

7 February 2025

Bryan McMath
Executive Administrator
Texas Water Development Board
Austin, TX

CC:

L'Oreal Stepney, Chairwoman of Texas Water Development Board
Tonya Miller, Texas Water Development Board Member
Marvin Cole-Chaney, Director of Program Administration & Reporting
Patrick Kading, Manager of Federal Program Administration

RE: Recommendations for Strengthening Equitable Implementation of State Revolving Fund (SRF) Funds

Dear Executive Administrator, Program Leaders, and Members of the Texas Water Development Board:

On behalf of Bayou City Waterkeeper (BCWK), Center for Environment, Equity, and Resilience (CEER), Rio Grande International Study Center (RGISC), and West Street Recovery (WSR), we write to 1) **share recommendations for strengthening equitable implementation of SRF funds**, and 2) **request a meeting to explore ways to partner together**.

From the outset, we want to acknowledge and appreciate the important role of public servants at the TWDB. We also commend TWDB's recent program enhancements, including the introduction of the Very Disadvantaged Communities category, expanded technical assistance investments through CFO to Go, WUTAP, and AMPSS initiatives, and the establishment of the TWALC-Enhanced program. These changes demonstrate TWDB's commitment to expanding program accessibility and effectiveness.

Over the past year, our organizations have collaborated with each other and with partners—including organizations located within Texas and those with expertise in SRF programs across the country—to analyze Texas' SRF programs. The resulting analysis identifies opportunities to strengthen access to SRF funds for underserved communities, building on progress made while addressing persistent challenges.

Our recommendations are as follows:

- **Implement a Disadvantaged Community (DAC) Score system**
 - We recommend developing a comprehensive scoring system that evaluates multiple factors, including population, household income, affordability, social vulnerability, and environmental impact concerns, while maintaining the existing 75% AMHI threshold baseline.

- **Sliding Scale for Principal Forgiveness Allocations**
 - We recommend implementing a sliding scale for principal forgiveness (PF), ranging from 30% to 100% based on community need, rather than the current flat-rate system. This approach would ensure communities receive support proportionate to their level of disadvantage while maintaining program sustainability. We additionally recommend increasing the use of discretionary PF under the base federal capitalization grant for DACs.

- **Revise Geographic Scope for Disadvantaged Community Identification**
 - To better serve urban disadvantaged communities, we recommend focusing on project-benefit areas rather than total-service areas when determining eligibility. This adjustment would ensure assistance reaches communities in larger metropolitan systems where pockets of disadvantaged areas may be overlooked under current methodologies.

- **Improve Program Accessibility**
 - We highly recommend extending public comment periods to at least 30 days and offering educational webinars during comment periods to ensure broader community engagement and understanding of SRF programs.

- **Strengthen Transparency and Accountability**
 - We recommend enhancing tracking and reporting of project withdrawals and bypassed projects in publicly posted data to improve program transparency and accountability.

- **Expand Technical Assistance Programs**
 - The SFY 2025 IUP demonstrates TWDB's commitment to technical assistance through multiple programs. We recommend further expanding these efforts by maximizing available set-aside authority from both base and supplemental grants. Priority areas should include workforce development initiatives and enhanced pre-application support through the TA programs.

We would appreciate the opportunity to discuss these recommendations further and explore ways to collaborate on their implementation. Usman Mahmood will be the point of contact for scheduling a meeting and can be reached at usman@bayoucitywaterkeeper.org or (832) 955-7283.

We look forward to building our relationship with you and to discussing ways to partner together soon. Thank you.

Sincerely,

Usman Mahmood
Policy Analyst
Bayou City Waterkeeper

Stephany Valdez
Water Justice Organizer
Coalition for Environment, Equity, and Resilience

Martin Castro
Watershed Science Director
Rio Grande International Study Center

Brenda Tijerina
Co-Director of Organizing, Research, and Disaster Prep
West Street Recovery

For more information on the [Southern SRF Advocacy Project](#) and our organizations, please refer to our attachment below.

Attachment: About Us & Our Project

We are working with Environmental Policy Innovation Center (EPIC), PolicyLink, and River Network on the Southern States State Revolving Funds Advocacy Project. We're currently entering year two of our collaboration and have developed a variety of recommendations and strategies for improving the delivery of State Revolving Funds to communities across Texas.

The community-based organizations working on this project within Texas are:

[Bayou City Waterkeeper](#) (BCWK) leads regional efforts to ensure equitable access to clean water infrastructure funding in the Greater Houston-Galveston region. Through science, law, policy, and education, BCWK protects and restores the Lower Galveston Bay watershed while building vital community partnerships to advance water equity.

- Project Contact: Usman Mahmood, usman@bayoucitywaterkeeper.org

[Center for Environment, Equity, and Resilience](#) (CEER) connects research and community voices to address critical environmental needs in the Houston area. CEER's work focuses on coalition-building and community engagement to ensure equitable access to resources.

- Project Contact: Stephany Valdez, stephany@ceerhouston.org

[Rio Grande International Study Center](#) (RGISC) is dedicated to preserving and protecting the Rio Grande-Rio Bravo and its watershed through research, education, and advocacy. RGISC collaborates with local communities to identify infrastructure needs and increase funding accessibility.

- Project Contact: Martin Castro, martin@rgisc.org

[West Street Recovery](#) (WSR) is a grassroots organization supporting disaster recovery and infrastructure resilience in Houston. Through community organizing and direct assistance, WSR builds community power while advocating for equitable distribution of infrastructure resources.

- Project Contact: Brenda Tijerina, brenda@weststreetrecovery.org