

West Virginia Department of Economic Development
Community Development Block Grant (CDBG) and CDBG-MITIGATION (MIT)
Income Survey Guide and Checklist
Effective January 7th, 2022

Introduction

This guide outlines a step-by-step survey process for determining income in an area to qualify a proposed project as low- and moderate-income (LMA) area. Please use in applying for funding to the Community Development Block Grant (CDBG) programs. It contains instructions necessary to develop, administer, and document a statistically valid income survey and to determine if a service area or target population will meet CDBG program requirements related to low to moderate income persons (LMI) benefits. Income surveys can be no more than five years old at time of application submission; no waivers will be issued. Use the Documentation of Income Survey Methodology steps below to assist in completion of the survey included in this guide. The most current version of the income limits can be found here:

<https://www.huduser.gov/portal/datasets/il.html#2021>. You must use the income limits for your project area not Statewide.

Definitions

- **Low – Mod Area Benefit (LMA):** The area benefit category is the most commonly 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 percent of the residents are LMI persons. The West Virginia Department Economic Development (WVDED) requires applicants to identify the census tract/block group that most closely matches the area of benefit for every project, including those that met LMI percentage certified by an income survey.
- **LMI persons/beneficiaries:** A family, household, or individual living in a CDBG - Community Development Block Grant - project area whose household income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger households or families (U.S Department of Housing and Urban Development (HUD) generated LMI data).
- **LMI Percentage:** The number of persons living in LMI households in a project area divided by the total number of persons residing in the beneficiary project area households. To meet CDBG requirements the LMI percentage of beneficiary persons must meet or exceed 51%.

$$\text{LMI \%} = \frac{(\text{LMI Persons Geography A} + \text{LMI Persons Geography B} + \text{LMI Persons Geography C})}{(\text{LMI Universe Geography A} + \text{LMI Universe Geography B} + \text{LMI Universe Geography C})} \} (\times 100)$$

- Household: Household means all persons occupying a housing unit. The occupants may be a family, as defined in 24 CFR 5.403; two or more families living together; or any other group of related or unrelated persons who share living arrangements, regardless of actual or perceived sexual orientation, gender identity, or marital status. Each family in a household should be represented on a single income survey sheet. Households do not always correspond with the defined number of customers in a project, as there may be one utility service to a duplex of two households, or a single tap to a trailer park which is comprised of fifty trailers which are each households, or multiple households benefitted by a parks and recreation facility.
- Customer: An individual water tap or sewer hookup. Although a ‘household’ may have more than one individual, the tap or sewer hookup benefits only one customer. Please provide this as the total possible customers in occupied housing units for a project and not only the expected sign ups (80%). Customers have to be separated between residential and non-residential (business/church/seasonal) for CDBG projects as non-residences can report no income and are not beneficiaries. Park and recreation projects count households benefitted- not customer counts.
- Residential status: Seasonal residents (such as vacation homes or rentals) should be included in the income survey if the CDBG-funded activity is for services that are provided to the residence year-round. Other part-time residences (homes occupied less than 6 months of a year) may be excluded from the survey unless the cumulative part-time residences account for more than 25 percent of the project’s service area. An exception would be someone who is home less than 6-months of the year but considers it his/her primary residence. You would include them in the survey if you can reach them.
- Person: A member of a household, regardless of age or marital/familial relationship. The number of persons in a household determines the applicable income limits to determine LMI. The total persons in a project are all members of all beneficiary project area households.
- Income: Annual income is the amount of income that is used to determine a family’s eligibility for assistance. Annual income is defined as follows:
 1. All amounts, monetary or not, that go to or are received on behalf of the family head, spouse or co-head (even if the family member is temporarily absent), or any other family member; or
 2. All amounts anticipated to be received from a source outside the family during the 12-month period following admission or annual recertification effective date.
 3. Annual income includes all amounts that are not specifically excluded by regulation.
 4. Annual income includes amounts derived (during the 12-month period) from assets to which any member of the family has access.

□ **Step 1: Select the Type of Survey**

Decide which survey method to use (i.e., telephone, door-to-door, mail, or web-based questionnaire).

□ **Step 2: Develop the Questionnaire**

If you choose to conduct a mail questionnaire, use standard 12-point print and do not include too many questions on one sheet of paper. A procedure to maintain this confidentiality needs to be established. If the respondent's name, address, and telephone number appear only on a cover sheet, it can be thrown away or separated from the questionnaire after the survey is completed. What is important is that people will not be able to pick up a questionnaire and identify a specific household. Generally, follow these guidelines:

1. The questions in the questionnaire should be short, simple and efficient.
2. Keep the language as simple as possible. Avoid bias. Do not induce particular answers.
3. Make sure that the survey does not take too long.
4. Explain why income information is needed, and then to ask the two essential income questions:
 - How many people live in your home?
 - What is the total income of all members of your household? . . .or . . . Are you above or below X? (where X is the appropriate 80 percent Median Household Income level for that county, for that household size).
 - "During the past 12 months, was the total income of your household less than or more than (the income amount listed for a family of that size)?"
5. Use the correct income limits (correct amount, correct year, and correct service area) for the survey instrument.
6. Avoid burdensome questions—i.e., questions with no correct answers.
7. Follow the four basic areas involved in constructing a questionnaire:
 - Determine the question content, scope, and purpose.
 - Choose the response format to be used in collecting information from the respondent.
 - Word the questions so as to get at the issue of interest.
 - Determine how best (i.e., the order) to place the question(s) of interest among other questions in the questionnaire.

8. It is important that all respondents be asked the same questions, in the same order, and their responses recorded exactly, without additions or deletions. To ensure this, the questions must be written properly, and the exact response of each respondent recorded as it is presented.
9. The questions must not imply that the neighborhood will benefit or receive federal funding if respondents say they have low incomes. However, it is permissible to disclose that the survey is being conducted to gather essential information to support an application for funding under the CDBG Program.

Sample Questions

Question 1

How many families currently reside at this address? _____ (If more than one family, each family must complete a separate questionnaire since more than one family can be living in one household).

Question 2

How many persons are there in your family including yourself? _____ (If you are single with no dependents, write 1).

If more than one family resides at the address, complete the following:

Family #1: family size (i.e., number of persons in family) _____

Family #2: family size (i.e., number of persons in family) _____

Family #3: family size (i.e., number of persons in family) _____

Question 3

Is the current, combined income of all family members residing at this address (including any related, dependent persons over 65 or working dependent children over 18) above or below the figure quoted on this card?

___Above_____Below

Question 4

What is your household’s total annual GROSS pre-tax income: \$ (Include wages, overtime, unemployment, child support, alimony, self-employment income, disability, death benefits, workers comp., VA benefits, alimony/spousal maintenance, asset income, cash gifts, social security, retirement, and SSI.) Checkmark the number of persons in household that matches your household size and circle the number that is higher and closest to your annual income and check the box at the beginning of that row. For example, a 3-person household with a combined annual income of \$30,000 would check the box next to 50% of Median.

(Insert County)- WV: 2021	Persons in Household							
	1	2	3	4	5	6	7	8
6/1/21 HUD Income Limits								
30% of Median								
50% of Median								
80% of Median								
> than 80% of Median	Over	Over	Over	Over	Over	Over	Over	Over

To determine the applicable service area income limits that need to be used and inserted in the chart above, access the income limits on the HUD website here:

<https://www.huduser.gov/portal/datasets/il.html>.

Ensure the most updated program year limits are used.

Question 5

In order to assess the impact of seasonal residents, you may want to include a question on your survey questionnaire about their residence status. See residential status definition above on page 2.

□ **Step 3: Select the Sample**

The proposed activities determine the geographic area or characteristics of the population that should be included in the survey universe. For example, if the priority activity is a Parks and Recreation facility, it follows that the survey universe should include all residents of the community who utilize the facility. If the project is water system improvements that will exclusively benefit a specific neighborhood, then the survey universe should include the entire geographic area of the neighborhood. If the project is a sewer system that will benefit the entire jurisdiction, then the geographic boundaries of the survey universe should include the entire jurisdiction. In this case, the survey universe must conform to geographic boundaries of the service area, or the unique characteristics of the population that will receive services.

The Subrecipient should:

1. Define the service area- The definition must include the boundaries of the service area and the size of the population for which the percentage of LMI persons is to be determined.
2. Identify the sample- Select a procedure for identifying the sample in the service area and identify a procedure for randomly selecting the sample.
3. Obtain a *complete* list of residents, addresses, and telephone numbers in the service area.
4. Determine the sample size- Determine the sample size needed in order to achieve an acceptable level of accuracy.
5. Randomly select the sample- Make sure you add families to replace refusals and that the entire service area is covered—that is, be certain that you have not excluded certain areas or groups of people. Commercial (retail and industrial) sites, vacant lots, and abandoned and vacant homes should be excluded from the sample because they do not have any effect on the outcome of the survey.
6. Use an acceptable random selection method and decide the number of attempts to obtain responses before selecting replacements.
7. Ascertain that the selection of subjects to be included in the sample and replacement procedures are structured to avoid bias; for example, daytime or weekday attempts may skew response rates in favor of unemployed, retired, or single income families.
8. To determine sample sizes, please visit the sample size calculator at the link below: (<http://surveysystem.com/sscalc.html>). **A confidence level of 95% and margin of error (MOE) of 10% or the MOE for the area and should be used to determine the most accurate and acceptable sample size.**
9. A response rate of 80% is required.

The Margin of Error (**MOE**) is also called the confidence interval. It tells you how sure you can be. It is expressed as a percentage and represents how often the true percentage of the population who would pick an answer falls within the confidence interval.

HUD has established an MOE for each community in West Virginia, based on the current ACS survey data. Some communities have an MOE of close to 50%, some as low as 2/10 of a percent. It is important to check the MOE for the community in question since this will determine the MOE you use for your sample size. HUD has instructed that in establishing the sample size MOE, you must use the lesser of:

- The HUD-established MOE for the community, or
- 10%

Information regarding how the MOE is used can be found here: [CPD Notice 19-02](#). The actual table for finding a community's MOE is located here: [ACS 2011-2015 Low-Mod Margin of Error for Places](#). This is an Excel spreadsheet with a complete set of national data so you will need to filter by state INSERT OUR STATE NUMBER (West Virginia) to locate all West Virginia communities and their respective Moe's. The exact column in the table that references the MOE is called: **moe_lowmod_pct**.

As a matter of policy (with the intent to preserve the credibility of the results of the survey), non-respondents are classified as non-LMI persons, when counting them is necessary to reach the required sample size. The decision to get responses from replacements may become inevitable if the proportion of the non-responses is high enough to affect the validity of the survey results. Non-response rates greater than 20 percent make the survey less than credible, as it is not statistically valid to make assumptions about the non-responders when there are too many. If the required minimum response rate of 80% is not reached, and the non-response rates are greater than 20 percent (of the sample size), the survey is not valid.

If you have a response rate of 80% or better, you can count some of the non-responders as above LMI, if needed to meet the required minimum response rate. If that is the case, you would enter them into your tabulation spreadsheets as "above" for whatever household size represents the average household size for the responses you got.

□ **Step 4: Conduct the Survey**

If you choose to conduct an interview survey, it is strongly recommended that you select and train your interviewers. The quality of the survey results depends on how well the survey is conducted. Even in small studies involving a single researcher-interviewer, it is important to organize the interviewing process before beginning the formal process. Make sure the interviewers are comfortable with the questions.

The training process includes the following major topics:

1. Describing the entire survey Identifying the sponsor of the survey.
2. Providing the interviewer with a working knowledge of survey research.
3. Explaining the survey sampling logic and process.
4. Explaining interview bias.
5. ‘Walking through’ the interview process.
6. Explaining respondent selection process Explaining scheduling and supervision.
7. Explaining follow-up for non-response.
8. Contact the residents of the service area; consider writing or telephoning to let people know in advance that you are coming.
9. Make multiple attempts to establish contact and reschedule another interview if the initial contact has not resulted in an interview.
10. Replace the families you have written off as “unreachable.”
11. Establish a process to replace unreachable and other non-response households within the sample.
 - You need to have a plan to deal with non-responsive households. Some households will not be home during the periods set aside for interviewing, some will refuse to be interviewed, some will terminate the interview before it is completed, and some will complete the interview but fail to provide an answer to the key question on income level.
 - To be considered a completed interview for survey purposes, the interview must include complete and accurate information on the respondent’s household size and income level.

Over-sampling

- Over-sampling is one way to deal with unreachable households, unoccupied homes and other non-response situations.
- There is a limit to how many households can be in your over-sampling (replacements) list, in order to avoid it becoming a 100 percent Census-type of survey.
- The limit is 20 percent of the sample size needed. You cannot go over this 20 percent limit. Using the same example of 60 interviews as the target, you can over-sample by as much as 12 more households (20% of 60).

Draw Samples

- Every household in the survey area needs to have an equal chance of being included in the sample. To ensure an equal chance, a random sample may be drawn using a random numbers table or Microsoft Excel Random Number Generator or Sampling Analysis tool.
- It is advisable to over-sample when unreachable households and other non-response situations are encountered. They may be replaced with households in the over-sample list in the order replacements were randomly selected. For example, if a list of 500 households is drawn in an effort to obtain a sample size of 60 interviews, the first household written off as “unreachable” should be replaced by the 61st household on the sample list.
- It is advisable to over-sample when unreachable households and other non-response situations are encountered. Unreachable households may be replaced with households in the over-sample.

Step 5: Analyze the Results

1. Complete the LMI Worksheet and record the calculated percentage of LMI persons. This worksheet can be found on this checklist on page 11.
2. Include Parts A, B, and C, along with all required attachments listed after Part C. All documentation should be labeled, with correct attachment letters/numbers listed.

Step 6: Document and Save Your Results

1. Save the completed questionnaires—preferably in a confidential manner. Use code numbers to conceal the identity of respondents
2. Save the list of respondents—preferably in a form that does not identify their responses
 - a. Save the description of the service area, the list of your sampling procedures (original sample, interview sheets or completed questionnaires, tabulations and a list or memo describing how other survey elements were handled, including replacements and replacement methods).
3. Save your data.

INCOME WORKSHEET FOR INCOME SURVEYS

PART A. INFORMATION CONTAINED IN YOUR SURVEY RESPONSES

- | | | | |
|---|--|----|-------|
| 1 | Enter the total number of families in the activity service area | 1. | _____ |
| 2 | Enter the total number of families contacted. (include not reachable, refused to answer, incomplete interview/questionnaire) | 2. | _____ |
| 3 | Enter the total number of families responding to this survey | 3. | _____ |
| 4 | Enter the percent response rate (Item 3 divided by Item 1).
<i>Must be 80% or higher to be eligible*</i> | 4. | _____ |
| 5 | Enter the total number of low- and moderate-income families. | 5. | _____ |
| 6 | Enter the total number of persons living in the low- and moderate-income families | 6. | _____ |
| 7 | Enter total number of families in which the income was above the low-and moderate-income level. | 7. | _____ |
| 8 | Enter the total number of persons living in the families in which the income was above the low-and moderate-income level. | 8. | _____ |

PART B. CALCULATIONS BASED ON DATA CONTAINED IN YOUR SURVEY RESPONSES

- | | | | |
|----|--|-----|-------|
| 9 | Divide Line 6 by Line 5. (This is the average size of the low mod families.) | 9. | _____ |
| 10 | Divide Line 8 by Line 7. (This is the average size of the non-low-mod families.) | 10 | _____ |
| 11 | Divide Line 5 by Line 3. (This is the proportion of families that have low- and moderate-incomes.) | 11. | _____ |
| 12 | Divide Line 7 by Line 3. (This is the proportion of families that do not have low-moderate incomes.) | 12. | _____ |
| 13 | Multiply Line 1 by Line 11. (This is the estimate of the total number of low-mod families in your activity service area.) | 13. | _____ |
| 14 | Multiply Line 1 by Line 12. This is the estimate of the total number of non-low-mod families in your activity service area.) | 14. | _____ |
| 15 | Multiply Line 9 by Line 13. (This is the estimate of the total number of low-mod persons in your activity service area.) | 15. | _____ |
| 16 | Multiply Line 10 by Line 14. (This is the estimate of the total number of non-low-mod persons in your activity service area.) | 16. | _____ |
| 17 | Add Line 15 and Line 16. (This is the estimate of the total number of persons in your activity area.) | 17. | _____ |
| 18 | Divide Line 15 by Line 17, and multiply the resulting decimal by 100. (This is the estimated percentage of persons in your activity service area who has low- and moderate-incomes.) | 18. | _____ |

PART C. SURVEY ANALYSIS AND DOCUMENTATION (attach separate sheets of paper if necessary)

Date(s) survey conducted: From _____ to _____ Effective date of income limits used: _____

Was the area surveyed: Target Area Entire Community Community and Surrounding Area

Does the area surveyed include the entire service area of the CDBG activity proposed? Yes No

Source(s) of information used to develop complete list of families in the service area. _____

Describe the survey delivery method and follow-up plan. _____

List all organizations and individuals conducting and analyzing the survey _____

Provide a reason for current survey. Have there been significant demographic or economic changes to the area since the last survey or decennial census? _____

Most current U.S. Census data LMI _____

If the difference between the U.S. Census data LMI and the income survey results LMI are 5% or greater, provide an explanation for the difference. _____

*Census data must be taken from the following website: <https://www.hudexchange.info/manage-a-program/acs-low-mod-summary-data-block-groups-places>

REQUIRED ATTACHMENTS:

- Attachment #1: Copies of all COMPLETED survey forms.**
- Attachment #2: Copy of the list used to compile families/household in the service area.**
- Attachment #3: Copy of the list used to distribute the survey, indicating which families completed the survey.**
- Attachment #4: Map indicating service area boundaries and location of families who completed survey.**
- Attachment #5: Copy of all advertisements and or letters directed towards citizens to publicize the income survey.**