

# NJ Small Cities Program - Income Survey Instructions

## Definition of Low and Moderate Income

Low and moderate income people are those having incomes not more than the “moderate income” level set by the federal government for the HUD assisted Housing Program. This income standard is adjusted annually and varies by household size and by metropolitan statistical area. (Refer to the HUD Income Guidelines under Small Cities Program General Information at <http://www.nj.gov/dca/divisions/dhcr/offices/cdbg.html>)

## Benefit Requirements

For each activity principally benefiting low and moderate income people the applicant must document that:

1. Those served by the activity are presumed to be low and moderate income (e.g., removing architectural barriers in public buildings, developing centers for senior citizens); OR
2. At least 51% of the people in an area served by the activity are of low and moderate income.

## Area-wide Documentation (Required only if claiming Number 2 above)

To document that the activity primarily benefits people of low and moderate income, the applicant must determine the area that will be served by each activity and submit one or more maps that clearly show the following:

- a. Extent of the facility service area
- b. Location of specific structures and facilities to be assisted with Small Cities Program funds
- c. Names of streets within the facility service area
- d. All structures by use (e.g., residential, commercial, vacant)
- e. Census tracts and block groups and their boundaries within which part or all of the facility service area is located

*Document each claim for area-wide low and moderate income benefit with the most recent US Census data or with a current income survey of area residents. Surveys must be conducted within 24 months of the application’s submission.*

Census: If the area that will benefit is the entire municipality or a discrete Census area, submit the low and moderate income percentage of that Census area. You may obtain low and moderate income percentages from the Small Cities Unit, if you identify the specific Census area(s) in which the proposed activity is to take place.

*Note: If the area of benefit is smaller than the smallest Census area, you may still use Census information rather than conduct a survey IF the area of benefit contains at least 50 percent of the total number of people residing in the complete Census area.*

Survey: If the service area cannot be described with Census data, you must conduct an income survey using the *Low/Moderate Income Benefit Worksheet* and *Income Survey Form*.

Fill out the Low/Moderate Income Worksheet performing the calculations indicated by the arithmetic signs above the columns (A divided by B = C multiplied by D = E). Include only the activities to be funded by the Small Cities Program. Do not include planning or administration.

Grant Development staff will evaluate the low and moderate income benefit claims for each activity. Any activity that fails to meet the statutory requirements will be eliminated from the project.

## All applicants must include:

- A completed *Low/Moderate Income Benefit Worksheet*; and
- *Required maps.*

## Applicants using surveys must also include:

- One set of survey forms accounting for each housing unit in the service area (including vacant and seasonal units);
- Summary of survey results presenting by household size the number of people who are above and below income; and
- A completed low / moderate income benefit worksheet.

*Income survey instructions continue on page 4.*

## **LOW / MODERATE INCOME BENEFIT WORKSHEET**

- A. # of Housing Units in the Service Area: \_\_\_\_\_
- B. # of Abandoned or Condemned Housing Units: \_\_\_\_\_
- C. Adjusted # of Housing Units in the Service Area (A-B=C): \_\_\_\_\_

NOTE: Seasonal units are to be counted for the purpose of determining if there are sufficient responses to qualify your survey, even if they are not occupied when the survey is conducted.

- D. Using C and the Table Below, Determine the Minimum # of Responses Required: \_\_\_\_\_

<u>TOTAL HOUSING UNITS IN AREA OF BENEFIT</u>	<u>% RESPONSES REQUIRED</u>
50 or less	85
51 - 100	80
101 - 200	75
201 and over	70

Using the HUD INCOME GUIDELINES and NJDCA SMALL CITIES PROGRAM INCOME SURVEY FORM, determine the following:

- E. # of Income Survey Responses Obtained: \_\_\_\_\_  
*(one response per household/unit)*
- F. Total # of People as Reported on Income Survey Forms: \_\_\_\_\_
- G. # of Low/Moderate Income People as Reported on Income Survey Forms: \_\_\_\_\_
- H. % of Low/Moderate Income People (G divided by F): \_\_\_\_\_
- I. Average # of People in Each Unit (F divided by E): \_\_\_\_\_
- J. Total # of People in the Service Area (I x C): \_\_\_\_\_  
*(Enter this figure into column B of Form PF-4)*
- K. Total # of Low/Moderate Income People in the Service Area (J x H): \_\_\_\_\_

NJ SMALL CITIES CDBG PROGRAM  
INCOME SURVEY FORM

Respondent # \_\_\_\_\_

\_\_\_\_\_  
(Name of Municipality)

Respondent's Address: \_\_\_\_\_

\_\_\_\_\_  
Phone: \_\_\_\_\_

How many households reside at this residence? \_\_\_\_\_ (If more than one, complete a survey for each household.)

Is this your primary residence? \_\_\_\_\_ (If the answer is NO, STOP here. If Yes, continue with the survey.)

How many persons reside in your household? \_\_\_\_\_

Household Income Limit: \$ \_\_\_\_\_  
(See Household Income Limits Table Below)

Is your total annual gross income from all sources for all persons residing in your household above or below the income limit shown above?

Above \_\_\_\_\_

(Check One) Below \_\_\_\_\_

No Response \_\_\_\_\_

\_\_\_\_\_  
Signature of Interviewer

\_\_\_\_\_  
Print Name of Interviewer

\_\_\_\_\_  
Date of Interview

**HOUSEHOLD INCOME LIMITS TABLE:** (Enter the amounts for this community from the most recent HUD Income Limit table, web link is provided below. This is to be used above.)

1 Person Household - \_\_\_\_\_  
2 Person Household - \_\_\_\_\_  
3 Person Household - \_\_\_\_\_  
4 Person Household - \_\_\_\_\_

5 Person Household - \_\_\_\_\_  
6 Person Household - \_\_\_\_\_  
7 Person Household - \_\_\_\_\_  
8 Person Household - \_\_\_\_\_

Ethnicity of Head of Household: \_\_\_\_\_  
Race of Head of Household: \_\_\_\_\_  
\_\_\_\_ Hispanic      \_\_\_\_ White      \_\_\_\_ American Indian/Alaskan Native      \_\_\_\_ Asian  
\_\_\_\_ Non-Hispanic      \_\_\_\_ Black/African American      \_\_\_\_ Native Hawaiian/Other Pacific Islander      \_\_\_\_ Other Multi-Racial

HUD Income Guidelines are updated annually and the most recent table can be found at <http://www.nj.gov/dca/divisions/dhcr/offices/cdbg.html> under the title: Small Cities Program General Information or by contacting the NJ Small Cities CDBG Program.

Income Survey Instructions (continued from page 1)

The percentage of LMI persons must be calculated from the entire population of the service area, and not from the proportion of participants who responded to the survey. If for example, a town in rural America with a population of 640 conducts a census of the entire population to determine the percentage of LMI persons, and gets an 80 percent response rate. Fifty-one percent of 640 is 326, and 80 percent of 640 is 512. Of the 512 respondents, 326 of them should be LMI persons. It is inaccurate to use 51 percent of 512 which is 261. (HUD, Notice CPD-05-06, July 26, 2005)