

TEXAS TRANSPORTATION COMMISSION

VARIOUS Counties

MINUTE ORDER

Page 1 of 1

VARIOUS Districts

Section 222.053(a), Transportation Code, defines an “economically disadvantaged county” as a county that has, in comparison to other counties in the state: (1) below average per capita taxable property value; (2) below average per capita income; and (3) above average unemployment.

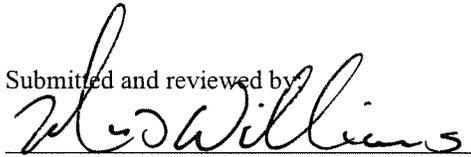
Section 222.053(c) directs the Texas Transportation Commission (commission), when evaluating a proposal for a highway project in a political subdivision that consists of all or a portion of an economically disadvantaged county, to adjust the minimum local matching funds requirement after evaluating the political subdivision's effort and ability to meet the requirement.

Section 222.053(e) further directs the commission to report annually to the governor, the lieutenant governor, and the speaker of the house of representatives on the use of matching funds and local incentives and the ability of the commission to ensure that political subdivisions located in economically disadvantaged counties have equal ability to compete for highway funding with political subdivisions in counties that are not economically disadvantaged.

The Texas Department of Transportation has completed the Fiscal Year 2013 Annual Report on the Economically Disadvantaged Counties Program, which is attached as Exhibit A.

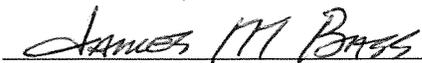
IT IS THEREFORE ORDERED that the Fiscal Year 2013 Annual Report on the Economically Disadvantaged Counties Program, as shown in Exhibit A, is approved by the commission and shall be presented to the governor, the lieutenant governor, and the speaker of the house of representatives as required by Section 222.053(e), Transportation Code.

Submitted and reviewed by:



Director of Planning

Recommended by:



Interim Executive Director

113847 JAN 30 14

Minute Number Date Passed

EXHIBIT A



Economically Disadvantaged Counties Program

Relief from Local Match Requirements

Fiscal Year 2013 Annual Report
Transportation Planning and Programming Division

Table of Contents

Background.....	2
2013 Eligible Counties.....	4
Table 1. Fiscal Year 2013 Eligible Counties.....	4
Outreach.....	4
Fiscal Year 2013 Commission and Department Action.....	5
Summary.....	5
Table 2. Economically Disadvantaged Counties Program Year-to-Date Total.....	5
Appendix.....	6

Background

The Fiscal Year (FY) 2013 Annual Report is the fifteenth annual report for the Economically Disadvantaged Counties Program (EDCP) administered by the Texas Department of Transportation (TxDOT).

The EDCP was enacted in 1997 by the 75th Texas Legislature (Senate Bill 370; Transportation Code § 222.053). The Texas Transportation Commission (commission) is required to adjust the minimum local matching funds requirement for proposed highway improvement projects in an economically disadvantaged county after evaluating the local government's effort and ability to meet the requirement.

An economically disadvantaged county is a county that, in comparison to other counties in the state, has:

- **below** average per capita taxable property value,
- **below** average per capita income, **and**
- **above** average unemployment.

TxDOT annually identifies the counties that meet **all three** of the above criteria derived from data obtained from the Texas Comptroller of Public Accounts (comptroller). These counties may participate in the program during the fiscal year in which they are determined eligible. Since the list is updated every fiscal year, a county's eligibility may change from year to year.

The EDCP was revised by the 79th Legislature in 2005 to require the commission to certify a county as economically disadvantaged on an annual basis as soon as possible after the comptroller reports on the economic indicators listed above. In addition, the amendments stipulated that the commission was required to determine whether to make an adjustment at the time the local government submits a proposal for a project. Finally, the commission was permitted to delegate any of its powers under Transportation Code, §222.053, to the department's executive director or the director's designee.

The Executive Director issued a memo dated March 1, 2006, to all TxDOT district engineers granting them the authority to adjust the minimum local matching funds requirements for any eligible projects components on an as needed basis, allowing counties to submit projects at any time during their participation in the program.

The relief to the local match requirement an entity will receive is based on a formula. Through the formula, an adjustment percentage was determined for each county, which is meant to be a surrogate measure of the county's *effort* and *ability* to provide the local match; this was stipulated in the legislation itself.

The county's *effort* was measured by looking at the degree to which the county had already raised revenues either through property taxes or the county road and bridge fee.

The county's *ability* was measured by looking at the county's per capita income and per capita property values. Additional adjustment percentage points were given based on the county's tax debt per capita.

Cities may receive higher percent adjustments beyond their respective county's adjustment under two conditions: if they have a local economic development sales tax and their population is less than 5,000. At the commission's direction, the adjustment cannot exceed 95 percent or be less than 15 percent.

2013 Eligible Counties

Based on Calendar Year 2011 data obtained from the comptroller, 75 counties were eligible for the program in FY 2013. The counties (including local entities within these counties) listed in Table 1 were eligible for the program in FY 2013.

Anderson	Dawson	Henderson	Madison	Runnels	Wharton
Angelina	Delta	Hidalgo	Marion	Sabine	Wichita
Atascosa	DeWitt	Hill	Matagorda	San Augustine	Willacy
Bastrop	Dickens	Houston	Maverick	San Jacinto	Wood
Bee	Dimmit	Hunt	Milam	Schleicher	Zavala
Bosque	Duval	Jasper	Mitchell	Starr	
Brooks	El Paso	Johnson	Morris	Titus	
Caldwell	Ellis	Karnes	Navarro	Trinity	
Calhoun	Falls	Kaufman	Newton	Tyler	
Cameron	Fannin	Kinney	Palo Pinto	Upshur	
Camp	Frio	La Salle	Presidio	Uvalde	
Cass	Grayson	Lamar	Rains	Val Verde	
Cherokee	Grimes	Leon	Red River	Waller	
Concho	Hall	Liberty	Reeves	Webb	

During FY 2013, local governments submitted applications to the district office for approval of adjustment on 29 projects located within economically disadvantaged counties for a total estimated savings to local governments of \$6,252,448.

Outreach

To ensure the accessibility to program information, TxDOT makes the information available through a variety of mediums and formats. In November 2012, the department sent written notices to county judges and state representatives in economically disadvantaged counties regarding the respective county's eligibility status. A program notebook was compiled and distributed to TxDOT's district offices. Additionally, program information was made available to TxDOT districts via the Intranet site *Crossroad*.

FY 2013 Commission and Department Actions

By Minute Order 113345 dated October 25, 2012, the commission certified the FY 2013 list of eligible counties and the local match adjustment for each county. The Appendix contains a list of the projects approved by the district engineers for the FY 2013 program.

Summary

For FY 2013, TxDOT district engineers granted adjustments on 29 projects in 18 counties. These local entities have saved an estimated \$6,252,448.

Since the program's inception on January 1, 1998, the department has granted adjustments to over 850 projects in economically disadvantaged counties for an estimated savings to local governments of \$61,089,349.

Table 2. EDCP Year-to-Date Total

	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Savings	\$988,316	\$ 9,946,204	\$ 5,482,366	\$ 5,558,580	\$ 834,296	\$ 2,194,309
	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Savings	\$ 4,556,098	\$3,249,069	\$2,797,536	\$1,743,101	\$6,755,645	\$3,239,132
	FY 2010	FY 2011	FY 2012	FY 2013		
Savings	\$2,420,245	\$3,400,304	\$1,671,700	\$6,252,448		
					Total	\$61,089,349

The EDCP enables TxDOT to work with local governments to fulfil the department's mission - "Work with others to provide safe and reliable transportation solutions for Texas."

APPENDIX

Table A-1.

County	Applicant	Control Section Job (CSJ)	Project Type	Savings
Anderson	Anderson County	0910-08-062	Preliminary Engineering Construction	\$ 27,342
Angelina	City of Lufkin	0176-02-107	Right of Way or Utilities	\$ 20,984
Brooks	Brooks County	0921-22-004	Preliminary Engineering Construction	\$ 47,700
Cameron	City of Brownsville	0039-09-058	Right of Way or Utilities	\$ 36,920
El Paso	City of El Paso	0924-06-418	Preliminary Engineering Construction	\$ 593,938
El Paso	City of El Paso	0924-06-432	Preliminary Engineering Construction	\$ 355,996
Grimes	Grimes County	0315-04-067	Right of Way or Utilities	\$ 39,054
Hidalgo	City of Mission	0921-02-301	Preliminary Engineering Construction	\$ 1,997,263
Hidalgo	Hidalgo County	0921-02-170	Preliminary Engineering Construction	\$ 1,100,456
Hidalgo	Hidalgo County	0921-02-300	Preliminary Engineering Construction	\$ 1,369,500
Hidalgo	Hidalgo County	2094-01-038	Right of Way or Utilities	\$ 95,035
Hill	Hill County	0090-93-056	Preliminary Engineering Construction	\$ 19,726

Table A-1 continued

County	Applicant	Control Section Job (CSJ)	Project Type	Savings
Hill	Hill County	0909-37-058	Preliminary Engineering Construction	\$ 23,024
Hill	Hill County	0909-37-059	Preliminary Engineering Construction	\$ 20,211
Hill	Hill County	0909-37-060	Preliminary Engineering Construction	\$ 27,240
Hill	Hill County	0909-37-061	Preliminary Engineering Construction	\$ 18,805
Houston	Houston County	0911-28-031	Preliminary Engineering Construction	\$ 36,600
Houston	Houston County	0911-28-032	Preliminary Engineering Construction	\$ 24,400
Houston	Houston County	0911-28-033	Preliminary Engineering Construction	\$ 68,320
Houston	Houston County	0911-28-036	Preliminary Engineering Construction	\$ 27,450
Newton	Newton County	0920-06-029	Preliminary Engineering Construction	\$ 16,497
Newton	Newton County	0920-06-030	Preliminary Engineering Construction	\$ 21,996
Sabine	Sabine County	0911-29-036	Preliminary Engineering Construction	\$ 25,049

Table A-1 continued

County	Applicant	Control Section Job (CSJ)	Project Type	Savings
Sabine	Sabine County	0911-29-037	Preliminary Engineering Construction	\$ 13,078
Sabine	Sabine County	0911-29-038	Preliminary Engineering Construction	\$ 17,348
Sabine	Sabine County	0911-29-039	Preliminary Engineering Construction	\$ 16,913
San Jacinto	San Jacinto County	0177-02-089	Right of Way or Utilities	\$ 77,040
Webb	City of Laredo	0922-33-105	Preliminary Engineering Construction	\$ 25,530
Webb	Webb County	0922-33-044	Preliminary Engineering Construction	
			TOTAL SAVINGS	\$ 6,252,448