Texas Department of Agriculture

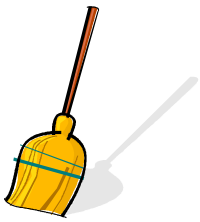
Texas Capital Fund
Main Street/Downtown Revitalization
Application Workshop

Todd Staples, Commissioner

Office of Rural Affairs

Housekeeping

- Please mute all phones
- Roll Call *IMPORTANT*
- Question and Answer Session



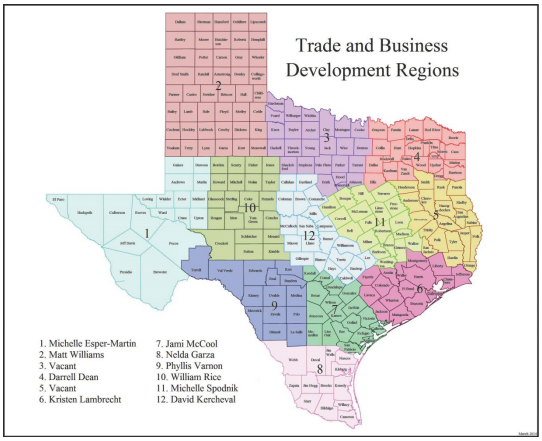
Texas Department of Agriculture

- Trade and Business Development Division
  - Grants and Financial Assistance
    - GO Texan
    - Jobs for Texas (J4T)
    - Various Specialty Grants
  - Office of Rural Affairs
    - Texas Agriculture Finance Authority
    - State Office of Rural Health
    - TxCDBG Programs

GO TEXAN.

Trade and Business Development Field Representatives

1) Michelle Esper-Martin– 915-841-1076
2) Matt Williams – 806-559-7643
4) Darrell Dean – 214-631-0265
6) Kristen Lambrecht – 713-677-9321
7) Jami McCool – 210-708-1713
8) Nelda Garza – 956-325-3424
9) Phyllis Varnon – 830-278-1803
10) William Rice – 325-829-1373
11) Michelle Spodnik – 936-395-2456
12) David Kercheval – 512-463-0018



Texas CDBG Program

The Texas CDBG (TxCDBG) Program is administered by the Office of Rural Affairs.

Who is eligible?

- Incorporated city or county government and cannot be designated as eligible or *entitled* to receive direct CDBG funding from HUD.
- An applying city is generally less than 50,000 in population.
- An applying county is generally less than 200,000 population.

State CDBG Program in Texas

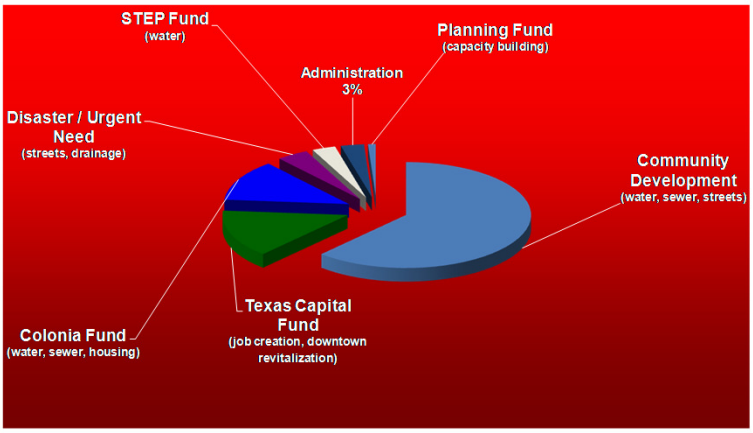
The TxCDBG Program:

- Is the largest "Non-Entitlement CDBG" program in the nation (based on dollars granted)
- Serves:
  - 1,015 cities
  - 244 counties

Community Development Block Grants (CDBG) National Objectives

- Development of viable communities by providing:
  - Decent Housing
  - A suitable living environment; and
  - Expanding economic opportunities
- The primary beneficiaries of the program are persons of low/moderate income (LMI).

2014 Texas CDBG Allocation



Texas Capital Fund

Supports rural business development, retention and expansion by providing funds for public infrastructure, real estate development, or the elimination of deteriorated conditions.

Texas Capital Fund Funding Allocation

- Downtown Revitalization Program –
  - $1,200,000
- Main Street Program –
  - $600,000
- Infrastructure/Real Estate Program –
  - Remaining Available Balance of Funds

TCF Economic Development Programs

Infrastructure & Real Estate Improvements

Provides funds for Infrastructure or Real Estate Development to create or retain permanent jobs in primarily rural communities and counties.

Main Street Improvements

Provides eligible Texas Main Street communities with matching grants to expand or enhance public infrastructure in historic main street areas

Downtown Revitalization

Matching grant funds for public infrastructure to foster and stimulate economic development in rural downtown areas.

Infrastructure Program

Use of Funds: Public/Private Infrastructure

- Water & sewer lines and treatment plants
- Streets, curb & gutter, and sidewalks
- Rail improvements
- Drainage
- Harbor and channel dredging
- Electric & natural gas lines

Real Estate Program

Use of Funds: Improvements Owned by Applicant & Leased to Business

- Projects include:
  - Building improvements/renovation
  - Building construction (w/ walls & roof)
  - Site Improvements
  - Land acquisition
- New business needs 1/3 equity contribution

Award Amounts

Regular Award –
$50,000 - $750,0000
Cost Per Job Maximum of $25,000
Match 1:1

Jumbo –
$750,100 - $1,000,000
Cost Per Job Maximum of $10,000
Match 4:1

Super Jumbo –
$1,000,100 - $1,500,000
Cost Per Job Maximum of $5,000
Match 5:1

Note: TCF is limited to awarding up to 3 Jumbo Awards totaling no more than $3.5 million per program year

2014 TCF Infrastructure & Real Estate Application Dates

Applications Accepted the 20th of Every Month

Main Street & Downtown Revitalization Programs

Use of Funds: Public Infrastructure

- Water & sewer lines
- Streets, curb & gutter, and drainage
- Sidewalks and lights
- Architectural barrier elimination
- Electric & natural gas lines

Ineligible Uses of Funds

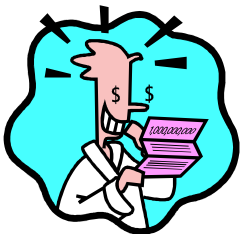
- Building construction and/or rehabilitation
- Purchase of machinery or equipment
- Working capital
- Landscaping
- Engineering/architectural services
- Demolition of a historic building

Award Amounts

Main St. Program: $600,000 (allocated annually)

D.R. Program: $1,200,000 (allocated annually)

Individual Awards
$50,000–$150,000



Funding Detail

- Requested funds may not exceed the **minimum necessary** to meet the needs of the main street/downtown area and slum/blight conditions
- Excess/speculative improvements, extra connections or excessive looping will not be funded
- TCF monies are to **reimburse a community for eligible expenditures,** rather than be advance payments

2014 Program Due Dates

Downtown Revitalization Program

July 10th, 2014

Main Street Program

October 2nd, 2014

Note: Applications must be received by 5:00 PM on each due date!

TCF Main Street and DRP Awards

Since TCF came to TDA

TCF has made **56 Main Street** awards totaling **$8,348,300.**
&
TCF has made **71 DRP** awards totaling **$10,602,670.**

New Considerations

- Past Contract Performance
- Monitoring Reports
- Un-Resolvable Findings
- TxCDBG Compliance

Texas Dept. of Transportation (TxDOT)

Is your proposed project located within TxDOT ROW?

- If so, you must contact TxDOT before receiving an award
http://www.txdot.gov/contact_us/form/
- Provide TxDOT documentation
  - TxDOT Clearance Notification/Communication

General Eligibility
Downtown Revitalization Program

- Non-Entitlement City
- Not designated as a Main Street Community
- Ability to manage & administer the proposed project
- Demonstrate satisfactory performance on TxCDBG Contracts
- Address the Slum/Blight National Objective

General Eligibility
Main Street Program

- Main Street/Non-Entitlement City
- Ability to manage & administer the proposed project
- Demonstrate satisfactory performance on TxCDBG Contracts
- Address the Slum/Blight National Objective

Application Scoring

Downtown Revitalization Program

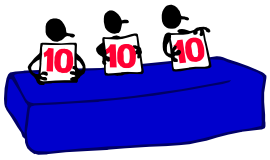
Max. 90 Points

- Community Needs (45 Points)
- Leverage/Economic Emphasis (45 Points)

Main Street Program

Max. 100 Points

- Project Feasibility (50 Points)
- Leverage/Economic Emphasis (50 Points)



Common Programmatic Scoring Categories

DRP/MS

Community Population/Size (10 Points)

Downtown Revitalization Program

- 5 points if City Population is less than 5,050
- 5 points if County Population is less than 35,000

Main Street Program

- 5 points if City Population is less than 12,000
- Additional 5 points if City Population is less than 4,000

DRP/MS

Poverty Level/Rate (10 Points)

- 5 points if city's ACS 5-year individual poverty rate is equal to or greater than the state's poverty rate of 17.4%.
- 10 points if the city's poverty rate is 15% or more over the state's poverty rate.

Note: The State's Poverty Rate changes on an annual basis as the ACS 5-Year Survey is updated.

DRP/MS

Minority Hiring (10 Points)

Downtown Revitalization Program

- 5 points if the city government's minority employment rate is equal to or greater than the city's minority population rate.
- 10 points if the city's minority employment rate is equal to or greater than 125% of the city's minority percentage rate, or in cities where the minority population is 80% or greater, the applicant must employ a minimum of 95% minorities.

Main Street Program

- 10 points if the city government's minority employment rate is equal to or greater than the city's minority population rate.

DRP/MS

Economic Development Consideration (5 Points)

- 5 points awarded if the city has passed the economic development sales tax.
  - Type A and/or Type B

DRP/MS

Sidewalks/ADA Compliance (10 Points)

- 5 points if a minimum of 50% of requested funds will be used for sidewalk and/or ADA compliance activities
- 10 points if 70% of requested funds will be used for sidewalk and/or ADA compliance activities

DRP/MS

Leverage/Match (10 Points)

- Minimum 10% **cash** match is required.
- 5 points for contributing a 10% additional match.
- 10 points for contributing a 20%+ additional match.
- Additional match may be cash or in-kind.

DRP/MS

Leverage/Match Detail

- City Council Resolution acknowledges award application and match
- Documentation of commitments for Match
- Promised donations are great, but…
- Use of Force Account, but comes with Abundant documentation required…
- Match CANNOT be reduced
- Match CANNOT be from other Federal or State sources

Broad-Based Public Support (10 Points)

- 5 points for providing a letter from County Historical Commission, local design review board, EDC or Chamber of Commerce.
- Additional 5 points for letters from 50%+ of the business and/or property owners impacted by the proposed project (includes businesses within 1 block of proposed improvements).

DRP/MS

Program Specific Scoring Categories

Per Capita Income (10 Points)

- 10 points if the community has a per capita income below $25,809

Note: The State's Per Capita Income changes on an annual basis as the ACS 5-Year Survey is updated.

DRP

Previous Contracts (10 points)

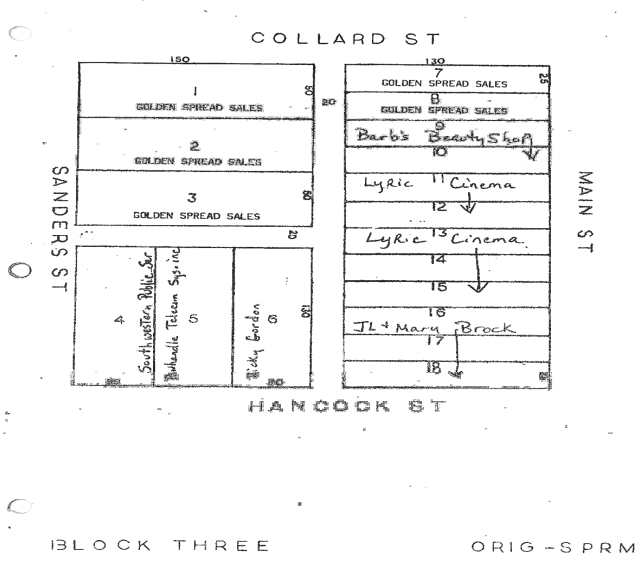
- 5 points if the city has been awarded 1 contract in the current calendar year or preceding 2 calendar years.
- 10 points if the city has been awarded zero contracts in the current calendar year or preceding 2 calendar years.

DRP

Occupied Structures (5 points)

- 5 points if 50%+ of the structures within the project area are occupied by businesses
- This specifically includes buildings within a 1 block radius of the proposed project improvements.

DRP



Infrastructure Project Plan (10 points)

- 5 points for providing city's plan for dealing with infrastructure project; including detailed description of how access will be provided to affected business during construction.
- Additional 5 points for providing general description of future infrastructure projects in the Main St. area in the next 5 years and the potential impact to the area.

MS

Historic Preservation Ethic Impact (10 points)

- 5 points to applicants that have a current historic preservation ordinance.
- Additional 5 points to applicants that have design guidelines for the Main St. project area.

MS

Main Street Program Participation (5 Points)

- For every 2 yrs. of continuous participation in the Main St. Program, the applicant will be awarded 1 point.
- Points will be awarded for every 2+ consecutive years. Max points earned for 10 continuous years of participation.

MS

Main Street Standing (5 points)

- 5 points if city received national recognition the prior year
- Provide copy of certification from Texas Historical Commission.

MS

TCF Grant Training (5 Points)

- 5 points if the city official/employee has attended a TCF Main Street and/or Downtown Revitalization workshop within the past 2 years.

MS

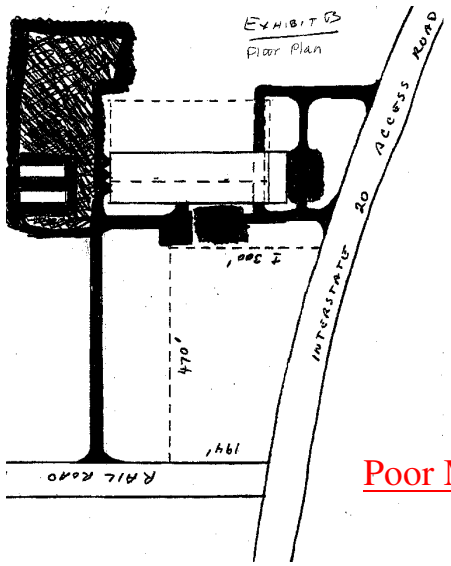
Top TCF Deficiencies

Or, ways to waste taxpayer money & get applications returned

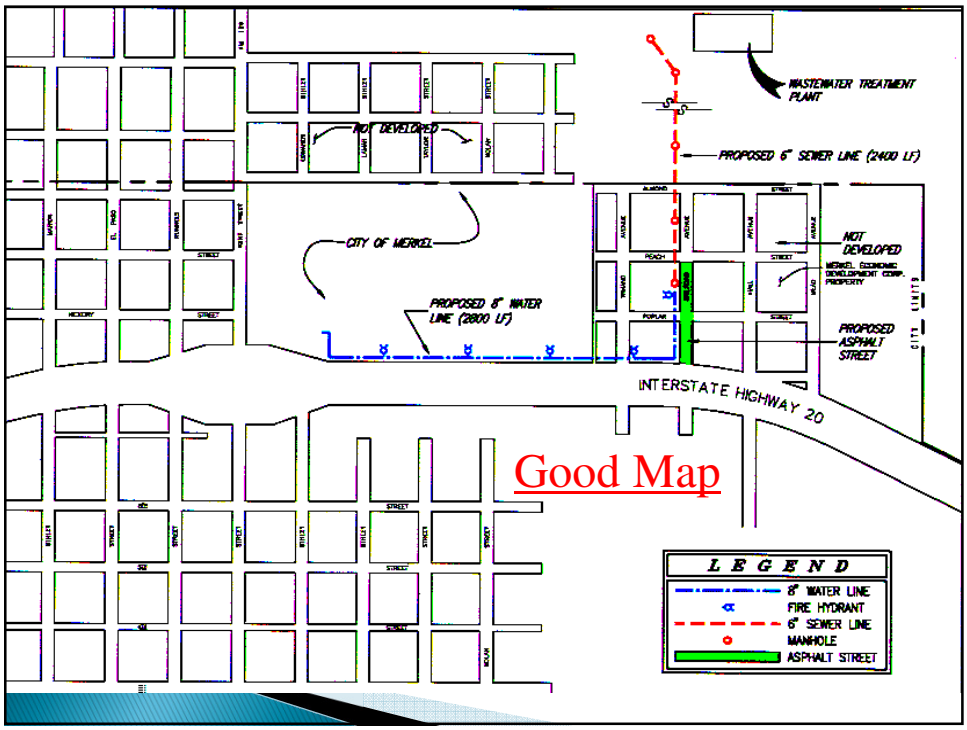
Describe everything that is happening

Budget Justifications

- Missing/incomplete cost estimates
- No supporting documentation
- Didn't match Sources & Uses of funds
- Poor maps/layouts
- Support letters do not clearly match maps



Poor Map



Good Map

Texas Capital Fund Contract Boilerplate

Section 2, Contract Period

- Contract Start Date *(Approx. 30 days after Award Letter date)*
- No matching funds or reimbursable expenses prior to the contract execution date.

Section 4, Contractor *(Applicant)* Performance

- Satisfactory Completion of Project
- Beneficiaries
- Adhere to Project Implementation Schedule *(Exhibit C)*

Section 5, Department Obligations

- Allowable Costs
- Cost Over-Runs (Excess Payments)
- Limit of Liability (Award Amount)

Texas Capital Fund Contract Boilerplate

Section 6, General Conditions

- Department Recognition (Temporary Signage)
- Changes & Amendments
- Budget modifications that have a 20% or more change requires an amendment
- Performance modifications that have a 25% or more change requires an amendment
- Change Orders that increase or decrease in a cumulative amount of 25% will require an amendment
- Significant changes to the contract
- Amendments may take up to four weeks to process
- Contract Termination Language
- Penalty on Administration Funds (Reduction of Payments)

Texas Capital Fund Contract Boilerplate

Section 7, Administrative Requirements

- Documentation and Record Keeping
- Audits
- Closeouts
- Payment Procedures
  - No draws less than $2,500
- Quarterly Reports – Quarterly Progress/ECR

Section 8, Performance Monitoring

- Administrative Checklist found in Implementation Manual
- Please refer in the most current manual, Chapter 12 Closeout for closeout procedures and Chapter 13 Monitoring, which will contain the checklist that the Monitor will use to review the community's contract files.

Texas Capital Fund Contract Template

Section 9, Subcontracts

- Minimum of 5% retainage is required for construction and engineering
  - Provide copy of TCF contract to project engineer

Section 13, Environmental Review Requirements

- The Community must receive Environmental Clearance prior to the Start of Construction and release of any TCF funds.

Section 14, Citizen Participation Requirements

- Public Hearings during Contract

Section 16, Personnel and Participant Conditions

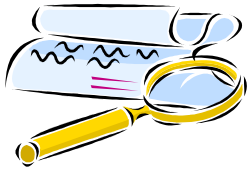
- Civil Rights
- Employment Restrictions *(Labor Standards/Section 3)*

Section 21, Venue

- Contract Signatures

Texas Capital Fund Contract Template

- Performance Statement, Exhibit A
- Budget, Exhibit B
- Project Implementation Schedule, Exhibit C
- Special Conditions, Exhibit D
- Applicable Laws, Exhibit E
- Certifications, Exhibit F



Contact Information

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