

**PANHANDLE REGIONAL REVIEW COMMITTEE GUIDEBOOK**

**2013-2014 TxCDBG PROGRAM**

**REVISED: May 4, 2012**

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## **PART I - INTRODUCTION**

### **PANHANDLE REGIONAL REVIEW COMMITTEE GUIDEBOOK**

#### **2013-2014 TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

The Panhandle Regional Review Committee (RRC) Guidebook has been prepared in accordance with the 2013 TxCDBG Action Plan and the 2013-2014 Regional Review Committee Scoring and Training Guidelines for the Community Development Fund. The Guidebook provides eligible applicants from the Panhandle region with the application guidelines necessary to be scored under the Panhandle RRC scoring criteria.

Any questions regarding the RRC or the Guidebook should be directed in writing after the Panhandle RRC Guidebook has been published in the website of the Texas Department of Agriculture to:

**Becky Dempsey, Director  
State CDBG Program  
Texas Department of Agriculture  
P.O. Box 12847  
Austin, Texas 78711  
e-mail address: [Becky.Dempsey@TexasAgriculture.gov](mailto:Becky.Dempsey@TexasAgriculture.gov)  
TDA website: <http://texasagriculture.gov/>**

## **PART II - PANHANDLE RRC APPROVED ACTIONS**

1. The PANHANDLE RRC held its required Public Hearing on May 4, 2012 to hear public comments on the proposed objective scoring criteria, and to approve the RRC Guidebook, project priorities and the objective scoring criteria.

2. The RRC selected the Rio Grande Council of Governments as support staff to develop and disseminate the 2013-2014 RRC Guidebook. The RRC selected the Rio Grande Council of Governments as support staff to calculate the RRC scores and provide other administrative RRC support.

3. The RRC established the maximum grant amounts for the region:

- Single jurisdiction: \$275,000.00
- Multi-jurisdictions: \$350,000.00

4. The RRC did not establish set-asides for housing and non-border colonia projects.

## **PART III - PANHANDLE RRC SUMMARY OF OBJECTIVE SCORING CRITERIA**

Total PANHANDLE RRC Points: **120 points**

- **PROJECT TYPE/PRIORITY: Total points 45**
  1. Is the project categorized as one of the first priority activities for the region?  
**(45 Points Maximum)**
  
- **FINANCIAL CAPABILITY: Total points 30**
  2. Has the applicant or the service provider increased the appropriate utility (water or sewer) rate, and/or the ad valorem tax rate above the effective tax rate or maximum rate for the municipality type in the last two-year period, and/or has incurred bonded indebtedness (adopted date of increase: January 1, 2010 to January 1, 2012) as related to the project(s) being submitted for TxCDBG funding? **(30 Points Maximum)**
  
- **MATCH LEVERAGE: Total points 25**
  3. What is the applicant's match amount?  
**(25 Points Maximum)**
  
- **PER CAPITA: Total points 10**
  4. What is the per capita income of the applicant's jurisdiction?  
**(10 Points Maximum)**
  
- **PREVIOUS FUNDING: Total points 10**
  5. Did the applicant receive TxCDBG funding in the previous 2011/2012 funding cycle? **(10 Points Maximum)**

## PART IV - PANHANDLE RRC OBJECTIVE SCORING CRITERIA

### • Project Type/Priority: Total points 45

1. Is the project categorized as one of the first priority activities for the region?  
**(45 Points Maximum)**

Project is for First Priority activities as listed below:

- Water/Wastewater/septic tanks/yard lines **45 points**
- Streets/Roads/Drainage/Fire & EMS **40 points**
- All Other Activities **5 points**

### **Methodology:**

The CD Application Table 1 verified by TDA 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 percentage of TxCDBG dollars. Using as a base figure the TxCDBG funds requested minus the TxCDBG funds requested for administration, a percentage of the total TxCDBG construction and engineering dollars for each activity is calculated. (Engineering dollars will be assigned either on a pro-rata basis or on the actual dollars applicable to each activity.) Administration dollars requested is applied on pro-rata to these amounts. The percentage of the total TxCDBG dollars for each activity is then multiplied by the appropriate score and the sum of the calculations determines the score. Related acquisition costs are applied to the associated activity.

**Data Source:** CD Application Table 1 Verified By TDA

### **Information Needed From Applicant to Score:**

List of projects submitted by type as stated in Table 1 (list as many as applicable):

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

• **FINANCIAL CAPABILITY: Total points 30**

2. Has the applicant or the service provider increased the appropriate utility (water or sewer) rate, and/or the ad valorem tax rate above the effective tax rate or maximum rate for the municipality type in the last two-year period, and/or has incurred bonded indebtedness (adopted date of increase: January 1, 2010 to January 1, 2012) as related to the project(s) being submitted for TxCDBG funding? **(30 Points Maximum)**

<b>Mark All Applicable:</b>	YES	NO
Increase in Utility (Water or Sewer) Rates:		
Increase in Ad Valorem Tax Rate above the Effective Tax Rate:		
Incurred Bonded Indebtedness related to Water or Sewer:		

Applicant Answers Yes to Two of Three of the Above Criteria: **30 points**

Applicant Answers Yes to One of Three of the Above Criteria: **25 points**

Applicant Answers No to All Three of the Above Criteria: **0 points**

For example: if applicant says yes to at least two of the three factors, applicant will receive 30 points. If applicant says yes to one of three questions, applicant will receive 25 points. See examples below:

**EXAMPLE 1**

Increased appropriate utility rate: YES, Ad valorem tax rate above the effective tax rate: YES, Has incurred bonded indebtedness: NO

Applicant would receive 30 points

**EXAMPLE 2**

Increased appropriate utility rate: YES, Ad valorem tax rate above the effective tax rate: NO Has incurred bonded indebtedness: NO

Applicant would receive 25 points

**Definitions:**

Bonded Indebtedness: bonded indebtedness includes principle and interest.

Utility Rate: water or sewer rates.

**Methodology:**

Applicant information related to a utility rate or ad valorem tax rate above the effective tax rate and bonded indebtedness 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 January 1, 2010 and January 1, 2012. Bonded indebtedness must have been incurred during this period.

The utility (water or sewer) rate increase and the incurred bonded indebtedness by the applicant or the service provider must be associated with the project submitted for TxCDBG funding to receive the maximum points. Example: If the project is water, then the water rates must have been raised during the applicable period and the bonded indebtedness must be related to water. However, if the application for TxCDBG funding is for both water and sewer projects, then the applicant will receive the maximum points only if one of the rates was increased (water or sewer) and the bonded indebtedness can be related to either water or sewer.

If the applicant's request for TxCDBG funding is not for a water or sewer project, then the applicant will be evaluated for scoring purposes based on an increase in the ad valorem tax rate above the effective tax rate. The applicant will not be able to receive the maximum points if funding is being requested for a non-water or non-sewer project. 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. The applicant will receive 25 points in this example.

If the applicant has incurred bonded indebtedness, the indebtedness must be specifically related to the applicant's project. If the applicant incurred bonded indebtedness for water, but neither raised the water rates nor increased the ad valorem tax rate above the effective tax rate, the applicant will receive 25 points. Example: City of ABC has incurred \$500,000 indebtedness due to upgrading water system and City of ABC is applying for first-time water service, City of ABC would list yes as having incurred bonded indebtedness and would respond no to increase in utility rates (water in this case) or ad valorem tax rate above the effective tax rate. The applicant would receive 25 points.

If the application is for multiple projects that includes a water or sewer project and another eligible activity, (i.e. street repair and water) documentation must be provided that shows either the water or sewer rate was increased and bonded indebtedness related to water or sewer as incurred to receive the maximum points. In this example, the water rate and bonded indebtedness would have to be related to water to receive the maximum points.

**Data Source:** As stated below.

Rate Increase: Official public record of action of the appropriate governing body (examples: ordinance or resolution)

Ad Valorem Tax Rate above Effective Tax Rate: To document the ad valorem tax rate above the effective tax rate for the established periods, newspaper publication reflecting the effective tax rate or the calculation form used to determine the ad valorem tax rate above the effective tax rate. The information must provide the name of the applicant and appropriate timeframe. The established timeframe is defined in the **Information Needed from Applicant to Score**.

Bonded Indebtedness: Official public record of action of the appropriate governing body (examples: ordinance or resolution).

Project Submitted: CD Application Table 1 Verified By TDA

**Information Needed From Applicant to Score:**

Project(s) request for TxCDBG funding is for (mark as many as applicable):

Water \_\_\_\_\_ Sewer \_\_\_\_\_ All Other Eligible Activities \_\_\_\_\_

Rate Increase:

Utility Rates prior to January 1, 2010: \_\_\_\_\_

Utility Rates Increase between January 1, 2010 and January 1, 2012: \_\_\_\_\_

Ad Valorem Tax Rate above Effective Tax Rate prior to January 1, 2010: \_\_\_\_\_

Ad Valorem Tax Rate above Effective Tax Rate Between January 1, 2010 and January 1, 2012: \_\_\_\_\_

Bonded Indebtedness prior to January 1, 2010: \$ \_\_\_\_\_

Bonded Indebtedness between January 1, 2010 and January 1, 2012: \$\_\_\_\_\_

• **MATCH LEVERAGE: Total points 25**

3. What is the applicant's match amount? **(25 Points Maximum)**

[Match Amount / TxCDBG Funds Requested= Match Percentage]

<b>Applicant(s) population equal to or less than 500 according to 2010 Census:</b>	
Match equal to or greater than 5% of grant request	<b>25 points</b>
Match at least 4% but less than 5% of grant request	<b>20 points</b>
Match at least 3% but less than 4% of grant request	<b>15 points</b>
Match at least 2% but less than 3% of grant request	<b>10 points</b>
Match less than 2% of grant request	<b>0 points</b>
<b>Applicant(s) population equal to or less than 1,500, but over 500 according to 2010 Census:</b>	
Match equal to or greater than 10% of grant request	<b>25 points</b>
Match at least 7.5% but less than 10% of grant request	<b>20 points</b>
Match at least 5% but less than 7.5% of grant request	<b>15 points</b>
Match at least 2.5% but less than 5% of grant request	<b>10 points</b>
Match less than 2.5% of grant request	<b>0 points</b>
<b>Applicant(s) population equal to or less than 3,000, but over 1,500 according to 2010 Census:</b>	
Match equal to or greater than 15% of grant request	<b>25 points</b>
Match at least 11.5% but less than 15% of grant request	<b>20 points</b>
Match at least 7.5% but less than 11.5% of grant request	<b>15 points</b>
Match at least 3.5% but less than 7.5% of grant request	<b>10 points</b>
Match less than 3.5% of grant request	<b>0 points</b>
<b>Applicant(s) population over 3,000 according to the 2010 Census:</b>	
Match equal to or greater than 20% of grant request	<b>25 points</b>
Match at least 15% but less than 20% of grant request	<b>20 points</b>
Match at least 10% but less than 15% of grant request	<b>15 points</b>
Match at least 5% but less than 10% of grant request	<b>10 points</b>
Match less than 5% of grant request	<b>0 points</b>

**Methodology:**

The project category for all projects is based on 2010 Census population figures. If the project served beneficiaries for applications submitted by cities, the total city population is used. 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 an unincorporated area of a 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.

For multi-jurisdiction applicants, the applicant with the highest number of beneficiaries will be considered the applicant of record.

**Data Source:** As stated below.

Applicant Match: SF 424, Resolution, and 3<sup>rd</sup> Party Letter of Commitment

County Unincorporated Water/Sewer Beneficiaries: CD Application Table 1 Verified By TDA

Population: 2010 Census Data Summary File 1 Table P1

**Information Needed From Applicant to Score:**

Applicant Population: \_\_\_\_\_

County Unincorporated Water/Sewer Beneficiaries: \_\_\_\_\_

Applicant TxCDBG Funds Requested: \$\_\_\_\_\_

Applicant Match Amount from All Sources: \$\_\_\_\_\_



• **PER CAPITA: Total Points 10**

4. What is the per capita income of the applicant’s jurisdiction at the Census Block level?  
**(10 Points Maximum)**

**Methodology:**

Per capita income may be determined by reviewing the 2010 American Community Survey (5 year) data for the applicant’s jurisdiction. Once this information is obtained for each applicant, the average annual per capita income is calculated by dividing the sum of all annual per capita incomes by the total number of applicants.

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 (PCI) factor.

Finally, to determine the score for each applicant the annual per capita income factor is multiplied by the total maximum allowable points, in this case 10 points. **Any applicants exceeding the total allowed points will be capped at the maximum.**

For example, a region has five applicants. The average annual per capita income of the five applicants is \$34,200. A constant of .75 is multiplied by the annual average per capita income to determine the base (\$25,650). The base is then divided by the annual per capita income of each applicant to determine their per capita income (PCI) factor. Finally, scores for each applicant are determined by multiplying the per capita income factor by the maximum available points (10) for this scoring criterion.

Projects that include multiple jurisdictions, the applicant with the largest percentage (%) of beneficiaries will be considered the applicant of record.

**EXAMPLE**

<b>Applicant</b>	<b>Per Capita Income (PCI)</b>	<b>PCI Factor</b>	<b>Score</b>
A	\$36,000	.7125	<b>7.125</b>
B	\$32,000	.8016	<b>8.016</b>
C	\$33,500	.7657	<b>7.657</b>
D	\$34,000	.7544	<b>7.544</b>
E	\$35,500	.7225	<b>7.225</b>
Sum	\$171,000		

**Average:** \$171,000 / 5 = \$34,200    **Base=** .75 \* \$34,200 = \$25,650

**\*\* Any applicants exceeding the total allowed points will be capped at the maximum\*\***

**Data Source:** As stated below.

Per Capita Income for Applicant’s Jurisdiction: 2010 American Community Survey (5 year estimate) File B19301

**Information Needed From Applicant to Score:**

Per Capita Income for Applicant's Jurisdiction: \$ \_\_\_\_\_

• **PREVIOUSLY FUNDED: Total Points 10**

5. Did the applicant receive TxCDBG funding in the previous 2011/2012 funding cycle?  
**Maximum 10 points**

The applicant **did not** receive TxCDBG funding  
in the previous 2011/2012 funding cycle:

**10 points**

The applicant **did** receive TxCDBG funding  
in the previous 2011/2012 funding cycle:

**0 points**

**Methodology:**

The TDA tracking system report will be reviewed and points will be assigned. An applicant will be assigned points based on the funding category that would result in the most points. An applicant may not receive cumulative points. Multi-jurisdiction applicants will be assigned points based on an evaluation of each of the participating jurisdiction's funding and the highest points will be assigned. The multi-jurisdiction applicant may only be scored under one of the scoring categories. Applicants that received partial or marginal funding will be considered having received funding.

**Data Source:** TDA Tracking System Report

**Information Needed from Applicant To Score:**

Applicant received funding in the previous 2011/2012 funding cycle:

Yes \_\_\_\_\_ No \_\_\_\_\_

List Contract No.(s):

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