Frequently Asked Questions (FAQs) 2020 LMISD Data, effective August 1, 2024

- Are these numbers the ones applicable to the October 14th deadline?
 - Yes, they are effective August 1, 2024
 - There is no applicable transition policy, "grace period," or waiver if you have already been working on an application for October 2024 deadline using the 2015 ACS
- What if a survey was conducted prior to August 1, 2024 or the October 14, 2024 deadline?
 - Surveys are acceptable for up to three (3) years from the date of application or resubmission, whichever is applicable, using the Income Limits applicable at the time the survey began.
 - Waivers are considered on a case-by-case basis. See "Lifespan of a Survey," in the <u>ACEDP</u>
 Income Survey Methodology for criteria
 - Income Survey Methodology to be updated to incorporate reference to 2020 data; see also <u>HUD CDBG Income Survey Toolkit</u> for additional survey resources
 - Per the Methodology, If there is a big difference at the time of application between the most recent LMISD data at the time of AEDC review and approval (e.g., LMISD = 29%, survey = 55%), prepare to document the basis for any discrepancy (see Application Exhibits G-1 and G-2);
 - AEDC reserves the right to scrutinize surveys submitted by April 12, 2024 against the 2014 and/or 2020 ACS and request additional documentation
- Are these numbers applicable to the April 12th, 2024, deadline for applications currently under review?
 - No, since the 2023-2024 General Assistance Round II competition deadline was before 8/1/2024, and the applications included specific activities, specific funding amounts, and clearly defined LMI services areas, these applications and resubmissions may be qualified using the prior 2015 ACS LMISD.
- Are the new numbers applicable to any already executed ACEDP Grant Agreement?
 - Generally, no, including any phased activities or Amendments after August 1, 2024, including any funding year change, if the cost overrun or Amendment is related to unexpected increases in cost, and the scope, purpose, or service area remains the same.
 - If the scope, purpose, or service area of the activity changes, the activity must re-qualify based on the 2020 ACS on or after August 1, 2024
- Are there any Empowerment Zones, Enterprise Zones or Rural Promise Zones in Arkansas, for the purposes of documenting LMI presumptions or exemptions?
 - o None that we are aware of
- If a city is not LMI, does that mean that they are ineligible for CDBG grants?
 - No, remember that projects may also qualify under Limited Clientele or Presumed Benefit, if the activity provides benefits to a specific group of persons rather than everyone in the area, generally:
 - Abused Children, Elderly Persons (62 or older), Battered Spouses, Homeless Persons, <u>Severely Disabled Adults</u>, Illiterate Adults, Persons Living with AIDS, Migrant Farm Workers

What is the MOE

- Margin of Error (MOE), does <u>not</u> provide an expanded range for compliance, but can inform an applicant about the accuracy of the ACS data before undergoing the effort and cost of conducting a local income survey
- AEDC may use the MOE to determine scrutiny level in its review of survey documentation (ex. an applicant with an LMI of 35% and an MOE of +/- 15% conducts a survey and the result is 65%)
- The maximum allowable MOE of a local survey shall be the lesser of 10 percent or the MOE of the HUD LMI-data, or 10% for an unincorporated area or surveyed area without an equivalent geography in the LMISD.
 - The maximum MOE established a standard that a local income survey must be "at least as good as" the 2020 ACS LMISD
- Can LMI percentages be rounded up?
 - No, unfortunately you may not round up; for example, a published LMI percentage of 50.8% may not be rounded up to 51%

Please also note that the **HUD Income Limits** have also been updated, effective April 1, 2024 2024 Income Limits

These are the limits that should have been used for any income survey started on or after April 1, 2024, until updated, and for qualifying residents based on Certification, including the collection of any new hire data on new Economic Development projects. For any existing Economic Development project, the limits applicable at the time the Income Certification was prepared and first utilized by a Company *may* continue to be utilized.

Additionally, for **Economic Development** projects and LMI job presumptions, HUD will be publishing poverty rate data from the 2020 ACS data, and grantees may also use more recent poverty rate from a more recent ACS version as published by the Census Bureau

A job applicant may be presumed LMI if they live in a census tract with 70% LMI, or if the
company is located in an area or <u>Opportunity Zone</u> with a poverty rate of at least 20%
(or at least 30% if in a central business district (CBD), i.e. downtown in a larger city,
based on the 2020 ACS or more recent ACS version

HUD is also published data on **race**, **ethnicity and disability** based on the 2020 ACS for the purposes of reporting planned and actual beneficiaries. Will update once available.