can see in the top right-hand corner, the online system allows for application data to be easily saved and modified later.

Fundamentally, many of the questions and fields from previous paper versions of TxCDBG applications will be included in the online form.

Benefit Area Location		
3. Provide a brief description of the local	tion of the work to be performed for	this benefit area/activity. *
Example: This water treatment plant is lo of Smith County.	located at 101 County Road 4011, and	serves the Smith Water Supply Corporation throughout the southeastern portion
The wastewater treatment facility is lo	ocated at 123 Aubrey Street and serve	es the entire community of Purple, Texas.
116 of 2000		A
For linear projects, identify the location of	of the work to be performed for this t	benefit area/activity. List separately each street or line that will be constructed.
Example:		
On Main Street - From 1st Avenue - To 5		
On 5th Avenue – From Main Street – To	Oak Lane	
On	From	То
	[	
4. Does the applicant or service provider	r own all real property required for th	e project site? *
Yes, all required property acquisition	on is complete	
No. property acquisition is in progr	ress	
O no, property acquisition is in progr		
-		
No, acquisition not yet begun		
0	cessary	
No, acquisition not yet begun		

Again, these are fields that should be familiar to most veteran-applicants; a narrative area to describe the benefit area, repeatable street fields to describe linear projects, and questions relating to project site acquisition.

Beneficiary Identification Inform	ation								
5. Enter the following beneficiary informa	tion for this benefit	area / activity *							
Total Beneficiaries for this Activity	Total Low/Mod	lerate Income Be	neficiaries for	this Activity	LMI Ra	atio			
1.000	555				55.50	%			
6. Are any of the beneficiaries receiving a	direct benefit? (e.g.	First-time Service	e)? *						
7. Select a method for identifying benefici	aries: *								
TxCDBG survey									
O LMISD information									
Select all that apply. *									
City-wide Benefit (Place)	unty-wide Benefit	Census D	esignated Plac	e(other that	an city)	Othe	r Census D	Designated Unit	
Limited Clientele determination (TD/	A prior approval req	quired)							
County Code Census Tract (6 digit)	1 2	3 4	5	6	7	8	9	10	
444 123456		1							
Beneficiary support documentation (Pres	s "+" for additional u	upload fields) *	Selec	t				+	

The Beneficiary Identification Information section captures similar information as the Table 1's beneficiary info section – total / LMI benes in benefit area, direct benefit, method of identifying beneficiaries, and census tract information. This is also the area that beneficiary documentation will be uploaded, by benefit/target area. So in this example, the citywide 03J activity was qualified using LMISD data, so a screenshot of the appropriate data would be uploaded here. And survey questionnaires, tabulation form(s) and address lists would be uploaded here for benefit areas qualifying using income survey method.

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So as you begin to conceptualize potential TxCDBG eligible projects, think about them in terms of "benefit area" as you draft project summaries, cost estimates, and compile beneficiary documentation.



While we wait for TDA-Go launch, what should folks do in the meantime?

- 1. Get started on the procurement process for an application preparer (grant administrator) and application engineering services; both vendors are often essential in the project development process.
- 2. Begin citizen participation activities; schedule public hearings to receive input from community stakeholders, and begin brainstorming fair housing activities to undertake.
- 3. Once an app preparer and engineer have been hired, begin discussing public feedback received and feasible projects that will meet stated community needs.
- 4. With assistance of application preparer and application engineer, identify benefit area(s), cost estimates, LMI beneficiaries, and begin collecting beneficiary data.



#### **Professional Services Procurement**

- Communities must procure application preparer and application engineer before the provider(s) conduct any work to prepare the application for TxCDBG funding.
- Now is the time to procure and award service contracts for TxCDBG programs your community intends to apply for!
- Check out TxCDBG Training page for link to recorded webinar about procurement processes

The sooner your community awards a service contract for needed professional services, the quicker they can begin working with you to develop a project and application. All TxCDBG applications are a significant coordination effort and have public consultation requirements, so be sure to allow your vendors ample time during the application period.

For more details, check out our training page to view the recorded webinar about the procurement process.



First the applicant will notify the public of the upcoming public hearing. This should be done at least 72 hours prior to the scheduled public hearing.

Then, after receiving input on the community's needs, the application is drafted.

Then, city council or commissioner's court will adopt a resolution to authorize the submission of the application.

Afterward, the city/county will notify the public of the application's availability for review for at least 5 days prior to the app submittal.



Here's the process in a little more detail - the public hearing should cover the topics listed in the slide and provide an opportunity for comments and suggestions. Please note that one public hearing can be conducted for applicants submitting in multiple fund categories but should list each fund category to be considered in the public hearing notice and meeting agenda.

Once an application has been developed, an applicant should make efforts to notify the public about the application and project and provide an opportunity for public review. Again, one published notice can be utilized for applicants submitting in multiple fund categories, but should list each application that is available for review in the notice.



Previously, applicant's had two options in documenting compliance with citizen participation requirements. Now there is an additional option:

Applicants now have the option to post the public notices (for public hearing and application availability) at City Hall/County Courthouse/and other widely accessed locations AND post the public notice on the applicant's website to satisfy this requirement. Both the posting in a public place and publication on the website is required to fully satisfy this element.

If you community does not have a website, please proceed with options 1 or 2.

# TxCDBG Program

2021-2022 Community Development (CD) Fund



This spring, each state planning region was tasked with soliciting public input and selecting project priorities for applications submitted from the region. Then on July 9, 2020 the first annual Unified Scoring Committee public hearing was conducted. The 24-member committee, representing each planning region in the state, selected scoring factors for the upcoming 2021-2022 Community Development Fund competition.

🛞 Un	ified Scoring C	riteria		
	Scoring Factor	Points (130)		
	Match	50 Points		
	Previous Funding	80 Points		
Methodology: For county appl beneficiaries to	plicant's match amount? (50 points) If the project is for beneficiaries for the entire e lications in unincorporated areas, the population be served by the project activities. If the project tal city population is used. Data Source: Most is	on category is based of ect serves beneficiaries	n the actual number of s for applications submitted	
Has the applica	nt been funded in the previous three (3) CD	application cycles? (	(80 Points)	
	ata source documentation will be reviewed an			
The applicant ha The applicant ha	s not received funding during the previous thrs s been funded once (1x during previous three s been funded twice (2x) during the previous t s been funded three times (3x) during the pre	funding cycles = 60 p three funding cycles =	oints 40 points	

The Unified Scoring Committee selected two factors for the 21-22 CD competition; Match and Previous Funding. Match %'s are broken down by population bracket and point breakdowns are listed in the application guide. Previous Funding will consider the previous three fund cycles, so a CD award received any time from 2015-2020 will be considered.



#### Scoring Updates – TxCDBG Priorities



 Points shall be received for applicants that conduct the required public hearing at least 90 days prior to application deadline

#### **Fair Housing Activity**

Points shall be received for applicants that have conducted at least one activity listed to affirmatively further fair housing between 9/1/2020 and the application deadline

TxCDBG priorities has been updated to include two new factors: Public hearing and Fair Housing.



# 🙆 Best Practices

#### Utilize available technical assistance!

Email <u>CDBGApps@TexasAgriculture.gov</u> at least 30 days prior to deadline and staff will confirm beneficiary documentation

- Brief project description;
- Description of how residents of the identified service/benefit area will benefit from the proposed improvements;
- Map showing location of proposed improvements AND clear boundaries of the benefit area;
- Supporting documentation for beneficiaries (LMISD or TxCDBG Household Income Survey)



- Include service/benefit area justification
- Project should be included in community needs!
- Revised project scope and/or locations are not accepted after application deadline in response to deficiency email
- If ineligible costs identified and project budget reduced, applicants may not adjust remaining line item's quantity/cost
- If upsizing or downsizing infrastructure, include explanation in application.

# TxCDBG Program

2021 Downtown Revitalization Program (DRP)



Name change: "Downtown Revitalization Program" – but still includes separate Main Street competition!

Award Maximum: \$350,000

2020 Score Factors	Dointo			
Poverty	Points	2021 Scoring	Points	
MHI	10	мні	10	
Unemployment	5	Unemployment	2	
Match	15	Match	15	
ED Tax	5	ED Tax	10	
Priority	5	Priority	10	
LMI	10	LMI	5	
Previous	15	Previous	17	
MS/DRP	10	MS/DRP	10	
App Completeness	10	Citizen Participation	5	
Community Support	5	Past Perf	16	

There's been some updates to DRP scoring factors – Poverty rate has been removed, unemployment rate and LMI point values reduced, and increased point value for ED tax, project priority, and previous funding. New to scoring this year is Citizen Participation and Past Performance, which are criteria you'll see applied across the competitive programs.



# Scoring Update – Citizen Participation

- Points shall be received for applicants
   that conduct the required public hearing at least 90 days prior to application deadline.
- Get started now on citizen participation!



# Scoring Updates – Past Performance

- Timely submission of closeout reports

   Submit within 60 days of contract end date
- Timeliness of environmental review
  - Complete environmental review within 210 days after contract start date
- Maximum utilization of grant funds awarded
   Deobligate less than \$10,000
- Timeliness of completing projects (i.e. extensions)
  - Avoid contract extensions when possible
  - Smaller point value (1 pt)



TDA has clarified the criteria to provide better technical assistance on what it means to be a downtown area.

# TxCDBG Program

2021-2022 Colonia Fund: Construction (CFC)



### Application Updates

- Grant Administration up to 16% of funds requested for construction/acquisition or \$60,000, whichever is less.
- Engineering Services up to 25% of funds requested for construction/acquisition or \$85,000, whichever is less.
- If actual costs exceed this amount, matching funds will be assigned to these costs.

Olonia Designation	
Each activity must provide benefit to residents of a colonia that is eligible under the Cranston Gonzales Act:	
<ul> <li>Documentation of the colonia's existence prior to 1990:</li> </ul>	
<ul> <li>Subdivision platting;</li> <li>Documentation of residential construction, minimum of 25% of current number of units or 11 units, whichever is less;</li> <li>Photos of colonia community;</li> <li>Newspaper articles or similar publications that reference or describe the colonia community</li> <li>Other available documentation, with TDA approval <b>prior</b> to the application deadline</li> </ul>	
<ul> <li>Proximity to the United States-Mexico Border</li> <li>Colonia's geographic boundaries</li> <li>Summary of colonia's current potable water supply, sewage systems, and inventory of decent, safe, and sanitary housing</li> <li>Photos of the proposed project site that illustrate conditions to be addressed by project</li> </ul>	



## Colonia Benefit Map

Each activity must provide benefit to residents of an eligible colonia. A map should be included with the following:

- The project(s) location;
- The colonia's proximity to the U.S.-Mexico Border
- Documentation of the colonia's geographic location and boundaries;
- The applicant County's jurisdictional boundaries



If work is proposed outside colonia boundaries, the applicant must demonstrate that:

- The work is necessary to adequately serve colonia residents;
- Non-colonia residents do not exceed ten (10) housing units or 25% of the total beneficiaries, whichever is less; and
- Proposed location and scope of work is the most reasonable and efficient option available

CFC grant or match funding shall not be used for housing rehabilitation or other improvements on private property that is not located within the colonia community.



Application must include one or more "stand-alone" projects and cannot depend on work proposed in any other pending TxCDBG application.

				_
2020 CFC Scoring Factors				
Poverty	15			
Per Capita Income	10	2021-2022 CFC Scoring		
Plumbing	5	Plumbing	5	
Unemployment	5	Median Household Income	10	
LMI	49	LMI	49	
Project Priorities	195	Project Priorities	195	
Cost per Beneficiary	30	Cost per Beneficiary	30	
Comprehensive approach	30	Comprehensive approach	30	
Project-Specific Design Criteria	10	Project-Specific Design Criteria	65	
Application Completeness	16	Citizen Participation	5	
Match	20	Match	20	
Past Performance	10	Past Performance	16	

Poverty, Unemployment, and application completeness have been removed... New to scoring this cycle is Citizen Participation and Median Household Income has replaced Per Capital Income.



Same methodology as DRP and CD



