Community Development Block Grants (CDBG) 201

INCOME SURVEYS

Housekeeping

BEFORE WE GET STARTED, LET'S GO OVER SOME INFORMATION THAT WILL BE HELPFUL TO KNOW DURING THE COURSE.

We ask that raise your hand to ask questions.

Presenters will take questions as they walk through their presentations.

You may write down any questions you have and Armica Bash Gaspar, CDBG Program Manager, will get them to the team.

Agenda
Day 2 - AM

8:30 – 9 a.m.
- Registration
- Breakfast

9 a.m. – 12 p.m.
- Welcome
- Day 2 Introduction
- Conducting Income Surveys
- HUD Mapping Tool
- Pre-Income Survey Data
- Break
- Conducting the Survey

Agenda
Day 2 - PM

12 – 1 p.m.

- Lunch

1 – 4:30 p.m.

- More Income Survey
- Final Income Survey Results
- Break
- Lifespan of a Survey
- Grant Management System Walkthrough

4:30 – 5 p.m. – Wrap Up

- Review Time – L, L, C,
- Thank you for attending day 1

After this course, you will be able to do the following:

List the different types of surveys

Determine LMI qualification and service area

Apply knowledge to different case studies

Define the most common vocabulary for Income Surveys

Build effective questionnaires

Pre-Course Knowledge Check

KAHOOT!

The Purpose of an Income Survey

To determine if the project area can meet the low-to-moderate area CDBG National Objective

To ensure at least 51% of the residents benefiting from the CDBG program live in households earning 80% or less than the area's median family income as determine by HUD

Area Benefit to Low-to Moderate Income (LMI) Persons

The Area Benefit category is the most used national objective for activities that benefit a residential neighborhood.

An Area Benefit activity is one that benefits all residents in a particular area, where at least **51%** of the residents are LMI persons.

Low-to Moderate Income: (also referred to as LMI) means family or household annual income less than 80 percent of the area median income, as established by HUD.

Three Most Common Reasons You May Need an Income Survey

1. The service area comprises only a small portion of the unit of general local government, or of a census tract.

2. The service area includes all or part of several units of general local government and may contain both incorporated and unincorporated areas.

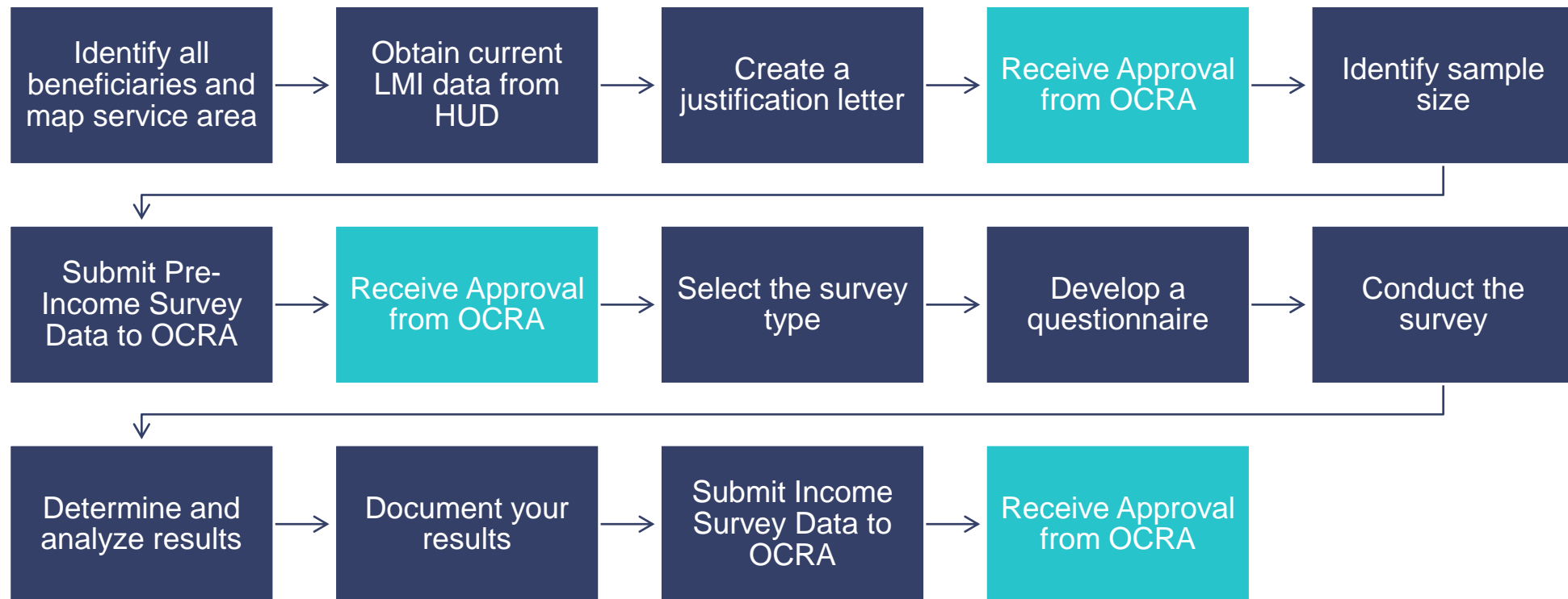3. The service area may be a sparsely populated rural area.

Reasons to Reconsider Requesting an Income Survey

➢You are planning to apply for a specific CDBG grant in the next round and information about the next round has not yet been released.

   ➢Explanation: OCRA continuously assesses the funding distributions for each round. Although it's allowable to request an income survey prior to a round opening, there is no guarantee funds will be available for the specific grant when the round officially opens.

➢The Margin of Error is so low that it is unlikely that the HUD Census Data is inaccurate.

   ➢Ex. If the HUD LMI is 15% and the MOE is +/-3%, the likelihood of the census data being 51% is low.

Income Survey Process

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Identify all          Obtain current        Create a              Receive Approval      Identify sample
beneficiaries and  →  LMI data from      →  justification letter  →  from OCRA         →  size
map service area      HUD
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Submit Pre-           Receive Approval      Select the survey     Develop a             Conduct the
Income Survey      →  from OCRA          →  type               →  questionnaire      →  survey
Data to OCRA
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Determine and         Document your          Submit Income         Receive Approval
analyze results    →  results            →  Survey Data to     →  from OCRA
                                             OCRA
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Factors to consider when defining the service area:

Nature of the activity

Location of the activity

Accessibility issues

Availability of comparable activities

Boundaries for facilities and public services

Service Area vs. Project Area

Service Area: The entire area to be served by the CDBG-funded activity
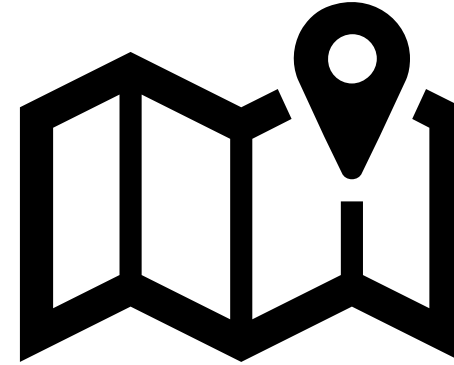
Project Area: The area in which the project activity is occurring

Service Area Guidelines

➢HUD will generally accept the service area determined by CDBG grantees unless there is substantial evidence to the contrary.

➢In assessing such evidence, the full range of direct effects of the assisted activity will be considered.

   ➢The activities, when taken, must not benefit moderate-income persons to the exclusion of low-income persons.

➢The area served by a CDBG-funded activity does not need to conform to the boundary of a census tract or other officially recognized boundary.
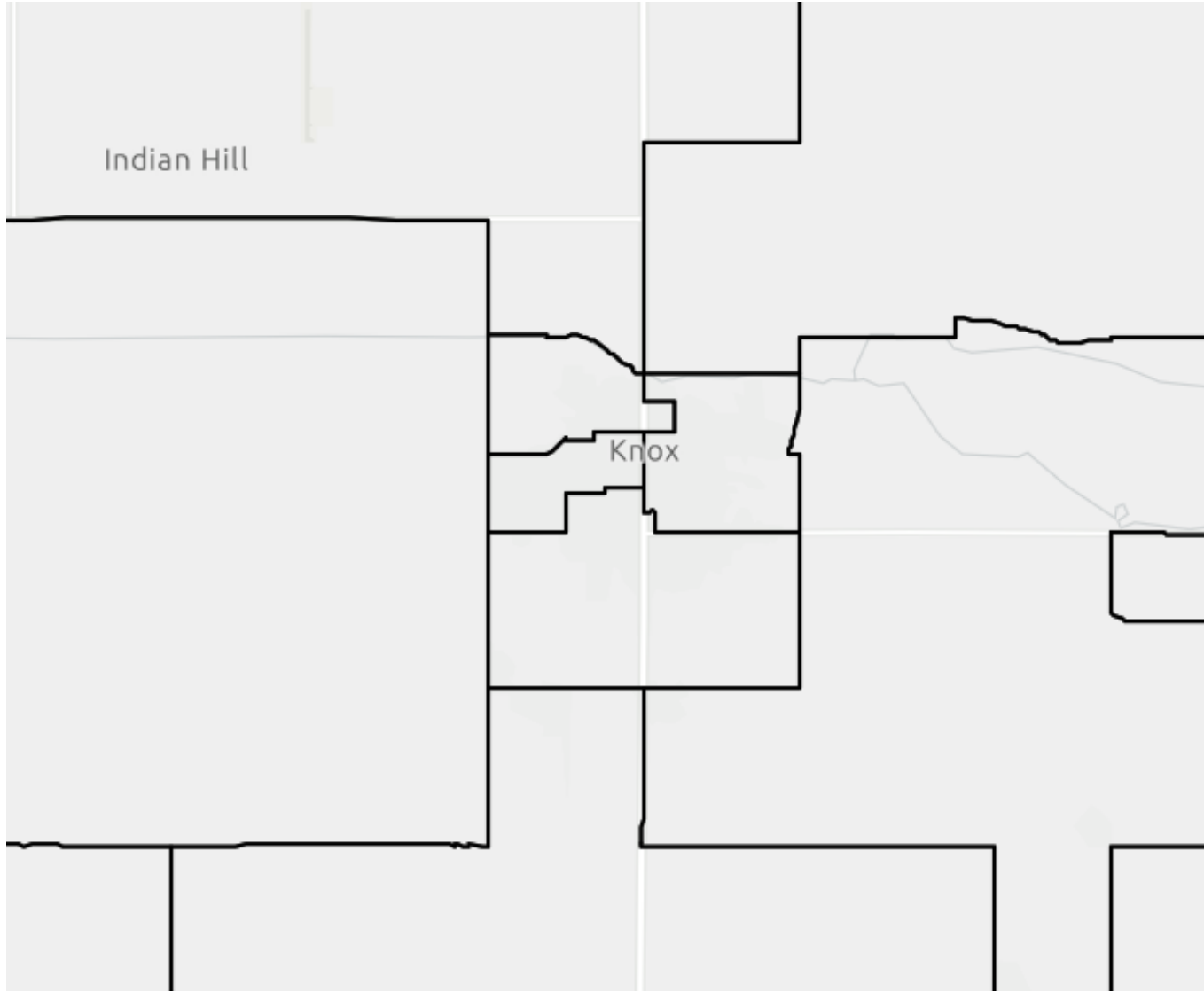
Block Groups

➢Block Groups are "statistical divisions of census tracts" based on population (U.S. Census Bureau, 2022).

➢Usually cover a contiguous area

➢Applicants may combine geographies to best represent service areas, typically by combining two or more block groups

Obtain Current LMI Data from HUD

Once the service area boundaries of the CDBG-funded activity have been defined, the next step is to determine the required percentage of residents that are LMI persons.

To determine the percentage of LMI persons in the service area, grant recipients should use HUD's Low-to-Moderate Income Summary Data (LMISD) Map Application to determine if the service area qualifies as LMI.

If the service area does not qualify as LMI, the applicant may conduct a methodologically sound local income survey to determine if there is a qualifying percentage of LMI in the determined service area.

Income Survey Request Requirements

Map of the service area

Letter of justification

Community's calculation of the service area's LMI based on the HUD Mapping Tool

Justification Letter Requirements

A letter typed on the applicant's letterhead

Specific economic or demographic reasons suggesting that the latest HUD estimate data is inaccurate

Signed by the Chief Elected Official

Activity #1

Income Survey Toolbox

To conduct an Income Survey, you will need the following tools:

HUD Mapping Tool

eGMS Income Survey Calculator "The New Way"

Survey Monkey Sample Size Calculator to Find the Number of People to Survey

Margins of Error for Place Geographies

Census.gov to Find the Number of Houses

HUD Mapping Tool

➢Determines if the Service Area qualifies by Census.

➢Finds the population of the Service Area or (LowModUniv) or population of the largest combination of census boundaries in which the service area fits inside.

➢Determines the Margin of Error (MOE) for service areas that are not place geographies.

➢HUD Mapping Tool

Geography Levels of the HUD Mapping Tool

County (Yellow)

Subdivision/Township (Blue)

Census Tract Block Groups (Black)

Place/Cities/Towns (Red)
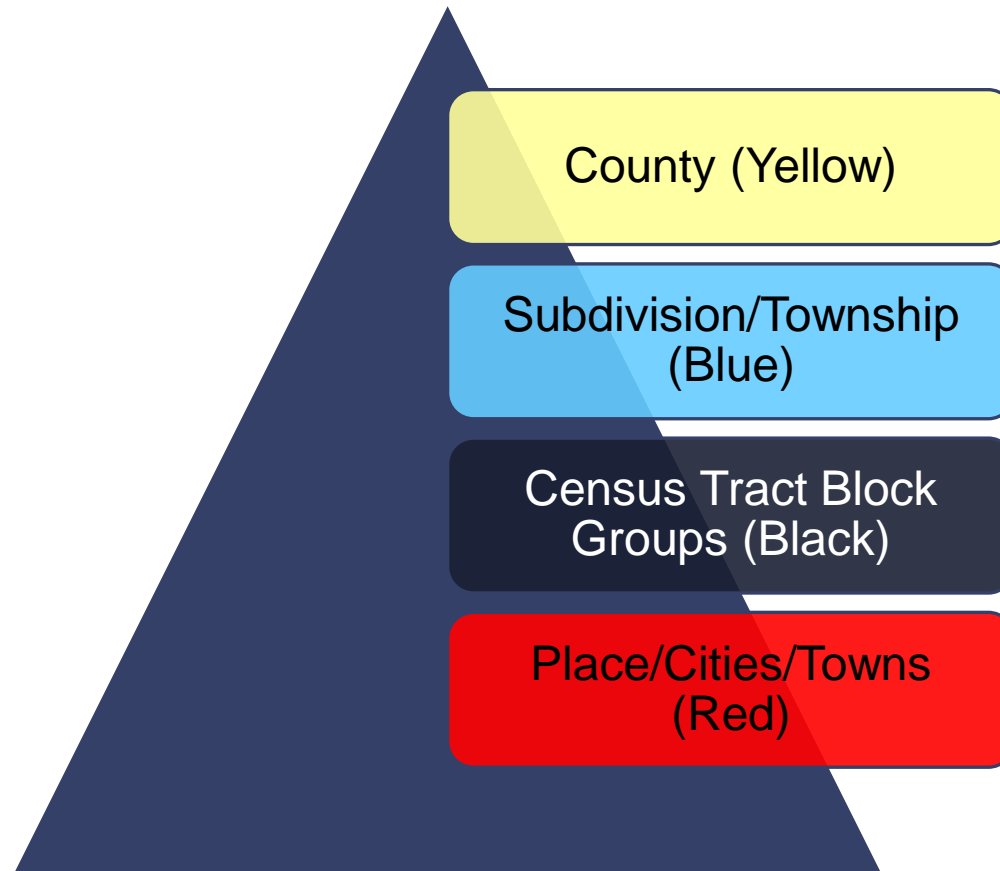
Using the Survey Monkey Calculator

Calculate your sample size

Population Size ⓘ

500

Confidence Level (%) ⓘ

90 ▼

Margin of Error (%) ⓘ

10

Sample size

61

For non-custom service areas, the population will match the LOWMODUNIV of the mapping tool geography or combined geographies

This will always be 90%

For Place/Cities/Towns: Margin of Errors for Place Geographies
For all other geographies, you will use the MOE of the largest (by population) block group inside your service area
MOE cannot be larger than 10%

Grant Administrator Video

How Do You Usually Conduct Income Surveys?

Activity #2

Break

Determine the Survey Method
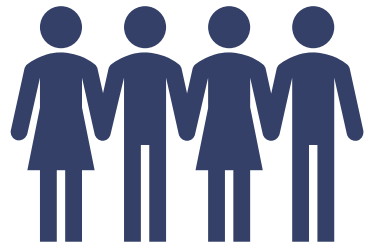
Census (100% Survey of Service Area)

Sampling (Random Sample of Service Area)

Census Method

➢Census Method for survey of population for small communities and rural areas is okay if:
  ➢Local unit of government illustrates how it's calculated
  ➢LMI persons are calculated from entire population of local unit of government

➢51% of the population surveyed must be LMI residents, which means 51% of the UNIVERSAL LIST respondents within the ENTIRE community must be LMI.
  ➢Universal List: every household in population

➢If some do not wish to respond, those households must be counted as ABOVE the specified income limit.

➢Census is required if there are fewer than 50 households in the service area.

Random Sampling Method

➢ Sampling of the Universal Population
- ➢ Means 51% of the MASTER LIST respondents of the Community Sampling must be LMI.
  - ➢ Master List: random sampling of households to be surveyed.

➢ Identify the sample size, using eGMS to determine:
- ➢ How many households likely need to be interviewed.
- ➢ Population size and number of households to survey.

Income Limits

SPREADSHEET

2023 CDBG Income Limits

Metro Stats Area	1 Person @ 80%	2 Person @ 80%	3 Person @ 80%
DeKalb County, IN	$ 45,000	$ 51,400	$ 57,850
Dubois County, IN	$ 49,150	$ 56,150	$ 63,150
Fayette County, IN	$ 44,200	$ 50,500	$ 56,800
Fountain County, IN	$ 44,200	$ 50,500	$ 56,800
Fulton County, IN	$ 44,200	$ 50,500	$ 56,800
Gibson County, IN	$ 46,550	$ 53,200	$ 59,850
Grant County, IN	$ 44,200	$ 50,500	$ 56,800
Greene County, IN	$ 44,200	$ 50,500	$ 56,800
Henry County, IN	$ 44,200	$ 50,500	$ 56,800
Huntington County, IN	$ 44,200	$ 50,500	$ 56,800
Jackson County, IN	$ 44,200	$ 50,500	$ 56,800
Jay County, IN	$ 44,200	$ 50,500	$ 56,800
Jefferson County, IN	$ 44,200	$ 50,500	$ 56,800

HUD WEBSITE

Selecting Households to Survey

➢All households in the survey area must have an equal chance of selection.

➢Each household on the Universal List should be given a number.

➢Use a random number selector program (such as random.org) to generate a random number listing in order to create your Master Survey List.

➢Make allowances for "unreachables" and non-respondents.

➢Once the random sample is identified, any type of contact procedure is acceptable.

  ➢If one procedure is unsuccessful, you can use another procedure.
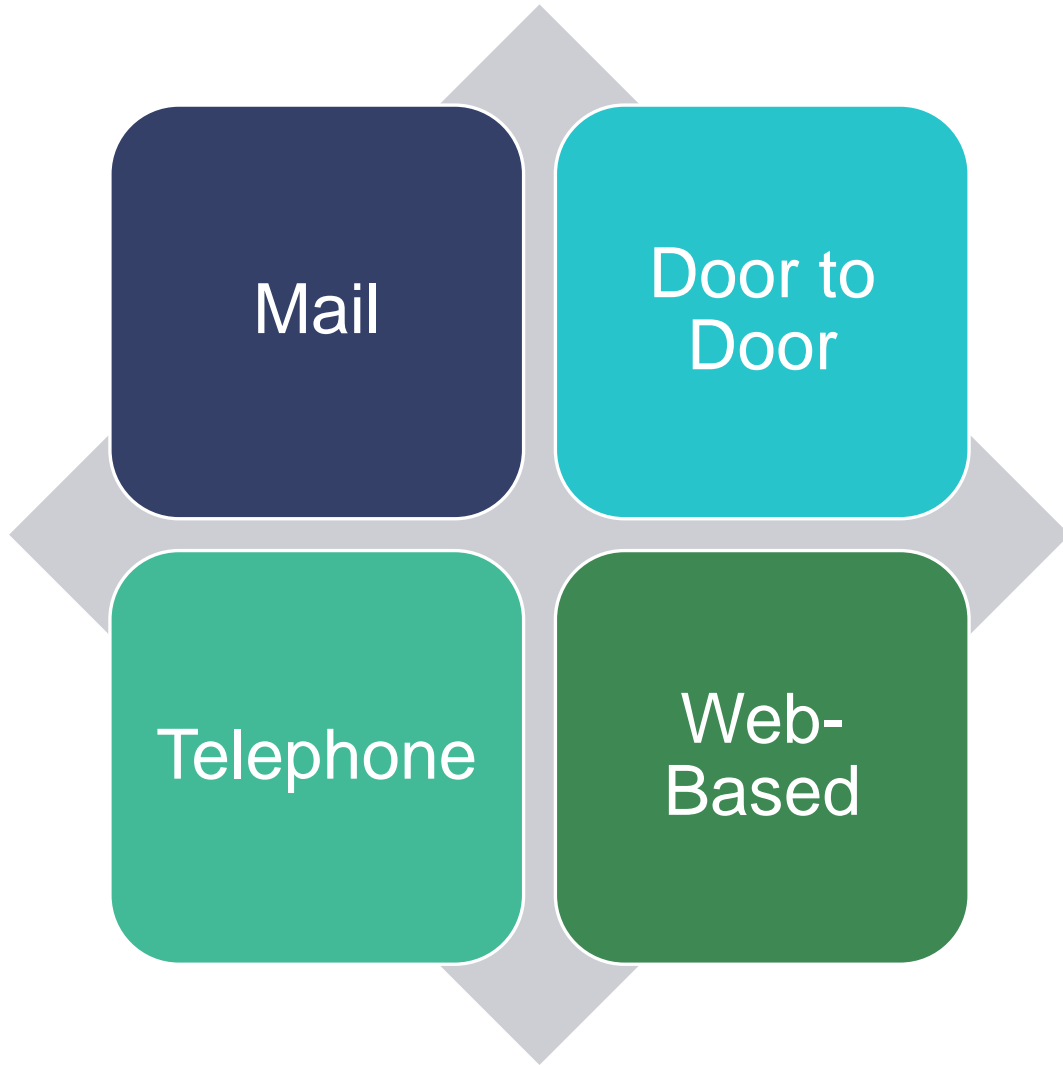
Mail Surveys

Basic method for collecting data

Survey form should be mailed with self-addressed stamped envelope

Usually has lowest response rate

Door to Door Surveys

Survey form completed on-site

Follow-up visits usually needed

Highest response rate

Interviewers need the most training

Telephone Survey

Assure proper responder answers questions

Develop method to contact those without phone or with unlisted number

Moderate to high response rate

Web-Based Survey

Questionnaire administered online

Low to moderate response rate

Develop method to contact those without internet access

Grant Administrator Video

What Type of Method Do You Use to Send Income Surveys?

Lunch Break

Mid-Course Knowledge Check

KAHOOT!

Develop a Questionnaire

Determine content, working, format and order of questions, watching out for prejudicial wording.

For CDBG, the survey must contain income and demographic information.

All respondents must be asked the same questions.

Exact responses must be recorded.

Surveyor must:

Document each attempt to contact respondent (date/time)

Make a minimum of two (2) attempts to contact respondent before selecting a replacement respondent

Tips to Conduct the Survey

➢Give advance notice – be sure it is not prejudicial.

➢Have a local elected official announce the survey.

➢Do not bias the results.

➢Interviewer must follow process.

➢Survey etiquette must be followed.

➢Turn surveys over the tabulator.

➢Each survey needs to be reviewed and edited for completeness and accuracy.

➢Remember: people are leery of surveys, especially regarding income information.

➢Keep documentation regarding income simple.

➢Good PR is key.

Determine and Analyze the Results

Add numbers for all data	Tabulate the responses and calculate estimated LMI %	Compare family sizes and percentages of LMI and non-LMI responder families
Compare to existing Census data	Analyze non-respondents	Look for bias
Nonresponse bias	Racial bias	Social desirability bias

Document the Results

Description of the service area and how it was determined

Population list (Universal List) and a description of how it was determined

Copy of completed sample size calculator screenshot

Description of the process that was used to draw the sample from the population

Copy of the MASTER list of families that form that initial sample

Copy of the list of families sampled – may be different from the initial sample (Master List B) if a family had to be replaced

Document the Results

Description of why families were replaced, and the replacement procedure adopted

All completed survey responses

Survey forms, telephone list with above/below, etc.

Comparison of survey results with the most recent LMISD

Income Survey Justification Letter

LMI Worksheet

Appendix D Certification

Break

Lifespan of a Survey

- The income survey remains valid as long as there are no changes to the American Community Survey data (5-year estimate) used for the initial survey.
  - *Note: HUD follows a 5-year publication schedule to update the American Community Survey data 5-year estimate used for demonstrating compliance with the CDBG National Objective of providing benefit to low- and moderate-income individuals on an area basis.

- The income survey can be reused as long as there have been no changes to the service area of a new proposed project.
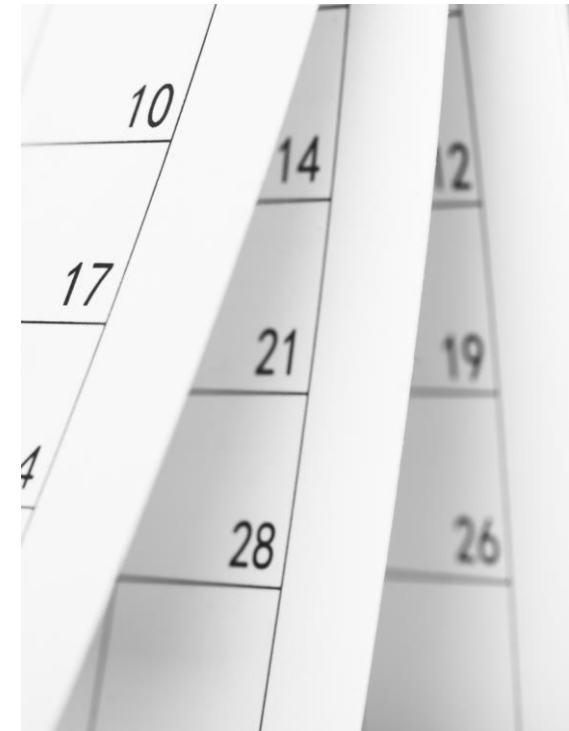
After the Survey is Completed

➢ The cover sheet may be numbered and separated from the actual interview sheet.

➢ If the cover sheets and the questionnaires are both numbered, they can be matched if necessary.

➢ The respondent's name, address and telephone number should appear only on the cover sheet of the questionnaire.

Accuracy of the Income Survey

HUD will generally accept the state and local determination of the service area unless the nature of the activity or its location raises serious doubt about the area claimed by the state and its grant recipients.

Records for Monitoring and/or Audit

Description of the service area and how it was determined

Population list and a description of how it was determined

Copy of completed sample size calculator screenshot

Copy of the list of families that form the initial sample

Copy of the list of families sampled – this may be different from the initial sample if a family had to be replaced

Records for Monitoring and/or Audit

Describe the process that was used to draw the sample from the population

Describe why families were replaced, and the replacement procedure adopted

Actual survey responses (forms, telephone list with above/below, etc.)

Comparison of survey results with the most recent LMISD

Checks for further details

LMI Worksheet

Appendix D Certification

Activity #3

Review Time: Liked, Learned and Challenged.

Take 2-3 minutes and analyze today's presentation.

Name one thing:
- you liked,
- you learned,
- you found challenging to understand.

When you are ready, please raise your hand.

Resources

- [Income Survey Manual](#)

- [CDBG Resources](#)

- [GMS Technical Guide PDF](#)

- [HUD Income Survey Toolkit](#)

Thank You for Attending CDBG 201 Day 2.