Texas Community Development Block Grant Program

Updates to PY 2023 Beneficiary Requirements

Hey everyone and thank you for joining us for today's webinar! I'm Aubrey-Ann Gilmore and I have the wonderful job of leading the program specialist team for the TxCDBG program. Our team specializes in program design, providing technical assistance to communities interested in applying, eligibility reviews, preparing funding recommendations and agreement language drafting. A HUGE part of our work is centered around beneficiaries which is why we're excited to bring you today's webinar on updates to beneficiary guidance in PY 2023. Let's get started!
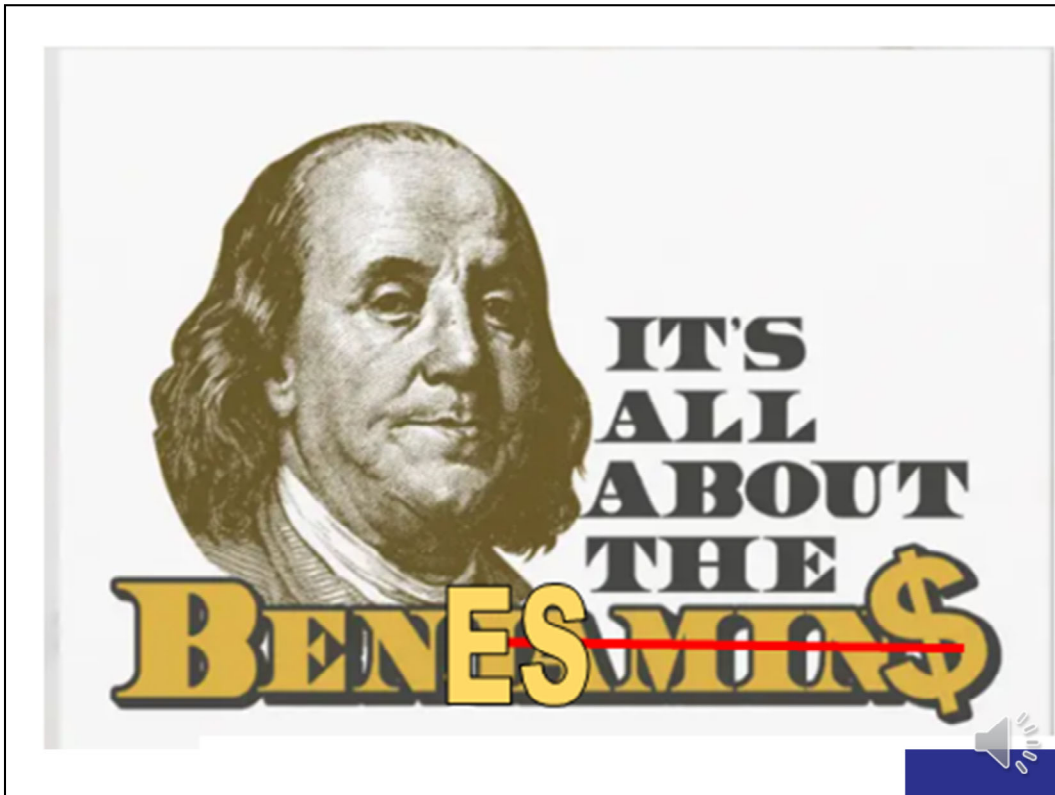
Artistic credit to Suzanne Barnard.

Before we kick off, this webinar is focused on updates to language and requirements included in the TxCDBG Guide to the National Program Objective which has seen significant updates for PY2023 – forward. These slides assume a general understanding of the technical language and concepts surrounding all things "beneficiary" in the CDBG program. So if you're needing a more beginner friendly and in-depth training, stay tuned and watch for its publication under our Training web page within the next couple of weeks.

LMA Requirements - Clarification

"Reductions in maintenance or otherwise freeing up utility/service provider employees has no bearing on beneficiaries for the purposes of the TxCDBG Program."

Digging right in, let's start with big picture updates . The following language is a clarification to an already well-established project design standard within the program.

Essentially, please ensure that projects proposed in upcoming applications are addressing significant community needs. Beneficiary determinations should be based on persons served by the system or infrastructure to be improved in the project. Reductions in maintenance performed by utility/service provider employees has no bearing on beneficiaries.

03J Line Work: Definitions

Yard Line: This line is located on private property and is owned and maintained by the homeowner. See the Low-to-Moderate Income Housing NPO section for details.

Residential Line: Household yard lines are connected to and receive service directly from this line type, which is typically the smallest or smaller diameter line in the overall system.

Main/Trunk Line: This line type connects to residential lines and distributes water to / collects effluent from the residential lines. These lines are typically larger in diameter than residential lines.

Transmission/Supply Line (water only): This line type distributes water from a water source to a water treatment or storage facility and is typically the largest diameter in the water distribution system.
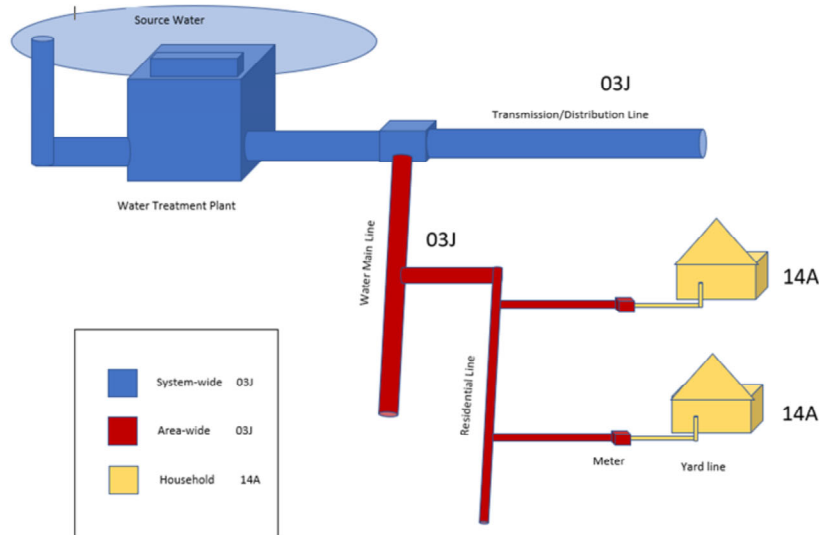
Next up, we've updated and rephrased our terminology surrounding water- or sewer-lines included in an 03J activity. These definitions play a part in better defining the methodology for determining beneficiaries in projects that involve line work.

[read]

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The methodology for determining beneficiaries for line work remains fundamentally unchanged, but the language in our guidance has been updated for clarity.

When installing/replacing/rehabilitating Residential Lines, households that are directly connected to and receive service from the line are considered beneficiaries and should be included in the benefit area.

When installing/replacing/rehabilitating Main/Trunk lines, households that are located on residential lines connecting to the Main/Truck line are considered beneficiaries. Households connected directly to the Main/Trunk line should also be included in the benefit area.

When installing/replacing/rehabilitating Transmission Lines, households that receive water that is treated/stored by the facility connected to the transmission line, should be included in the benefit area.

Looping of Water Lines

Beginning with PY 2023 applications, water line looping will not be accepted as the primary justification for determining a project's beneficiaries.

The improvements provided by looping will be considered incidental to the primary project purpose.

New for PY2023 and forward, looping is no longer acceptable as the primary objective for installation of water lines.

Looping can be incidentally provided through a project's activities that address other issues (such as leaky/deteriorated lines, undersized lines, lack of access), but should not be used as justification for beneficiary documentation nor the main outcome of the project.

Water Meters

- Installation of water meters for LMI households receiving first-time water service is considered a housing activity. Please refer to the Low-to-Moderate Income Housing NPO section.

- Replacement of **all** residential meters within a system will benefit all households served by the system.

- If requesting to replace a portion of water meters within the system, meter replacement should be done in conjunction with an eligible line replacement activity.
  - Beneficiaries are households identified in the benefit area for the proposed line work.

Note: replacement of commercial and non-residential meters is not an eligible TxCDBG activity.

Water Pressure Facilities

- Households located within the pressure-plane served by the booster pump or pump station are considered beneficiaries. Applications should illustrate the approximate geographic area of the facility's pressure plane.

Water pressure systems, such as booster pumps or pump stations, should include all HH located within the pressure plane that is served by the facility. Applications should illustrate the approximate geographic area of the facility's pressure plane.

Water Storage Facilities

These improvements generally provide a community-wide or system-wide benefit.

If the improvement provides less than a system-wide benefit, the benefit area should only include the residents that will benefit from the improvement. The application should demonstrate or explain how residents are served by an isolated portion of the system.

Typically water storage facilities, such as elevated or ground storage tanks, typically provide community or system wide benefit. However if the improvement provides less than system wide benefit due to a system's unique design, the BA should only include residents benefitting from the proposed improvements. Be sure to demonstrate or explain how residents are served by an isolated portion of the system within the application narrative.

14A Yard Lines - Clarification

Installation, replacement, or relocation of service lines or connections on private property is considered a housing rehabilitation activity and must meet the housing activity criteria.

As such, TxCDBG funds will only pay for the costs of service connections, yard service lines, and related improvements that are located on private property for LMI persons.

This section of the NPO guide includes a quick clarification regarding what activities are considered 14A vs. 03J. Therefore, installation, replacement, or relocation of service lines or connections on private property are ALL considered housing rehab and must meet LMH criteria. [read]
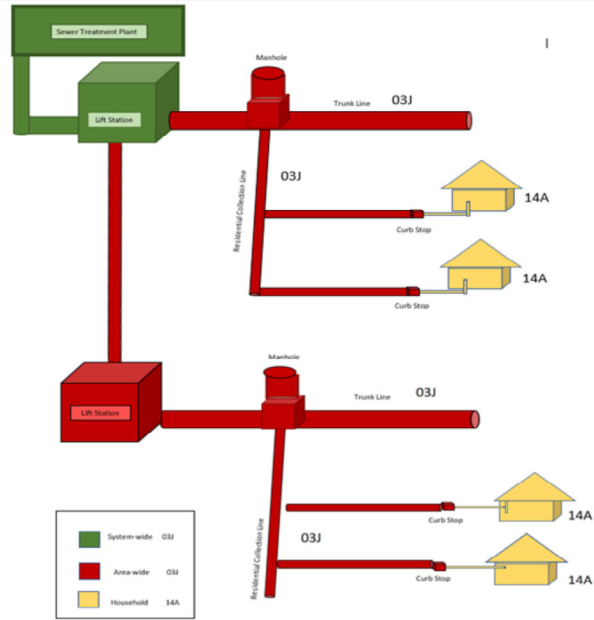
Moving into sewer-specific updates to the methodology, here's quick and perhaps oversimplified visual to illustrate the terminology our program is adopting.

Inflow & Infiltration (I&I)

Replacement of sewer lines due to inflow and infiltration (I&I) is an improvement to the treatment facility's efficiency and effectiveness, therefore all residents served by the sewer treatment facility are considered beneficiaries.

Lift Stations

- Households connected to lines that move effluent to the lift station are considered beneficiaries. Applications should illustrate or explain relevant topographic features and the directionality of flows and within the system section that will be impacted by the proposed improvements.

- Lift stations directly serving the sewer treatment plant will benefit all households served by the sewer treatment facility.

03K: Road Conditions

- Households whose property lines abut streets targeted for improvement, as well as those who rely on the targeted streets as primary access to their residence should be included in the benefit area.

- In limited circumstances, community-wide benefit may be used to qualify street improvement activities proposed on streets that provide direct access to community facilities such as post offices, schools, and local government offices. Contact TDA for technical assistance if considering CW benefit for 03K.

03K: Drainage Conditions

- Households whose property lines abut the streets targeted for improvement, as well as households that will receive improved drainage from the proposed activities are considered beneficiaries. Applications should illustrate or explain relevant topographic features and directionality of drainage.

2022 Survey Methodology Manual
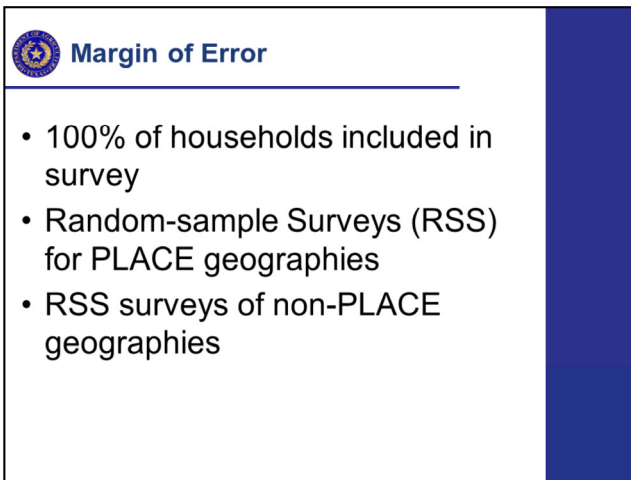
Updates and Clarifications

Margin of Error

HUD requires surveys to have a margin of error less than the MoE listed in LMISD.

geoname	Stusab	State	Place	low	lowmod	lmmi	lowmoduniv	lowmod_pct	moe_lowmod_pct	moe_uclowmod_pct
Abbott city, Texas	TX	48	00100	60	90	145	390	23.1%	+/-11.10	+/-9.20
Abernathy city, Texas	TX	48	00160	615	1,435	1,940	3,255	44.1%	+/-9.00	+/-1.10
Abilene city, Texas	TX	48	01000	28,055	48,070	68,325	108,930	44.1%	+/-1.90	+/-0.10
Abram CDP, Texas	TX	48	01060	955	1,315	1,615	1,910	68.8%	+/-15.40	+/-1.90
Ackerly city, Texas	TX	48	01108	105	140	165	185	75.7%	+/-18.40	+/-18.20
Addison town, Texas	TX	48	01240	3,190	5,895	8,745	15,085	39.1%	+/-3.80	+/-0.20
Adrian city, Texas	TX	48	01324	75	95	125	185	51.4%	+/-19.50	+/-18.20
Agua Dulce CDP, Texas	TX	48	01390	1,580	2,350	2,770	2,925	80.3%	+/-10.40	+/-1.30
Agua Dulce city, Texas	TX	48	01396	230	370	610	830	44.6%	+/-12.60	+/-4.40
Aguilares CDP, Texas	TX	48	01420	0	0	45	45	0.0%	+/-47.50	+/-47.50
Airport Heights CDP, Texas	TX	48	01500	40	60	60	100	60.0%	+/-46.80	+/-30.30
Airport Road Addition CDP, Texas	TX	48	01514	40	40	40	110	36.4%	+/-58.60	+/-28.20

Let's start with Margin of Error. As of 2019, HUD has begun publishing the margin of error for Place and Block Group geographies. With this update came the requirement from HUD that alternative data (AKA, income surveys) of these geographies can only be used if the survey's margin of error is less than the MoE listed in the LMISD. Essentially, if the service area is reasonably delineated by an LMISD geography, an applicant should venture to use LMISD data, however alternative data can be used ONLY if it is more accurate than HUD's data.

Margin of Error

- 100% of households included in survey
- Random-sample Surveys (RSS) for PLACE geographies
- RSS surveys of non-PLACE geographies

SO what does that mean? Don't panic, because 85% of all surveys submitted to TDA don't need to worry about this requirement, AND we've updated the guidance to make it clear when MoE is a factor:

> **Surveys including 100% of households included in survey**
> This type would typically include the less than 200 questionnaire surveys (that do not qualify for RSS methodology), which could be a jurisdictional wide survey if we're talking about a very small community, OR a smaller targeted geography. This could also include surveys greater than 200 questionnaires that did NOT utilize RSS methodology and instead opted to survey 100% of HH in the benefit area.
>
> In this scenario, questionnaire data is collected for each household benefitting from the proposed project, therefore surveys using this method have a MoE of 0% and are compliant with HUD's requirement. This means there is no MoE consideration for this type of survey.
>
> **Random-sample Surveys (RSS) of Place Geographies:**
> Before beginning a survey of a place geography using RSS methodology, an applicant must check the MoE in the current LMISD to ensure that the survey will meet HUD's requirement. If an applicant's LMISD has a MoE of *less than 4%, they MUST* contact

TxCDBG for additional guidance.

Random-sample Surveys (RSS) of non-Place LMISD geography:
Non-Place Geography Definition: Geographies such as Block Group, Census Tract, or a +200 HH survey of a benefit area is not appropriately represented by Place geography.

Before beginning survey of a non-place geography using RSS methodology, an applicant must contact TxCDBG for a determination of the required sample size and MoE.

We're very pleased to have collaborated with our colleagues to provide an enhanced and user-friendly version of the TxCDBG address list form!

This form is formatted to use more easily to create pivot tables (which may prove useful in quickly tabulating figures for the survey tab form) and has a logical flow that I think we can all appreciate. If there's interest in the future, our staff can provide a quick CDBG over Coffee presentation to go over tips and tricks of this form.

An update PY 2023 requirements, this form is now REQUIRED for submission with survey documentation and should be uploaded in excel format. We realize we will inevitably get some lingering PDF's, but don't be surprised when we ask for the excel file. Uploading the excel file will help us expedite the survey review process and shorten the overall wait time from app submission to funding.

Map Requirements for Survey

Beneficiary support documentation must include project map identifying:

- Each household surveyed
- The benefit area geography
- Project activity location(s)

Supporting Documentation

Beneficiary support documentation (Press "+" for additional upload fields) *   Select   Drag Files Here   +

Another update to requirements for PY 2023 and beyond: Survey documentation must now include a project map with submission of the beneficiary documentation. This map should identify each household surveyed (my personal recommendation is ID on the map by questionnaire number or use Google Earth to drop pins at each HH surveyed. The map should also illustrate the benefit area geography and the all project activity locations.

Use your best judgement for whether a survey should include a singular map or instead illustrate these elements via multiple pages.

As shown in the tiny screenshot, the supporting documentation upload on the Project Details page includes a "+" to the right to add the various required elements of a survey (IE questionnaires, survey tab, address list spreadsheet, and now project map).

ACS Table for Total Population

Table B01003

- Survey tab form of Citywide, County, or CPD surveys **only**

TxCDBG Survey Tabulation Form					
Applicant:		County:		Region:	
Survey Type:		Survey Area Description:			
Survey Start Date:		Survey End Date:		P1 Census Population:	
Questionnaire Year(s):					
1. # of Households Benefitting: 0		2. Required Sample Size: 0		3. # of Households Contacted: 0	
4. # of Households Responding: 0		5. Survey Response Rate: 0.00%			
6.	7.	8.	9.	10.	11.
	Number of Responses	Number of Low/Mod	Number of Non-	Number of Low/Mod	Number of Non-

- Determining total block group (BG) population if conducting "70% Test"

Demographic data collection

80% questionnaire no longer includes AMFI percentiles nor race/ethnicity information.

Neither 80% nor Standard Questionnaires will collect gender information.

So, determining which questionnaire type to use is more critical than ever; if a project will involve direct benefit activities, the Standard Form must be used.

We've got a couple minor updates to the questionnaire that will be published today. For 2022 questionnaires that have already been completed, there's no need to resurvey. As of Sept 1, please use the updated version (that we'll make obvious on the website too).

New Survey Question

"Is this unit your usual residence?"

"Usual Residence" is defined as the location where the respondent lives and sleeps at least 50% of the calendar year.

If "NO", questionnaire should be counted as a vacancy.

This is one of those updates – 2022 questionnaires will now include an additional question for respondents to answer regarding their occupancy status of the unit. Usual residence is defined as a family that lives and sleeps in that location at least 50% of the calendar year. This definition is consistent with the census bureau's standard for the American community survey. If a respondent answers "no" to this question, the questionnaire should indicate their "no" response and circle "Vacancy" – these responses will be counted as a vacancy.

Random Sample Surveys

1. Identify beneficiaries and generate a comprehensive list of all HH benefitting (excluding known vacancies).
2. Calculate required sample size
3. Use Random Number Generator (RNG) to generate identify which addresses to include in sample pool.
4. Physically go door-to-door to survey HHs in sample pool.

In this version of the survey manual, we've made some significant updates to the random sample survey (or RSS) methodology. Here's the big picture process –

First, in cooperation with the project engineer and appropriate personnel, such as utility provider staff, identify the beneficiaries of the project activities. Then generate a comprehensive list of all HH that will benefit from the activity and exclude any known vacancies from this list. Order the list alphabetically by street name and then numerically by street number. Once sorted, assign a questionnaire number in ascending order.

Next, use the sample size calculator as normal to calculate the required sample size based on the number of HH benefitting from the project. This calculator remains unchanged and still lives on our website.

Then use the Random Number Generator to create a number list, which will identify the addresses to be included in the sample pool by their recently assigned questionnaire number.

Finally, go door-to-door and survey each household included in the sample pool (plus some extras to substitute, if desired).

RSS Substitutions

Vacancies MUST be replaced with existing survey questionnaires.

Then, NR may be replaced with a responsive HH's questionnaire.

NOTE: Remaining "extra" questionnaires that have not been used in substitution **should** be included in the sample pool calculation.

Once the sample pool has been surveyed, review the collected questionnaires – any additional vacancies identified MUST be replaced with existing questionnaires by using the additional numbers generated from the random number generator to determine those addresses. NR may also be replaced with the next responsive HH's questionnaire.

And once all substitutions have been completed, remaining extra questionnaires (so those that we're beyond the required sample size but still surveyed to create the "extra" pool to conduct substitutions with) should be included in the sample pool and final survey tabulation.