

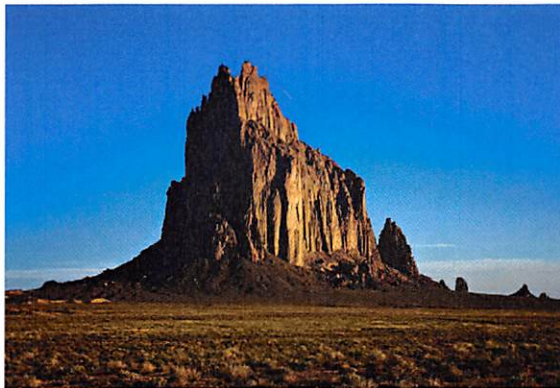


FY– 2021 Indian Community Development Block Grant



PROGRAM GUIDANCE

“To develop viable Navajo communities principally for persons of low and moderate income”



Community Housing & Infrastructure Department (CHID)
DIVISION OF COMMUNITY DEVELOPMENT

P.O. Box 2365

Window Rock, Arizona 86515

Phone: (928) 871-6564

Email: admin@nnchid.org

Fax: (928) 871-7418

Website: www.nnchid.org

THE NAVAJO NATION
Division of Community Development
COMMUNITY DEVELOPMENT BLOCK GRANT
Fiscal Year 2021 Public Hearing

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COMMUNITY DEVELOPMENT BLOCK GRANT
Fiscal Year 2021 Funding Cycle

I. OVERVIEW AND PURPOSE

A. Introduction

Overview of this information packet is to serve as a reference guide for Chapter communities and the general public in preparing their project proposal for the Indian Community Development Block Grant FY-2021 funding cycle. Contained in this packet are the Federal Statutory and Regulatory requirements including proposal guidelines.

B. Purpose

Pursuant to 24 CFR 1003.604, Citizen Participation, the CDBG Program is responsible to provide information to the public for Indian Community Development Block Grant application requirements and program information. Citizen Participation process includes providing the following:

1. Information on the amount of funds available and eligible activities.
2. Information on community development and housing needs from the citizens.
3. Develop and publish or post community development statements for public comments.
4. Afford citizen's review and comments on the CDBG program performance.

C. Structure of the Navajo Nation CDBG Program

1. Organization Structure: Navajo Nation and CDBG Program (Exhibit "A")
2. Seven (7) Regions of HUD/Office of Native American Programs within the United States; Navajo Nation is under the Southwest Region; Field Office in Phoenix, AZ.
3. ROLE is to: Administer the CDBG program consistent with guidelines, interpret rules governing CDBG program, provide technical assistance on proposal writing, apply for ICDBG grants, keep the Nation abreast of latest developments at the national level including rule changes, etc.

II. HISTORY AND BACKGROUND

1. Title I of the Community Development Act of 1974, as amended, established the National CDBG Program under 24 CFR 1003.
2. Incepted in 1976 under Navajo Nation Office of Program Development.
3. Indian CDBG Program and Indian set-aside was established in 1978.
4. Maximum ceiling grant amounts were imposed in 1981 by Congress. Current ceiling limit for the Navajo Nation is \$4.0 million.

III. PROGRAM REQUIREMENTS

A. Program Objective

To develop viable communities by creating decent housing, sustainable living environment, and expanding economic opportunities, principally for low-moderate income families.

B. Nature of the CDBG Program

1. Program is very competitive and is governed by strict Federal/HUD regulations.

3. The number of proposals are limited to the grant-winning projects that score the highest on the 100-point system.
4. Total CDBG request amount including Administrative Cost cannot exceed \$4.0 million current ceiling limit.
5. The key objective is to win maximum points for the Navajo Nation, CDBG Grant funds are awarded on competitive basis by HUD.

C. Eligible Activities

As outlined in the NOFO, the following are eligible activities for the eligible Indian Tribes:

1. **Public Facilities and Improvements** – Infrastructures, (i.e., powerlines, water and wastewater, solid waste facilities and road projects), Buildings, (i.e., Multipurpose buildings, preschool, senior centers). Chapter House and other buildings used for governmental and political purposes are not eligible. Recommends cost cap between \$300,000 to \$500,000 for infrastructure projects.
2. **Economic Development** – Economic Development activities require a more detailed requirement including an organizational system, capacity, feasibility, market analysis, financial viability of the projects. Other supporting documents should include: Articles of Information, Business Operating Plan, detailed cost summary for the development, five year operating financial projections, etc.

D. Eligible Applicants

1. Indian Tribes recognized by the U.S. Department of Interior (approximately 178 in HUD Region 9). Only one grant-application per Tribe is allowed.
2. Navajo Nation (eligible as an applicant)
 - a. All 110 Chapters
 - b. NON-Profit entities serving the Navajo Nation (eligible under regulatory requirements).

E. Program Accomplishments

1. To date, HUD has awarded the Nation with over \$157 million and has successfully carried out over 411 projects.
2. Current grants/projects: 5 grants (FY-2016/2017/2018/2019&2020), total 22 projects @ 14.0 million to assist 235 households with electrical services.

F. Sources and Size of Grants

1. Indian CDBG receives 1.5% of National set-aside per Congressional Act – Total ICDBG set-aside for FY-2019/2020 was \$65.0 million of which Southwest Region received \$21.7 million.
2. ICDBG are tax dollars and federal grants (non-repayable).
3. Grant ceilings are established in NOFO according to 24 CFR 1003.100 (b) (1). Limits are currently based on population of tribes. Navajo Nation is eligible to apply up to \$4.0 million.

IV. PROPOSAL PROCESS AND REQUIREMENTS

A. NOFO Outline

Notice of Funds Opportunity (NOFO) is published yearly in a Federal Register and provides the following information:

1. Amount of funds.
2. Application process and deadline for electronic submission to Grants.gov
3. Rule changes from previous NOFO.
4. Selection criteria for eligible projects.

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3. Rule changes from previous NOFO.
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B. Proposal/Application Process (Exhibit "B")

NOFO is issued by U.S. Department of Housing and Urban Development not less than thirty (30) days before the application due date.

1. CDBG reviews and prepares proposal schedules and packet.
2. Public Hearings are conducted within the Navajo Nation.
3. Proposals received are rated and ranked for funding consideration.
4. ICDBG Application is prepared and submitted by the deadline date.

C. Proposal Submission Requirements

Proposal for eligible activity is to be received no later than the due date. The following components are required.

1. Project achievable within two (2) years from grant award date.
2. Activity determined feasible by cooperating agency (NTUA, JMEC, CDEC, I.H.S, etc.) and is on their priority list for construction, commitment of assuming maintenance & operation (O&M). Otherwise, applicant must provide a viable O&M plan.
3. Current firm cost estimate is provided by a qualified estimator under a cooperating agency.
4. Applicant has secured leverage contributions (non-CDBG matching) of at least 25% of total cost of activity being undertaken. Pre-incurred contributions may be considered ineligible.
5. Pre-construction tasks have been cleared or completely financed. Only construction funds to be requested to CDBG in achieving the intended purpose of the project.

NOTE: Pre-construction activities pertain to archaeological clearance, biological surveys, environmental assessment, rights-of-way, design and engineering for proposed activities, and house wiring for power line.

6. Proposal content is based on criteria of the latest CDBG NOFA and supported by the applicable documents listed below:
 - Current Chapter Resolution supporting the proposed activity.
 - Survey or CDBG Form B (Participant Income Data). (Exhibit "C")
 - Verification of matching funds: Resolution is required if using chapter/tribal funds and letter of commitment for contributions coming from non-tribal entities.
 - Map on project locations, floor plan, schematic drawings, etc.

V. CRITERIA AND RATING REQUIREMENTS

A. Screening Criteria

1. Proposal met deadline – Electronically submitted thru HUD.gov.
2. Proposal completeness – All components are met and attached.
3. Eligible Activity – as prescribed in Section II C.
4. Eligible Applicant – as prescribed in Section III D.

B. Rating Committee

A Proposal Evaluation Team (PET) is established for each funding cycle to rate and rank the proposals. The rating team members consist of, but not limited to, representatives from the following:

1. Capital Projects Management Department
2. Navajo Land Administration
3. Abandon Mine Lands
4. Other Entities

C. Rating/Ranking Criteria

Each proposal will be rated according to the criteria identified in the rating category component for maximum possible points of 100. The following is point award summary for Public Facilities and Improvements (Infrastructure) activity.

1. Capacity of the applicant (34) – Staff capacity, Project Implementation Plan/Schedules (180 days project is underway from Grant award date), Financial Management, Audits, Procurement and Contracts, Past Performance.
2. Need/extent of the problem (25) – Meets essential community needs (outcome), benefits low/moderate income families.
3. Soundness of approach (29) – Scope of work, project description, cost effectiveness, O/M plan, etc.
4. Leveraging resources (6) – Matching funds.
5. Comprehensive and Coordination (6) – Planning system, coordination and support with other entities, measurable outputs and outcomes that will enhance community viability, i.e. job created, job training, opportunities, business assisted, reduction in substandard housing, increase income, quality of life, economic opportunities, etc.

VII. RESPONSIBILITIES

A. Applicant Responsibilities (Chapter & Non-Profit Entities)

1. Applicant is responsible to attend and be informed of current CDBG rules and regulations by attending Public Hearings and/or obtaining a copy of the proposal packet.
2. Preparation of proposal should be based on CDBG Proposal Format and Guidelines
3. Coordinate groundwork with appropriate agency i.e., I.H.S, NTUA, etc. to ensure project is feasible and on priority list.
4. **Ensure pre-construction activities are completed prior to proposal submission.**
5. Secure and verify non-CDBG resources.
6. Adopt resolution demonstrating community support of the project.
7. Request CDBG for technical assistance.
8. Submit a completed proposal on time.
9. Submit additional information when requested.

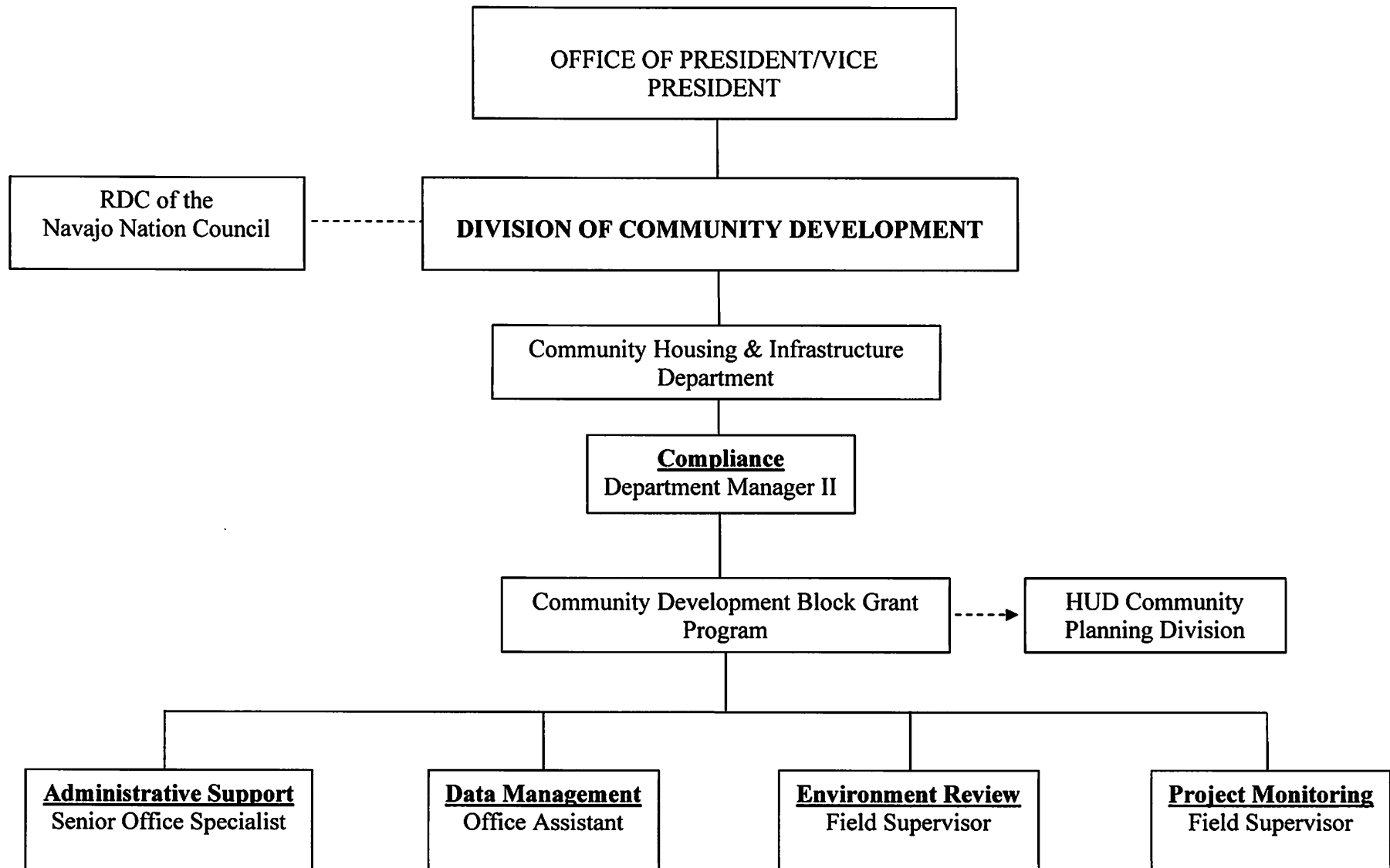
B. CDBG Responsibilities

1. Inform Navajo Nation citizens of current rules and regulations by providing information in a public forum or public hearing setting.
2. Establish Proposal Evaluation Team consisting of AML, CPMD, ASC and other entities.
3. Request and obtain additional information from chapters and entities.
4. Compile and submit the application for recommended projects that will receive maximum funding level.
5. Administer and manage projects on behalf of the Navajo Nation.
6. Provide training and technical assistance to the chapters in project management, proposal development, project implementation, etc.

EXHIBIT

“A”

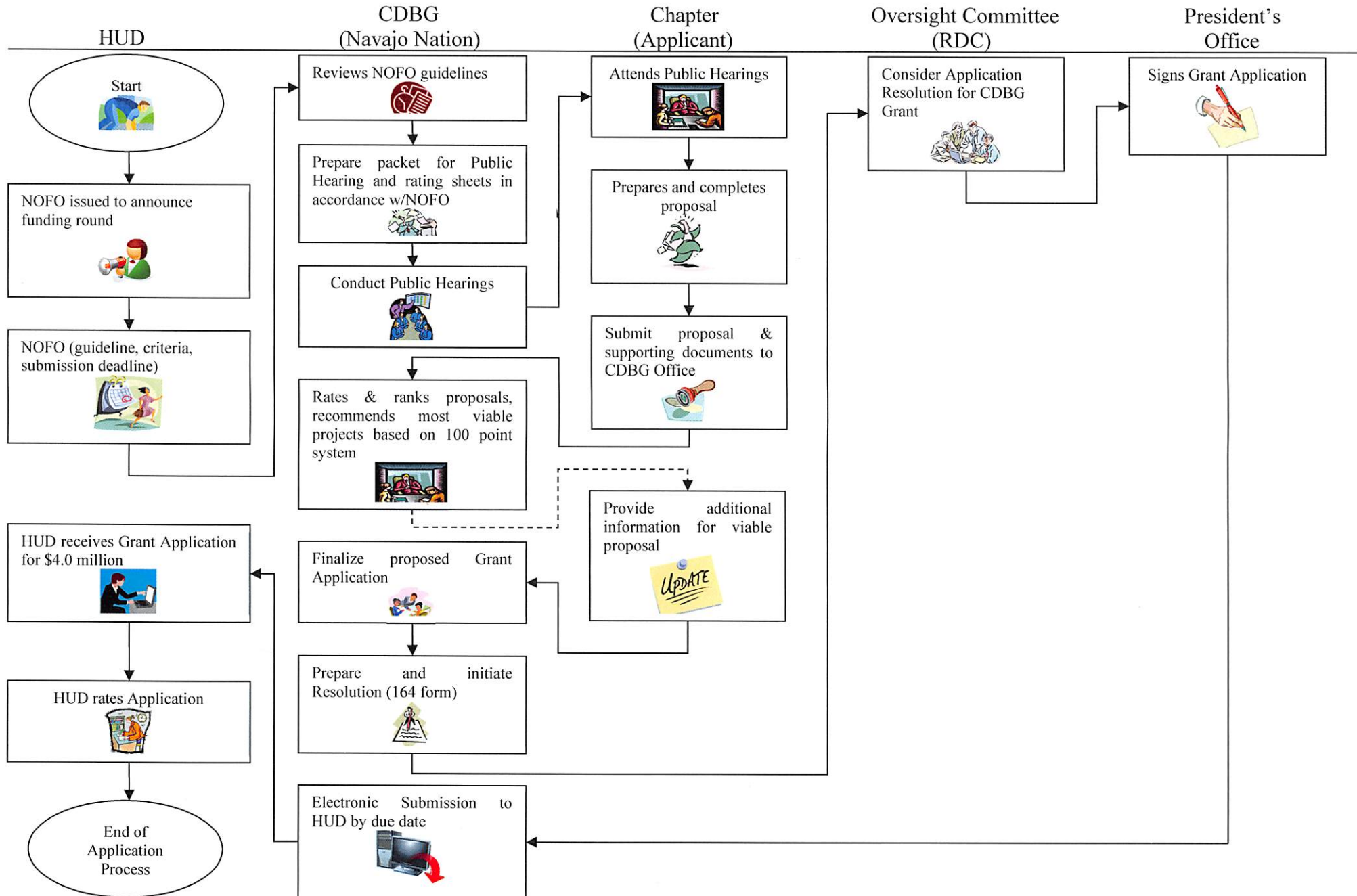
**THE NAVAJO NATION
ORGANIZATION CHART
COMMUNITY DEVELOPMENT BLOCK GRANT**



EXHIBIT

“B”

Application Process for CDBG Funding Navajo Nation CDBG Program



EXHIBIT

“C”

THE NAVAJO NATION
Community Development Block Grant (CDBG) Program
CDBG Form B (Recipient Income and Data)

Chapter: _____

Date: _____

Prepared by: _____

Title: _____

County: _____

[illegible]

Navajo Nation Community Development Block Grant Program

Income Survey # _____

Date: _____

Interviewer: _____

Sheephill Chapter is applying for a Community Development Block Grant (CDBG) for electric utility project. The project will accommodate the High School and the Multipurpose Facility project which have been funded and are ready for construction. In addition, the project will accommodate a proposed convenience store, future scattered homes along the utility line and the future community development sited identified in the Sheep Hill land Use Plan. This project will benefit the entire community.

In order to consider applying for funds, we need your help in answering a few questions about the number of people living in your household and your income for the past 12 months. This information will be kept confidential.

- 1) How many people live in this household? _____
- 2) What is the ethnic breakdown of family members?
 - White _____
 - Black _____
 - Hispanic _____
 - Native American or Alaskan Native _____
 - Asian or Pacific Islander _____
 - Other _____

- 3) Was the totaled combined income for the last 12 months above or below:

Family Size	1	2	3	4	5	6	7	8
Income Level								

_____ County – HUD Income Limits

Above _____

Below _____

I have no more questions. Thank you for your assistance.

LOW-AND-MODERATE INCOME WORKSHEET

PART A. INFORMATION CONTAINED IN YOUR SURVEY

1. Enter the estimated total number of households in the target area. _____
2. Enter the total number of households interviewed. _____
3. Enter the total number of low and moderate income households interviewed _____
4. Enter the total number of persons living in the low and moderate income households interviewed. _____
5. Enter the total number of households interviewed in which the income was above the low and moderate income level. _____
6. Enter the total number of persons living in the households in which the income was above the low and moderate income level. _____

PART B. CALCULATING BASED ON DATA CONTAINED IN YOUR SURVEY

7. Divide line 4 by line 3. (This is the average size of the low-mod household you interviewed). _____
8. Divide line 6 by line 5. (This is the average size of non-low-mod household you interviewed). _____
9. Divide line 3 by line 3. (This is the proportion of households interviewed that have low-mod incomes). _____
10. Divide line 5 by line 2. (This is the proportion of households interviewed not have low-mod incomes). _____
11. Multiply line 1 by line 9. (This is the estimate of the total number of low-mod households in your target area). _____
12. Multiply line 1 by line 10. (This is the estimate of the total number of low-mod households in your target area). _____
13. Multiply line 7 by line 11. (This is the estimate of the total number of low-mod persons in your target area). _____
14. Multiply line 8 by line 12. (This is the estimate of the total number of non-low-mod persons in your target area). _____
15. Add line 13 and line 14. (This is the estimate of the total number of persons in your target area). _____
16. Divide line 13 by line 15 and multiply the resulting decimal by 1. (This is the estimated percentage of persons in your target area who have low-and-moderate incomes). _____

PART C. INSTRUCTIONS AND EXPLANATIONS

The number that goes on Line 1 is something you needed to know before drawing your sample. In the course of your survey, you may have refined your original estimate. On Line 1, you should enter your current best estimate of the total number of households in the area. For the number of households interviewed, you actually want the total number of interviews with complete and as far as you can tell, accurate information on the income and size of household questions.

When you are completing Part A, be sure that the answers are logical. For example, the number on Line 4 cannot be smaller than the number on Line 3 (because every household must have at least one person). Similarly, the number of Line 6 cannot be less than the number on Line 5. Also note that the number on Line 34 plus the number on Line 5 should equal the number on Line 2—every household is either low-and-moderate income or it is not.

Some examples for Part B. For purposes of illustration, assume that you estimated that the target area contained 650 households (Line 1). Assume that you interviewed 250 households (Line 2), of whom 130 had low and moderate incomes (Line 3). These low-and-moderate income households contained 450 persons (Line 4). The 120 households with incomes above the low-and-moderate income level (Line 5) contained 400 persons (Line 6). You would complete part B as follows:

- Line 7: If the households you interviewed contained 450 low-mod persons in 130 households, the number on line 7 would be about 3.46 ($450/130$).
- Line 8: If the households you interviewed contained 400 non-low-mod persons in 120 households, the number on line 8 would be about 3.33 ($400/120$).
- Line 9: If you interviewed a total of 250 households, 130 of which had low-and-moderate incomes, the number of line 9 would be about .52 ($130/250$).
- Line 10: If 120 of the 250 households you interviewed did not have low-and-moderate incomes, the number on Line 10 would be about .48 ($120/250$).
- Line 11: If your target area contained as estimated 650 households, and you interviewed 250, of which 130 had low-and-mod incomes, the number on Line 11 would be about 338 ($651/.52$).
- Line 12: Continuing with the example, Line 12 would be about 312 ($650/.48$).
- Line 13: 3.46 persons per low-mod households times 338 low-mod households - - Line 13 would be about 1,169.
- Line 14: 3.33 persons per non-low-mod households time 312 non-low-mod households - - Line 14 would be about 1,039.
- Line 15: Total low-mod persons (1,169) plus total non-low-mod persons (1,039) - - Line 15 would be about 2,208 estimated total persons.
- Line 16: 1,169 low-mod persons divided by 2,208 total persons yields about .5294. Multiplied by 100, this gives an estimate that about 52.94 percent of the residents have low-moderate incomes.

ANALYSIS:

The estimate you reach for the proportion of residents who have low-and-moderate incomes will be just that - - an estimate. If you have done everything right, including random selection of the required number of households, the estimate should be reasonably accurate. If, using the procedures specified here you come up with an estimate of 55 percent or more of the residents of the target area having low-and-moderate incomes, you can be pretty sure that at least 51 percent of the residents actually have low-and-moderate incomes. You can skip over this section, and go down to STEP 6. On the other hand, if your estimate is that less than 51 percent of the people in the area have low-and-moderate incomes, the presumption is that the area is ineligible as a target area. This section and, in fact, the remainder of this paper, probable will not be of much use to you either.

This section is intended for use by those whose survey results indicate that somewhere between 51 and 54 percent of the residents of the target area have low-and-moderate incomes. If your estimates were in the 51-54 percent range, it is probable that a majority of all neighborhood residents have low-and-moderate incomes, but there is less certainty than if you become that the area is low-and-moderate income.

There are a couple of additional analyses you can make to help determine the extent to which your estimate of the proportion of low-and-moderate income residents is correct. First, compare the average size of low-and-moderate income households in your sample with the average size of above low-and-moderate income households. The closer these figures are to each other, the more confident you can be in your estimate. Thus, if you estimate that 53 percent of the residents have low-and-moderate incomes and you found in your sample that both low-and-moderate income families and above low-and-moderate income families had an average of 3.4 people, you can be pretty sure that it is a low-and-moderate income area.

A second simple calculation is to arrange your data into a table such as that outlined below as Table D. This table enables you to compare that distribution of family sizes of families with low-and-moderate incomes with those that are above low-and-moderate income.

In completing Table D, you would count the number of low-and-moderate income families in your survey that had just one person in the household. You would enter this figure under "number" across from "one". You would proceed to enter the number of low-and-moderate income families with two persons, with three persons, and so forth through the "nine or more" category. Adding up all the entries in this column, you enter the sum across from "total," which will be the total number of low-and-moderate families from which you obtained interviews. Then, considering families that are above low-and-moderate income you follow the same procedures to complete the "number" column for them. For each income group, dividing the number of one person families by the total number of families in that income group and multiply in by 100, yields the percent of that group that are in one-person households. You should fill in the "percent" columns, using this procedure. Each of the percent columns should fill in the "percent" columns, using this procedure. Each of the percent columns should total to 100 or so allowing for rounding errors.

TABLE D
TABLE FOR COMPARING THE DISTRIBUTION OF
FAMILY SIZE BY FAMILY INCOME

Number of Persons in the Family	Families with Low and Moderate Incomes		Families above Low and Moderate Incomes	
	Number	Percent	Number	Percent
One				
Two				
Three				
Four				
Five				
Six				
Seven				
Eight				
None or More				
Total		100%		100%

When you have filled Table D with your data, compare the percentages of the low-and-moderate income respondents with the percentages of the above low-and-moderate income respondents for each family size. The closer the distribution, the greater the degree of confidence you can give in your estimate of the proportion of persons with low-and-moderate incomes. For example, if among your low-and-moderate income group, 10 percent have one person, 40 percent have two persons, and 50 percent have three persons, and among your above low-and-moderate income group 12 percent have one person, 41 percent have two persons, and 47 percent have three persons, you would have a great deal of confidence in your estimate.

Consider a best-case scenario where you estimate that 51 percent of the residents have low-and-moderate incomes. You examine the distribution of household sizes according to Table D and find that in your sample 100 percent of your low-and-moderate income group had nine or more persons. (Yes, this would be a strange neighborhood.) This distribution would make it probable that your sample was badly distributed in favor of large above-lower income families and that without the sample error the actual distribution in the target area is that more than 51 percent of the residents have low-and-moderate incomes.

Third, after completing data collection, non-respondents should be briefly analyzed to determine that they were reasonable random. For example, you may want to tabulate the rate of response by street or block in the target area to see whether there are notable gaps in the coverage of your survey. You may want to examine the racial or ethnic background of your respondents and compare them with what you supposed to distribution to be. If you do not detect any major gaps in the coverage of your sample or any probable patterns in the characteristics of your non-respondents, you can be more certain of the accuracy of your estimates.

STEP 6: DOCUMENTING YOUR EFFORT

The results of your survey will indicate to you with a high degree of accuracy whether your target area is predominantly low-and-moderate income. People who may be auditing or evaluating the program may want to review the procedures and data you used to determine that your target area qualifies under the CDBG Program regulations. You should therefore maintain careful documentation of the survey. The contents of that documentation are discussed here.

1. Keep the completed surveys. This will show that you actually did the survey and that you asked the proper questions.

It is best if each survey has a cover sheet that contains the information that identifies the respondent, such as name, address and telephone number. Then when the survey is complete, the cover sheets can be separated from

the questionnaires. You can save the questionnaires as documents of your work but you maintain the privacy of your respondents.

If you save the cover sheets and save them separately, this provides you with a record of who was contacted. If anyone wanted subsequently to verify that you had not made up that data, they could contact some of the respondents noted on the cover sheet and ask them whether, in fact, they had been contacted on such-and-such a person to discuss matters related to community development. The privacy of their original response still is protected by this procedure.

2. Keep a list of the universe of households you sampled from and a list of the actual households sampled. This might be one list with the sampled households being checked once if they were sampled, and checked twice if they were interviewed. Replacement households should be noted toll. There should be some written documentation about the method you used to select households from the list for interviewing. Note that this is a little different from keeping just the cover sheets, since it documents not just who was interviewed, but also who was not interviewed and how interviewees were selected.

If you did a door-to-door sample without starting from a universe list, you should have written down the procedures you used to select the sample, including instructions to interviewers for replacing sampled households who were not interviewed.

3. To the extent possible, you should retain your data. If you put the data onto a computer, keep a floppy disk with the data and programs you used to tabulate the results. If you do your tabulations from spreadsheets, retain the spreadsheets. If you just leaf through the questionnaires and count up responses and enter them into a table as you go, keep the tables with the raw data counts.

OVERVIEW OF STEPS IN A SAMPLE SURVEY

Step 1: Selecting the Type of Survey

- A. Decide whether it is best to conduct a telephone, door-to-door, or other survey. Be sure to consider your available manpower, the size of the sample you need, and the means you have available for identifying households to interview.

Step 2: Developing a Questionnaire

- A. Write your questionnaire. Remember to keep the language as simple as possible. Avoid bias - - do not encourage particular answers. Include other questions, if you like, but make sure the survey does not take too long.
- B. Develop a standard introduction for your interviewers to use in approaching the respondents.

Step 3: Selecting the sample

- A. Define your universe. What is the area or population for which you are trying to estimate the portion of persons who have low and moderate incomes?
- B. Identify a procedure for identifying individual households in the target areas. Obtain a complete list of residents, addresses, telephone numbers, or identify a procedure for selecting from all of the homes in the area.
- C. Determine the number of interviews you need to achieve an acceptable level of accuracy.
- D. Select your sample (or sample selection procedure). Make sure you can add households to replace refusals. Make sure that the entire universe is covered - - that is, that you have not excluded certain areas or groups of people.

Step 4: Conducting the Survey

- A. Select and train your interviewers. Make sure they are very comfortable with the questionnaire. Make sure they know the importance of randomness and how to select and replace individual households.
- B. Make contact with the sample. Write or phone and let them know you are coming. Or just knock on doors, if this is the procedure you select.
- C. Try (and again) where contact has not resulted in an interview.
- D. Replace households you have written off as “unreachable.”

Step 5: Determining the Results

- A. Complete the low and moderate income worksheet. What is your estimated percent of low and moderate income residents? If your results are between 51 and 60 percent, does your data give you any reason to think that this is an over-estimation?

Step 6: Documenting your efforts

- A. Save the completed questionnaires - - preferably in a form that does not identify the respondents.
- B. Save a list of the respondents - - preferably in a form that does not identify their responses.
- C. Save a list of your sampling procedures - - this includes your universe list, your original sample, your replacements, your sampling method, and your replacement method.
- D. Save your data.

APPENDIX A A RANDOM NUMBERS TABLE

This appendix makes reference to a two-page table of random numbers (Appendix C). It is just that - - each number there is random. You can use it going up, down, sideways, diagonally, and you can use any so column or combination of columns in drawing your random numbers. The following are some examples of how the enclosed table can be used.

Example 1: Drawing a Sample of 5 of 10. Assume that you have a listing of 10 households and you want to draw a random sample of 5 households. Look at Appendix C. Find the number “6” in the upper left hand corner. Let’s start with the “6” and work down the column. The numbers we find are “6”, “8”, “9”, “5”, and “1”. So from the list of 10 households, the sample of five would include the sixth, eighth, ninth, fifth, and first household.

Example 2: Drawing a Sample of 5 of 100. Start this time with “31” in the lower left hand corner of the table. Let’s work across the bottom row from here, and take the numbers “31”, “32”, “37”, “30”, and “95”. From the list of 100 households, our sample would include the 31st, 32nd, 37th, 30th, and 95th households on the list.

Example 3: Drawing a Sample of 5 of 30. Start this time back in the upper left hand corner and start with the “6” and work across. The numbers in order are “6”, “11”, “60”, “90”, “89”, “96”, “2”, “41”, and “86”. Notice that all of these numbers, except for 6, 11, and 2 are greater than 30. Just skip them until you find a number in your range, making sure that you don’t select a duplicate number. Here you would sample the 6th, 11th, and 2nd household on your list and continue until you found two more (which would be the 15th, and the 25th).

Example 4: Drawing a Sample of 5 of 300. Start again with the “6” in the upper left hand corner. Since we need a three-digit number to cover the size of our universe list, we can use these three (or any three columns - - each number is random). Reading down from the “6”, “11”, we see “6”, “11”, “8”, “21”, “9”, “93”, “5”, “36”, and “1”, “95”. From the list of 300 households, then, you would take the 195th household (as well as how many more you needed - - the next four would be the 74th, 249th, 212th, and the 190th).

APPENDIX B

DISCUSSION OF SAMPLE SIZES

Sample of the sizes suggested in Table B on page 5 of this paper are intended to provide an estimate of the proportion of households that say they have low and moderate incomes that will be within ± 5 percent of the proportion that will households in the area would indicate if all were interviewed. Thus, if you interviewed 200 randomly selected households from a 350 households neighborhood and 70 percent indicated that they have low and moderate incomes, you could reasonable infer that if you interviewed all 350 households that between 65 and 75 percent of the households would say that they had low and moderate incomes.

In the survey being discussed in this paper, the confidence interval probably will be a little less than ± 5 percent. The method here is to estimate the proportion of **people** who are income eligible, not the proportion of **households**. Following the procedures outlined here will result in sampling a fraction of people that is approximately equal to the fraction of households that would be sampled by the following Table B (number of people sampled/total number of people = number of households sampled/total number of households). Other things being equal, if you increase the size of your universe and maintain the same sampling fraction, your confidence interval decreases.

Of course, in this application other things may not be equal. By sampling households as a cluster for gathering data on individuals, we are departing from a purely random selection of individuals. Thus, the actual confidence can be calculated only after the data actual are collected and the variance on household size and income are analyzed. The actual confidence interval should be a little less than ± 5 percent. But we also included an “analysis” section in the paper to help in determining the extent to which it may be less than ± 5 percent.

SUGGESTED PROCEDURES FOR CONDUCTING A SAMPLE SURVEY TO DETERMINE WHETHER THE MAJORITY OF PERSONS IN A TARGET AREA HAVE LOW-AND-MODERATE INCOMES

INTRODUCTION

This document was prepared by the Community Planning and Development's Office of Program Analysis and Evaluation to assist staff in HUD/s Field Offices, States, and localities to develop to low-and-moderate income benefit. In this paper, we assume that State or local CDBG staff without substantial research background will use survey research techniques to make this determination, and we identify the basic techniques for conducting a sample survey that will yield acceptable levels of accuracy.

The purpose of a sample survey is to ask questions of a portion of the population in order to make estimates about the entire population. If we ask proper questions of a randomly drawn sample of adequate size, we can be reasonably sure of the degree of accuracy of our overall estimates. In the survey that is discussed here, we are seeking to determine one thing – whether at least 51% of the persons living in a target area have low-and-moderate incomes.

The remainder of this paper is divided into six major sections, each of which discusses a difficult step in administering the survey. In order to obtain accurate results, it is necessary to complete each step properly. You must ask the right questions of the right people and interpret their answers correctly.

While this paper will assist people without a background in survey research in conducting a successful survey on income, we would recommend trying to locate a source of experienced guidance before proceeding. For example, if there is a local college, a professor might be persuaded to conduct the survey as part of a course. At a minimum, perhaps such an individual or someone with a social science background in a county or area wide planning office would be willing to comment and make recommendations on key parts of your procedures.

STEP 1: SELECTING THE TYPE OF SURVEY

Any type of survey that fulfills the criteria discussed below can be used to determine whether an area qualifies as low-and-moderate income. The most commonly used surveys for this application are: (a) telephone surveys (b) door-to-door surveys (c) mail surveys.

Telephone Surveys are relatively easy to conduct. An interview just needs to call up, identify the head of the household or someone competent and knowledgeable enough to answer for the head of household, and proceed with the interview. However, the steps that must be taken before you reach the point of telephoning many prove difficult. In a telephone survey, you must acquire the telephone numbers of all households in your target area and devise a method for contacting households without telephones or those with unlisted numbers. It may be preferable to sample door-to-door in small target areas, such as a neighborhood or small town, where it may be difficult to find a list of telephone numbers that identifies everyone in the area while excluding everyone outside the area.

Door-to-door surveys involve a little more work - - the interviewers must actually go outside, knock on doors, and do the "leg work" necessary to obtain interviews. However, in small areas this type of survey may be the easiest because you can define the target area by its geographic boundaries and develop procedures for sampling within those boundaries so that no list of the households in the area is needed beforehand.

Mail surveys may be the easiest of all. You need a list of all the addresses in the target area, a questionnaire, and postage. However, mail surveys usually yield a very low rate of response, which means a low degree of accuracy. Also, provisions must be made to provide non-English-speaking residents with a questionnaire in their own language. Thus, for estimating low-and-moderate income benefits, we do not recommend this type of procedure, unless you include in your mailing a stamped self-addressed return envelope and count on doing at least one follow-up letter or telephone call to encourage everyone to respond.

Of course, it is possible, and sometimes quite useful, to combine these types of surveys. For example, if in a door-to-door survey you find that someone is not home you can leave a note for them to telephone the interviewer. Or you can use the telephone to schedule a time when an interviewer will call at the door to conduct an interview. Similarly, you can mail a letter to residents of the target area to let them know in advance when an interviewer will call or visit.

STEP 2: DEVELOPING A QUESTIONNAIRE

It is important that all of the individual interviewed are asked exactly the same questions and that their responses are recorded correctly. To ensure this, you need a written questionnaire, and you need to have your interviewers write down on each questionnaire the exact responses of each respondent. Each question should be clear, written in simple language, and convey only one meaning. It is usually best to test a draft questionnaire on a few people to ensure that they understand the questions as you think you are writing them.

The central question in this survey is whether the household being interviewed has an income that is below the low-and-moderate income level for households of the same size. We recommend when door-to-door interviewing that the interviewers carry with them a set of cards, one card each for the household sizes to be considered. On each card should be written the figure for the low-and-moderate income level for a household of that size. For example:

TABLE A
Illustration of Income Cards

Card Number	Numbers in Household	Low/Mod. Earnings Level
1	1	19,800
2	2	22,650
3	3	25,450
4	4	28,300
5	8	30,050
6	9	31,850
7	10	33,600
8	11	35,400

In proceeding, the interviewer first should make contact with someone who is qualified to speak for the household. After making contact with the head of the household, the spouse of the head household, or someone in the household who is mature and knowledgeable about household income, the interviewer should introduce him/herself, identify the purpose of the study, and solicit the participation of the respondent.

An adequate questionnaire must be able to provide answers to at least the following two questions:

1. How many people live in your home? (Record Number)
2. If the interview is being conducted in person, the interviewer then finds the card for the household size of the respondent, and hands it to the respondent, and asks, "Would you tell me whether, during the past twelve months, the total income of all members of your household has been above or below the figure noted on this card?" (Record above or below) Note that the interviewer should be prepared to provide a consistent answer to the question, "What should I include as income?"

If the interview is being conducted by telephone, a card obviously cannot be used, and the interviewer should make reference to the income level that is the threshold for a household of the size of the respondent's. For example, if there are three persons in the respondent's household you might ask, "During the past 12 months, was the total income of your household less than or more than \$25,450?"

While the necessary questions are brief and simple, there are some additional factors to take into account when designing this questionnaire. First, the questions used in the survey cannot be "loaded" or biased. In this particular case, the interviewer may not imply that the neighborhood will benefit or receive Federal funding if respondents say that they have low incomes. The questions must be designed to determine truthfully and accurately whether

respondents have low-and-moderate incomes. It is permissible to note that the reason for the survey is to gather information essential to support an application for funding under the CDBG program or to undertake a CDBG-funded activity in the area.

Second, you should bear in mind that questions about income are rather personal. Many people are suspicious or reluctant to answer questions about their incomes - - especially if they do not see the reason for the question. A good way to handle this problem is usually to put questions about income at the end of a somewhat longer questionnaire on other community development matters. In this instance, a local agency can use this questionnaire to gather some information on what the neighborhood sees as important needs or to gather feedback on some policy or project. At the end of such a questionnaire, it usually is possible to ask questions on income more discreetly. If this option is chosen, however, the interviewer should be cautioned that an excessively lengthy questionnaire might cause respondents to lose interest before it is over. The ideal length here would probably be less than ten minutes, although certainly you could develop an even longer questionnaire if it were necessary.

Of course, it is possible to ask only the critical questions on income. You should know best how people in your community would respond to such question. With a proper introduction that identifies the need for the information, you can generate an adequate level of response with just a two-question questionnaire on income level.

STEP 3: SELECTING THE SAMPLE

In selecting a sample of households to interview so that you can estimate the proportion of all individuals who have low-and-moderate income, there is a series of steps that must be taken. First, you must define the group whose characteristics you are trying to estimate. Then you must determine how many households in that group must be sampled in order to estimate the overall characteristics accurately. Next you must make some allowances for households who, for whatever reason, you will not be able to interview. And finally, you must actually select the household where you will try to interview. This section discusses each of these steps.

Defining the Universe. In sampling, the large group whose characteristics you seek to estimate from a sample is known as the universe. If you are trying to determine the proportion of households in a neighborhood with low-and-moderate incomes, that neighborhood is the universe. Instead of a neighborhood, the universe may be a town, it may be as large as a county, or it may be defined some other way. (For purposes of the CDBG program, your universe will be the area that is to be served by a CDBG-funded project.) Before you can draw a sample, you must clearly define what area you want the sample to represent. Let us assume here that the universe is a neighborhood that contains about 400 homes. You will sample from the 400 households residing here so that you may make estimates about the incomes of all the residents of these households.

When you have defined your universe, you next need a method of identifying the individual members of that area so that you can sample them. Ideally, for a given neighborhood, you would have a list of every person living in the neighborhood and perhaps their telephone numbers. Then you would devise a procedure to select randomly the persons you wanted to interview. In reality, you will not have such a list available and you probably will not even have a list of all of the households in the neighborhood, so you will have to improvise a little. One way would be to go to the neighborhood and randomly select which homes to go for an interview - - the advantage of this method is that the houses are there, so you can go right to them instead of using a list. After collecting the information on the various households, you then can make some estimates about the number of people in the neighborhood and their incomes.

For larger areas where travel costs are higher, it may not be practical to go door-to-door and a list of some sort may be absolutely necessary. City indexes, if available and up-to-date, usually provide the best source of household information suitable for sampling. Telephone books may be adequate, but keep in mind that you will miss people without telephones or with unlisted numbers. Also, telephone directories usually will have far more people listed than those who are in your defined universe, so you will need to work to eliminate those outside of your target area. Tax rolls generally identify building addresses, whereas in the case of apartment buildings you are interested in the individual apartments. You can use tax rolls to identify addresses to go to in order to get an interview, but you cannot use them as the basis of a mail or telephone survey (unless you have access to a telephone directory that identifies telephone numbers by property address.)

How big a sample? After you have defined your universe and identified a method for identifying individual households in the universe, you must next determine how many households to select. Assuming that you develop procedures whereby every household in your target area has an equal chance of being included in your sample, you can use Table B below to determine how many households you need to interview to develop a survey of acceptable accuracy.

The first column of Table B presents sizes of neighborhoods you may be interested in. The second column shows about how many households you need to interview from a neighborhood of the size indicated in the first column. This paper uses the hypothetical 400 household neighborhood to illustrate the use of this table. Looking down the column that says "Number of households in the Universe," you find 400 is covered by the "300-650" line. Reading across this line, you see that the sample size required to generate an acceptable level of accuracy is about 250. (See the attached Appendix B for a discussion of how these sample sizes were determined.)

TABLE B
REQUIRED SAMPLE SIZES FOR UNIVERSES OF VARIOUS SIZES

Number of Households in the Universe		Sample Size
From:	To:	
1	55	50
56	63	55
64	70	60
71	77	65
78	87	70
88	99	80
100	115	90
116	138	100
139	153	110
154	180	125
181	238	150
239	308	175
309	398	200
399	650	250
651	1,200	300
1,201	2,700	350
2,701	Or More	400

Unreachable and Other Non-Responses. It is important to realize that the sample sizes suggested in Table B indicate the number of interviews that you need to complete, and not necessarily the size of the sample you need to draw. There is almost always a difference. No matter what you do, some households just will not be home during the time you are interviewing, some probably will refuse to be interviewed, some will terminate the interview before you finish, and some will complete the interview, but fail to provide an answer to the key question on income level. In order to be considered an adequate response, the interview must be conducted, and you must obtain complete and accurate information on the respondent's income level. Table C suggests some of the usual rates of response to the expected by a variety of surveys.

TABLE C
EXPECTED RESPONSE RATES FOR DIFFERENT TYPES SURVEYS

Survey Type	Expected Rate of Responses
Mail	25-50%
Mail, with letter follow-up	50-60%
Mail, with telephone follow-up	50-80%
Telephone	75-90%
Door-to-Door	75-90%

According to Table C, if you were doing a door-to-door sample to obtain 250 interviews in the 400 households neighborhood, you should anticipate that you would need to actually try to interview between 278 and 333 households (250 divided by .75 or .9). Thus, if you were drawing a list from whom to seek interviews, one way to deal with non-response is to over-sample - - list about 300 households and assume you will interview 250. In door-to-door surveys, it usually is possible to replace unreachables, by trying to obtain an interview next door to the household actually sampled.

Drawing Samples. In sampling you are looking at a portion of everyone in a group and making inferences about the whole group from the portion you are looking at. For those inferences to be most accurate, everyone who is in the group should have an equal chance of being included in the sample. For example, if you are sampling from a list, using a random numbers table (one is included as Appendix C) will provide you with a highly random sample. In using a random numbers table, you take a list of your universe and draw from it according to the table. If for example, the first three random numbers were 087,384, and 102, then you would go through your universe list and take the 87th, 384th, and 102nd households to try to interview. Continue until you have achieved the desired sample size.

As indicated above, when sampling from a list, you should over-sample. Then, if you encounter unreachables, you should replace them with households from the over-sample list in the order they were selected. For example, if you drew a list of 300 households in an effort to obtain 250 interviews, the first household you write off as “unreachable” should be replaced by the 251st household sampled.

Achieving a purely random sample can be costly, so sometimes it is acceptable to take some shortcuts. If you do not have a list of all the households in a target area or group you are trying to measure, but you know the geographic boundaries of the target area, you might randomly select a point at which to start and proceed systematically from there. In the hypothetical 400 household neighborhood, for example, in trying for 250 interviews, you would need to interview every 1.6th household (400 divided by 250) to ensure that you would cover the entire neighborhood. In whole numbers, this works out to about 2 of every 3 households. Therefore, you would start at one end of the neighborhood and proceed systematically through the entire neighborhood trying two doors and then skipping one. Any households that were selected by this procedure, at which an interview was not possible, could be replaced by the next household you would have skipped. If the sample size called for you to sample one of every six households, you could draw a random number from one to six and start at that household and every sixth household after it, and replace unreachables with every third household in the six household groups.

You will achieve more accurate estimates if you are not too quick to write off a household as unreachable. You are most certain of randomness if you obtain interviews from the households you selected first. Thus, if you are doing a door-to-door survey, you probably should make two or more passes through the area (possible at different times) to try to catch a family at home. Frequently they will be busy, but will say that they can do the interview later - - you should make an appointment and return. Only after a least two tries or an outright refusal should a sampled household be replaced. With a telephone survey, at least three or four calls should be made before replacing a household.

STEP 4: CONDUCTING THE SURVEY

To carry out the survey, you have to reproduce sufficient questionnaires, recruit and train interviewers, schedule the interviewing, and develop procedures for editing, tabulating, and analyzing the results.

Publicly. To promote citizen participation in your effort it may prove worthwhile to arrange some advance notice. A notice in a local newspaper or announcements at churches or civic organization can let people living in your target area know that you will be conducting a survey to determine area income levels. If you let people know in advance how, when, and why you will contact them, usually they are most willing to cooperate.

As all aspects of the survey and questionnaire, any publicity must be worded so that it does not bias the results. For example, it is fine to say that the community is applying for a CDBG grant and that, as part of the application, the community has to provide HUD with current estimates of the incomes of the residents of the target neighborhood. It is not appropriate to say that, in order for the community to receive the desired funding, a survey must be conducted to show that most of the residents of the target area have low-and-moderate incomes.

Interviews. Anyone who is willing to follow the established procedures can serve as an interviewer. It usually is not necessary to go to great expense to hire professional interviewers. Volunteers from local community groups will serve well. Also, schools or colleges doing courses on civics, public policy, or survey research frequently may be persuaded to assist in the effort as a means of providing students with practical experience and credit.

Generally, it is best if interviewers are chosen to make the respondents feel most at home. For this reason, survey research companies often employ mature women as their interviewers. When interviewers are of the same race and social class as the respondent, the survey usually generates a better response rate and more accurate results. What is most important, though, is that the interviewer will command the attention of the respondent, as the questions as they are written, follow respondent selection procedures, and write down the response as given.

Contact and Follow-Up. Interviewers should attempt to contact residents at a time when they are most likely to get a high rate of response by most types of people. Telephone interviews usually are conducted early in the evening, when most people are home. Door-to-door interviews also may be conducted early in the evening (especially before dark) or on weekends. Interviewers should try again at a different time to reach anyone in the initial sample who is missed by this initial effort.

In general, you should know best the residents of your community and when they can be reached. What you should avoid is selecting a time or method that will yield biased results. For example, interviewing only during the day from Monday to Friday probably will miss families where both the husband and wife work. Since these families may have higher incomes than families with only one employed member, your timing may lead to the biased result of finding an excessively high proportion of low-and-moderate income households.

Of course, in making contact with a member of the household, the interviewer first has to determine that the person being interviewed is knowledgeable and competent to answer the questions being asked. The interviewer thus should ask to speak to the head of the household or the spouse of the head of the household. If it is absolutely necessary to obtain an interview at the residence that is sampled, the interviewer may conduct an interview with other resident adults or children of at least high school age only after determining that they are mature and competent to provide accurate information.

As part of your questionnaire, or at least as part of your training of interviewers, you should develop an introduction to the actual interview. This should be a standard introduction in which the interviewers introduce themselves, identify the purpose of the survey, and request the participation of the respondent. Usually, it is also a good idea to note the expected duration of the interview - - in this case to let respondents know that the burden to them will be minimal.

You also should emphasize to respondents that their answers will be kept confidential - - people are more likely to give you honest answers if they will remain anonymous. You should do your very best to maintain this confidentiality. Usually, the respondent's name, address, and telephone number appear only on a cover sheet. After you complete the survey, you can throw away the cover sheet or at least separate it from the actual interview. If you number both the cover sheets and the questionnaires, you can then match them up if absolutely necessary. What is important is that people will not just be able to pick up a questionnaire and see what the Jones family income is.

Interviewers also should follow the set procedures for replacing "unreachables" (as discussed above in Step 3). If they must write off an interview they should not say, "Well, I was refused an interview here, so I'll go over there where I think I can get an interview." This replacement procedure is not random and will hurt the accuracy of your survey results.

The Interview. Interviewers should read the questions exactly as they are written. If the respondent does not understand the question or gives an unresponsive answer; it usually is best to have the interviewer just repeat the question. Questions should be read in the order in which they are written. The respondents' answers should be recorded neatly and accurately immediately as they are provided. At the end of the interview, and before proceeding to the next interview, the interviewer should **always** do a quick edit of the questionnaire to be sure that they have completed every answer correctly. This simple check helps to avoid the frustrating mistake of having gone to the time and expense of conducting the interview, but without getting the information you sought.

For the survey here being discussed on low-and-moderate income benefit, note that there may be an important exception to reading the questions in the same order every time. If you elect to include other questions, and if you place the questions on income at the end, it is possible that a willing resident will end the interview before you get to the critical question. If it appears to the interviewer that the respondent is about to terminate the interview, it is recommended that he or she immediately try to get an answer to the critical income question.

Editing. Interviewers should turn their completed surveys in to the person who will tabulate and analyze them. That person should review each survey form to ensure that it is complete and that each question is answered once in a way that is clear and unambiguous. Questions or errors that are found should be referred to the interviewer for clarification. It may also be desirable to call back the respondent, if necessary, to clarify incomplete or ambiguous responses. Note that editing is an ongoing process. Even after you have started to tabulate or analyze the data, you may come upon errors, which you need to correct.

STEP 5: DETERMINING THE RESULTS

After you have your data collected and edited, you must need to add up numbers to see what you have learned. Actually, it is useful to think of this in two parts: (1) tabulating up the responses from the questionnaires and calculating on estimated proportion of low-and-moderate income persons; and (2) determining how accurate that estimate is. The first of these parts can be taken care of by completing the LOW-AND-MODERATE INCOME WORKSHEET, which is below.

Tabulation. For ease of processing, it may be desirable to enter the figures into a computer, if one is available. Personal computer packages such as dBase, Lotus 1-2-3, and SPSS are all easy to use in tabulating this type of data. Computers also make it relatively easy to check for accuracy and consistency in the data. However, you can perform the calculations by hand with a calculator. And you can process that data by putting it on a code sheet, by entering it on a manual spreadsheet, or just by flipping through the completed surveys. Regardless of how you process and tabulate the data, when you are finished you must be able to complete Part A of the LOW-AND-MODERATE INCOME WORKSHEET.

PART C. INSTRUCTIONS AND EXPLANATIONS

The number that goes on Line 1 is something you needed to know before drawing your sample. In the course of your survey, you may have refined your original estimate. On Line 1, you should enter your current best estimate of the total number of households in the area. For the number of households interviewed, you actually want the total number of interviews with complete and, as far as you can tell, accurate information on the income and size of household questions.

When you are completing Part A, be sure that the answers are logical. For example, the number on Line 4 cannot be smaller than the number on Line 3 (because every household must have at least one person). Similarly, the number on Line 6 cannot be less than the number on Line 5. Also note that the number on Line 34 plus the number on Line 5 should equal the number on line 2- every household is either low-and-moderate income or it is not.

Some examples for Part B. For purposes of illustration, assume that you estimated that the target area contained 650 households (Line 1). Assume that you interviewed 250 households (Line 2), of whom 130 had low and moderate incomes (Line 3). These low-and-moderate income households contained 450 persons (Line 4). The 120 households with incomes above the low-and-moderate income level (Line 5) contained 400 persons (Line 6). You would complete part B as follows:

- Line 7: If the households you interviewed contained 450 low-mod persons in 130 households, the number on line 7 would be about 3.46 ($450/130$).
- Line 8: If the households you interviewed contained 400 non-low-mod persons in 120 households, the number on line 8 would be about 3.33 ($400/120$).
- Line 9: If you interviewed a total of 250 households, 130 of which had low-and-moderate incomes, the number on line 9 would be about .52 ($130/250$).
- Line 10: If 120 of the 250 households you interviewed did not have low-and-moderate incomes, the number on Line 10 would be about .48 ($120/250$).
- Line 11: If your target area contained as estimated 650 households, and you interviewed 250, of which 130 had low-and-moderate incomes, the number on Line 11 would be about 338 ($651 \times .52$).
- Line 12: Continuing with the example, Line 12 would be about 312 ($650 \times .48$).
- Line 13: 3.46 persons per low-mod households times 338 low-mod households - - Line 13 would be about 1,169.
- Line 14: 3.33 persons per non-low-mod households times 312 non-low-mod households - - Line 14 would be about 1,039.
- Line 15: Total low-mod persons (1,169) plus total non-low-mod persons (1,039) - - Line 15 would be about 2,208 estimated total persons.
- Line 16: 1,169 low-mod persons divided by 2,208 total persons yields about .5294. Multiplied by 100, this gives an estimate that about 52.94 percent of the residents have low-moderate incomes.

Analysis. The estimate you reach for the proportion of residents who have low-and-moderate incomes will be just that - - an estimate. If you have done everything right, including random selection of the required number of households, the estimate should be reasonably accurate. If, using the procedures specified here you come up with an estimate of 55 percent or more of the residents of the target area having low-and-moderate incomes, you can be pretty sure that at least 51 percent of the residents actually have low-and-moderate incomes. You can skip over this section, and go down to STEP 6. On the other hand, if your estimate is that less than 51 percent of the people in the area have low-and-moderate incomes, the

presumption is that the area is ineligible as a target area. This section and, in fact, the remainder of this paper, probable will not be of much use to you either.

This section is intended for use by those whose survey results indicate that somewhere between 51 and 54 percent of the residents of the target area have low-and-moderate incomes. If your estimates were in the 51-54 percent range, it is probable that a majority of all neighborhood residents have low-and-moderate incomes, but there is less certainty than if you came up with a higher proportion. The closer your estimate is to 51 percent, the less certain you become that the area is low-and-moderate income.

There are a couple of additional analyses you can make to help determine the extent to which your estimate of the proportion of low-and-moderate income residents is correct. First, compare the average size of low-and-moderate income households in your sample with the average size of above low-and-moderate income households. The closer these figures are to each other, the more confident you can be in your estimate. Thus, if you estimate that 53 percent of the residents have low-and-moderate incomes and you found in your sample that both low-and-moderate income families and above low-and-moderate income families had an average of 3.4 people, you can be pretty sure that it is a low-and-moderate income area.

A second simple calculation is to arrange your data into a table such as that outlined below as Table D. This table enables you to compare that distribution of family sizes of families with low-and-moderate incomes with those that are above low-and-moderate income.

In completing Table D, you would count the number of low-and-moderate income families in your survey that had just one person in the household. You would enter this figure under "number" across from "one." You would proceed to enter the number of low-and-moderate income families with two persons, with three persons, and so forth through the "nine or more" category. Adding up all the entries in this column, you enter the sum across from "total," which will be the total number of low-and-moderate income families from which you obtained interviews. Then, considering families that are above low-and-moderate income, you follow the same procedures to complete the "number" column for them. For each income group, dividing the number of one person families by the total number of families in that income group and multiply in by 100, yields the percent of that group that are in one-person households. You should fill in the "percent" columns, using this procedure. Each of the percent columns should fill in the "percent" columns, using this procedure. Each of the percent columns should total to 100 or so allowing for rounding errors.

TABLE D
TABLE FOR COMPARING THE DISTRIBUTION OF
FAMILY SIZE BY FAMILY INCOME

Number of Persons In the Family	Families with Low and Moderate Incomes		Families above Low and Moderate Income	
	Number	Percent	Number	Percent
One				
Two				
Three				
Four				
Five				
Six				
Seven				
Eight				
None or More				
Total		100%		100%

When you have filled Table D with your data, compare the percentages of the low-and-moderate income respondents with the percentages of the above low-and-moderate income respondents for each family size. The closer the distribution, the greater the degree of confidence you can have in your estimate of the proportion of persons with low-and-moderate incomes. For example, if among your low-and-moderate income group, 10 percent have one person, 40 percent have two persons, and 50 percent have three persons, and among your above low-and-moderate income group 12 percent have one person, 41 percent have two persons, and 47 percent have three persons, you would have a great deal of confidence in your estimate.

Consider a best-case scenario where you estimate that 51 percent of the residents have low-and-moderate incomes. You examine the distribution of household sizes according to Table D and find that in your sample 100 percent of your low-and-moderate income group had nine or more persons. (Yes, this would be a strange neighborhood.) This distribution would make it probable that your sample was badly distributed in favor of large above-lower income families and that without the sample error the actual distribution in the target area is that more than 51 percent of the residents have low-and-moderate incomes.

Third, after completing data collection, non-respondents should be briefly analyzed to determine that they were reasonably random. For example, you may want to tabulate the rate of response by street or block in the target area to see whether there are notable gaps in the coverage of your survey. You may want to examine the racial or ethnic background of your respondents and compare them with what you supposed to distribution to be. If you do not detect any major gaps in the coverage of your sample or any probable patterns in the characteristics of your non-respondents, you can be more certain of the accuracy of your estimates.

STEP 6: DOCUMENTING YOUR EFFORT

The results of your survey will indicate to you with a high degree of accuracy whether your target area is predominantly low-and-moderate income. People who may be auditing or evaluating the program may want to review the procedures and data you used to determine that your target area qualifies under the CDBG program regulations. You should therefore maintain careful documentation of the survey. The contents of that documentation are discussed here.

1. Keep the completed surveys. This will show that you actually did the survey and that you asked the proper questions.

It is best if each survey has a cover sheet that contains the information that identifies the respondent, such as name, address, and telephone number. Then, when the survey is complete, the cover sheets can be separated from the questionnaires. You can save the questionnaires as documentation of your work but you maintain the privacy of your respondents.

If you save the cover sheets and save them separately, this provides you with a record of who was contacted. If anyone wanted subsequently to verify that you had not made up that data, they could contact some of the respondents noted on the cover sheet and ask them whether, in fact, they had been contacted on such-and-such a date by such-and-such a person to discuss matters related to community development. The privacy of their original responses still is protected by this procedure.

2. Keep a list of the universe of households you sampled from and a list of the actual households sampled. This might be one list with the sampled households being checked once if they were sampled, and checked twice if they were interviewed. Replacement households should be noted too. There should be some written documentation about the method you used to select households from the list for interviewing. Note that this is little different from keeping just the cover sheets, since it documents not just who was interviewed, but also who was not interviewed and how interviewees were selected.

If you did a door-to-door sample without starting from a universe list, you should have written down the procedures you used to select the sample, including instructions to interviewers for replacing sampled households who were not interviewed.

3. To the extent possible, you should retain your data. If you put the data onto a computer, keep a floppy disk with the data and programs you used to tabulate the results. If you do your tabulations from spreadsheets, retain the spreadsheets. If you just leaf through the questionnaires and count up responses and enter them into a table as you go, keep the tables with the raw data counts.

OVERVIEW OF STEPS IN A SAMPLE SURVEY

Step 1: Selecting the Type of Survey

- A. Decide whether it is best to conduct a telephone, door-to-door, or other survey. Be sure to consider your available manpower, the size of the sample you need, and the means you have available for identifying households to interview.

Step 2: Developing a Questionnaire

- A. Write your questionnaire. Remember to keep the language as simple as possible. Avoid bias - - do not encourage particular answers. Include other questions, if you like, but make sure the survey does not take too long.
- B. Develop a standard introduction for your interviewers to use in approaching the respondents.

Step 3: Selecting the Sample

- A. Define your universe. What is the area or population for which you are trying to estimate the portion of persons who have low and moderate incomes?
- B. Identify a procedure for identifying individual households in the target area. Obtain a complete list of residents, addresses, telephone numbers, or identify a procedure for selecting from all of the homes in the area.
- C. Determine the number of interviews you need to achieve an acceptable level of accuracy.
- D. Select your sample (or sample selection procedure). Make sure you can add households to replace refusals. Make sure that the entire universe is covered - - that is, that you have not excluded certain areas or groups of people.

Step 4: Conducting the Survey

- A. Select and train your interviewers. Make sure they are very comfortable with the questionnaire. Make sure they know the importance of randomness and how to select and replace individual households.
- B. Make contact with the sample. Write or phone and let them know you are coming. Or just knock on doors, if this is the procedure you select.
- C. Try (and again) where contact has not resulted in an interview.
- D. Replace households you have written off as "unreachable."

Step 5: Determining the Results

- A. Complete the low and moderate income worksheet. What is your estimated percent of low and moderate income residents? If your results are between 51 and 60 percent, does your data give you any reason to think that this is an over-estimation?

Step 6: Documenting Your Efforts

- A. Save the completed questionnaires - - preferably in a form that does not identify the respondents.
- B. Save a list of the respondents - - preferably in a form that does not identify their responses.
- C. Save a list of your sampling procedures - - this includes your universe list, your original sample, your replacements, your sampling method, and your replacement method.
- D. Save your data.

APPENDIX A

A RANDOM NUMBERS TABLE

This appendix makes reference to a two-page table of random numbers (Appendix C). It is just that - - each number there is random. You can use it going up, down, sideways, diagonally, and you can use any so column or combination of columns in drawing your random numbers. The following are some examples of how the enclosed table can be used.

Example 1: Drawing a Sample of 5 of 10. Assume that you have a listing of 10 households and you want to draw a random sample of 5 households. Look at Appendix C. Find the number “6” in the upper left hand corner. Let’s start with the “6” and work down the column. The numbers we find are “6”, “8”, “9”, “5”, and “1”. So from the list of 10 households, the sample of five would include the sixth, eighth, ninth, fifth, and first household.

Example 2: Drawing a Sample of 5 of 100. Start this time with “31” in the lower left hand corner of the table. Let’s work across the bottom row from here, and take the numbers “31”, “32”, “37”, “30”, and “95”. From the list of 100 households, our sample would include the 31st, 32nd, 37th, 30th, and 95th households on the list.

Example 3: Drawing a Sample of 5 of 30. start this time back in the upper left hand corner and start with the “6” and work across. The numbers in order are “6”, “11”, “60”, “90”, “89”, “96”, “2”, “41”, and “86”. Notice that all of these numbers, except for 6, 11, and 2 are greater than 30. Just skip them until you find a number in your range, making sure that you don’t select a duplicate number. Here you would sample the 6th, 11th, and 2nd household on your list and continue until you found two more (which would be the 15th, and the 25th).

Example 4: Drawing a Sample of 5 of 300. Start again with the “6” in the upper left hand corner. Since we need a three-digit number to cover the size of our universe list, we can use these three (or any three columns - - each number is random). Reading down from the “6 11”, we see “6 11”, “8 21”, “9 93”, “5 536”, and “1 95”. From the list of 300 households, then, you would take the 195th household (as well as how many more you needed - - the next four would be the 74th, 249th, 212th, and the 190th).

APPENDIX B

DISCUSSION OF SAMPLE SIZES

Sample of the sizes suggested in Table B on page 5 of this paper are intended to provide an estimate of the proportion of households that say they have low and moderate incomes that will be within +/-5 percent of the proportion that all households in the area would indicate if all were interviewed. Thus, if you interviewed 200 randomly selected households from a 350 households neighborhood and 70 percent indicated that they have low and moderate incomes, you could reasonable infer that if you interviewed all 350 households that between 65 and 75 percent of the households would say that they had low and moderate incomes.

In the survey being discussed in this paper, the confidence interval probably will be a little less than +/-5 percent. The method here is to estimate the proportion of **people** who are income eligible, not the proportion of **households**. Following the procedures outlined here will result in sampling a fraction of people that is approximately equal to the fraction of households that would be sampled by the following Table B (number of people sampled/total number of people = number of households sampled/total number of households). Other things being equal, if you increase the size of your universe and maintain the same sampling fraction, your confidence interval decreases.

Of course, in this application other things may not be equal. By sampling households as a cluster for gathering data on individuals, we are departing from a purely random selection of individuals. Thus, the actual confidence can be calculated only after the data actual are collected and the variance on household size and income are analyzed. The actual confidence interval should be a little less than +/-5 percent. But we also included an “analysis” section in the paper to help in determining the extent to which it may be less than +/-5 percent.

EXHIBIT

“D”

THE LIFECYCLE OF THE ICDBG GRANT

Notice of Funding Availability (NOFA)

Published in Federal Register, usually for 45 – 60 days – annually

Applications for single-purpose grants must be submitted by deadline (1003.300) (usually +/- 60 days from NOFA).

Date, time, method of submission, NOFA requirements are detailed in the NOFA.

More than 1 “project” can be included in an application; but the total grant amount cannot exceed the ceiling specified in the NOFA. The NOFA details project/application rating criteria.

HUD ONAP review period – requires 3 to 4 months – rating, ranking, selection (1003.303)

Must score at least 15 pts on Rating Factor 1, and at least 70 pts total, to be selected

Applications scoring high enough to use all available \$ are funded (1003.304).

Selected applicants must clear pre-award conditions before grant is offered – Applicant is allowed 30 days from pre-award letter to respond satisfactory. No time extension.

HUD offer a grant requests that the grantee return 2 copies of executed agreement within 30 days.

Special Conditions – must be cleared within timeframes of HUD ONAP award letter/grant agreement.

Non-ICDBG funding assurance – within 6 month of grant agreement

Environmental Release of Funds (ROF) by HUD ONAP – ASAP – but before irreversible construction activities – including bidder selection and/or contract execution.

Administrative, planning, A&E, environmental review costs can be incurred before Tribe provides the Request for Release of Funds (RROF) to HUD ONAP.

Other Special Conditions – as indicated in HUD ONAP award / offer of grant letter

Special conditions may limit funds that can be obligated.

Environmental Review Activities – 24 CFR Part 58 (Tribe acts as Responsible Entity, or RE)

Exempt activities – document in the Environmental Review Record (ERR) (per 58.34)

Categorically excluded activities – document in the ERR (per 58.35)

Request ROF if mitigation is triggered by 58.5 or 58.6 authorities.

ERR (per 58.38) for each project activity in any category must:

- Identify the preparation and RE concurrence/approval dates.
- Identify grant number and estimated cost of the activity.
- Identify regulatory basis for determination (citing Part 58 section).
- Bear original signature of RE approving official.
- Be maintained at a central ERR file location.

NEPA – covered activities – prepare Environmental Assessment (58.36).

RE (Tribe) determines no adverse impact = Finding of No Significant Impact (FONSI)

Tribe disseminates a public notice of FONSI determination, either by:

Newspaper publication – 15 day public comment period, or

Mailing/posting – 18 day public comment period.

Tribe also disseminates a Notice of Intent to Request Release of Funds (NOI/RROF)

7 or 10 days for public comment period, depending on publication or posting.

OR Tribe prepares a Combined FONSI – NOI/RROF – Same as FONSI comment period.

After expiration of public comment period – Tribe prepares/submits RROF &

Certification, form HUD – 7015.15 to HUD ONAP.

HUD must hold for 15-day public comment period after receipt.

If no comments, HUD ONAP issues Authority to Use Grant Funds, from HUD 7015.16.

Implementation Schedules, form HUD 4125 (anticipated 24-month implementation period)
Originally approved by HUD ONAP as a vital part of the original application.
HUD ONAP must approve program delays by approving Revised Implementation Schedule.
Tribe submits revised HUD-4125 and justification that cause (s) of delay is beyond Tribe's
Control – before the project fails more than 80 days behind schedule.

Cost Summary, form HUD-4123 (project budget, includes funds from all sources)
Approved by HUD ONAP in original application
HUD ONAP must approve significant changes
(Significant changes only move money from P&A to construction, or vice versa
(Re-allocate \$ between A&E, environmental, construction costs – no HUD approval required)
(It never hurts to check with HUD first RE: significance of budget change
Submit revised HUD-4123 and explanation of changes

Minority Business Enterprise Report, Form HUD-2516
Due to HUD ONAP by April 10 every year for 6-month period ended March 31
Due to HUD ONAP by October 10 every year for 6 month period ended September 30

Financial Reporting (required from Grant Agreement execution until HUD closes subject to audit)
Quarterly – Federal Cash Transaction Report, SF-272
Due to HUD ONAP 15 days after each calendar quarter
Annual – Annual Statement and Evaluation Report (ASER) (per 1003.506 (a))
Due to HUD ONAP 11/15 annually for each 12-month period ending 09/30
Annual Audit – required if grantee exceeds \$500,000 annual Federal expenditures

Program Amendments (1003.305) – Prior HUD ONAP approval required
Significant changes in scope, location, objective, or class of beneficiaries
Different requirements if request is less than vs. more than \$100,000
Amended application must score within the funding range of the most recently completed NOFA cycle

Grant Closeout
Closing documents – Due to HUD ONAP within 90 days after grant completion (1003.506)
Final Status & Evaluation Report (described at 1003.506(a))
Financial Status Report, SF-208-A (period from grant agreement – completion)
Closeout Agreement – format provided by HUD ONAP
Closeout Subject to Audit – HUD ONAP will advise of close date and balance to be audited
HUD ONAP will also advise at CSTA that reports are no longer required
Final Closeout – HUD ONAP will determine and advise – when all grant funds have been audited

Records Retention by Grantee – For 3 years after submission of Final Status & Evaluation Report
(1003.501(a) 1003.506 (a) and 85.42 (b) and (c))

EXHIBIT

“E”

NOTICE OF PUBLIC HEARING

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Please be informed of the Public Hearings that are scheduled by the Navajo Nation Community Development Block Grant (CDBG) Program at the following location:

LOCATION	TIME	DATE
Ft. Defiance Agency Chapters (Virtual)	9:00 a.m.	September 1, 2021
Western Agency Chapters (Virtual)	9:00 a.m.	September 2, 2021
Chinle Agency Chapters (Virtual)	1:00 p.m.	September 2, 2021
Shiprock Agency Chapters (Virtual)	9:00 a.m.	September 3, 2021
Eastern Agency Chapters (Virtual)	1:00 p.m.	September 3, 2021

The purpose of the Public Hearings is to inform all Chapter communities and the general public regarding the proposed Fiscal Year 2021 Indian Community Development Block Grant application and program information as provided through U.S. Department of Housing and Urban Development (HUD) in accordance to Citizen Participation requirements at *24 CFR 1003.604*.

Due to the ongoing COVID-19 prevention measures in place and adhering to the issuance of the *Navajo Nation Public Health Emergency Order No. 2021-019*, gatherings of 15 or more at one location is not permitted, the Public Hearing will be conducted virtual.

The key information to be presented include:

1. Purpose and requirements of the CDBG Program.
2. Availability of Indian CDBG funds for proposed community development activities and range of activities that may be undertaken.
3. Provide the public an opportunity to participate in the process.
4. Opportunity to review and comment on the program performance of active grants.

If there are any questions, please contact our CDBG office at:

Community Development Block Grant Program
Community Housing & Infrastructure Department
Division of Community Development
P.O. Box 2365
Window Rock, Arizona 86515
(928) 871-6564

NOTE: For Public Hearing materials, download from: www.nndcd.org

PUBLIC HEARING RULES AND PROCEDURES
A Citizen's Guide to Public Hearings on Navajo Nation
Community Development Block Grant Program

FY-2021

The purpose of a public hearing is to give everyone the opportunity to express their views, and to provide evidence in support of those views. These opinions and evidence create part of the record, which the Hearing Body relies on for its findings, conclusions, and decisions.

An Agenda is established for each hearing. The Hearing Body follows the Order of Business on the Agenda. This includes:

- 2021 Public Hearing Outline Packet
- Notice of Public Hearing
- 2021 Application Preparation Schedule
- Sign-in Sheet
- Comment Sheet

TYPES OF PUBLIC HEARINGS

The program will be presenting a Federal Regulatory & Program Review matters usually involve issues of Community-wide scope. Examples are recommended changes to Federal/HUD regulations or Community Development needs.

HEARING BODIES

The Hearing Body will be the following:

- Division of Community Development
- Community Housing & Infrastructure Department
- Community Development Block Grant Program
- Housing & Improvement Program
- RDC Committee resolution to certify the Citizen Participation requirements

PREPARATION TASK

Distributing Information in Advance – Information is disseminated to the public in advance of the Hearing so they can become familiar with the matters and aware of meeting location, time and date.

Space for the Meeting – Suitable meeting space is provided. Staff will arrange the facility, open and set up in advance.

Special Equipment – Staff to arrange for equipment such as microphones, amplifier/speaker systems, tape recorders, projectors, power cords, equipment stands, charts, markers, and other items to be available as needed. Locate the electrical outlets needed to operate power equipment.

HEARING PROCEDURES

The staff presiding over the hearing will call the meeting to order and introduce each new item of business. This individual has the authority to take any necessary measures to control the hearing, to include closing the meeting, clearing the hearing room, and calling the public in one at a time to testify. Members of the Staff will participate to introduce the Application purpose.

PUBLIC TESTIMONY

- Anyone wishing to testify must sign in on a comment sheet and turn it in to the Hearing Secretary.
- All testimony before the Hearing Body must be given from the podium so that a transcribable record may be made. Spontaneous comments from the floor are not permitted.
- Person testifying will be required to state their name and organizations they represent.
- Any exhibits which are presented to the Hearing Body will be retained for the record.

Applicant/Public: The applicant will be given a suitable time period to present their proposal or comments, 5 to 10 minutes.

In support/Neutral/Opposed: Persons in support/neutral/opposed to the community development needs or regulations changes will be given a suitable time period to present testimony 5 – 10 minutes. The Hearing Body may hear all of the testimony in support, in neutral, then all in opposition, or may alternate.

Rebuttal: The applicant will be given a suitable time period to rebut testimony presented, generally 10 to 15 minutes. The Hearing Body may ask questions during the presentation. Questions to the Applicant from the public must be addressed to the Hearing Body. The Hearing Body will determine whether to ask the question of the applicant.

HEARING BODY DISCUSSION AND DELIBERATIONS

After closing the public testimony, the Program staff will record the comments, questions, recommendations and rebuttal. The Hearing Body will discuss the issue with the Program staff. The Program staff will not make informal recommendation at the public hearing. After the Hearing, a signed recommendation written will be submitted for filing at the CDBG Program.

RULES FOR SUBMITTING EXHIBITS

ALL EXHIBITS, SUCH AS PHOTOGRAPHS, MAPS, VIDEOS, SLIDES, DRAWINGS, OR CHARTS, WHICH ARE PRESENTED TO THE HEARING BODY, WILL BE RETAINED FOR THE RECORD.

ALL EXHIBITS SHALL INCLUDE THE FOLLOWING:

- The name of the person submitting the exhibit.
- The name of the person who took the pictures, slide, etc. or who created the chart or drawing.
- If the exhibit consists of pictures, slides, or videos and the date they were taken.
- A key mapping the location of each picture, slide, etc. to a site map.

These rules are designed to ensure a fair and orderly decision-making process and to promote public participation.

The CDBG Staff would be happy to explain this hearing process during office hours:

Monday thru Friday, 8:00 a.m. to 5:00 p.m.

The Navajo Nation
Division of Community Development
Community Development Block Grant Program
P.O. Box 2365
Window Rock, Arizona 86515

Office Location: Administration Building No. Two (2); Second Floor; Southwest Section
Window Rock, Arizona 86515
Phone: 928.871.6564
Fax: 928.871.7418

THANK YOU FOR YOUR PARTICIPATION

Community Development Block Grant Program
The Navajo Nation

Citizen Participation Plan

I. Purpose

- A. The Navajo Nation Community Development Block Grant (CDBG) Program is responsible to initiate, plan, coordinate, the ICDBG application process as the lead agency in accordance to federal regulations at 24 CFR 1003.301 and the Nation's plan of operation for Community Housing and Infrastructure Department as specified at Section V (4): Responsibility and Authority – Research and Seek funding. Specific guidelines are issued for each grant year by the U.S. Department of Housing and Urban Development (HUD) in Notice of Funds Availability Guide (NOFA) that is published in the federal register. The guideline directs the Program staff in handling the comprehensive grant application process until its submittal to HUD.
- B. In Accordance to Citizen Participation requirement at 24 CFR 1003.604, Public Hearing notices and program requirements including proposal deadline date are provided to the Chapters in writing through the Administrative Service Centers at the beginning of the application process. The Hearing involves:
- (1) Furnishing residents with information concerning the amounts of funds available for proposed community development and housing activities and the range of activities that may be undertaken.
 - (2) Holding one or more meetings to obtain the views of residents on community development and housing needs. Meetings shall be scheduled in ways and at times that will allow participation by residents.
 - (3) Developing and publishing or posting a community development statement in such a manner as to afford affected residents an opportunity to examine its contents and to submit comments.
 - (4) Affording residents an opportunity to review and comment on the applicant's performance under any active community development block grant.

Prior to submission of the application to HUD, the applicant shall certify by an official Tribal resolution that it has met the requirements of paragraph (a) of this section; and

- (a) Considered any comments and views expressed by residents and, if it deems it appropriate, modified the application accordingly; and
- (b) Made the modified application available to residents through community development statement publication.
- (c) "The Navajo Nation Community Development Block Grant Program has put together this FY2021 ICDBG application following meetings with, and feedback from, Navajo Nation residents. Should our office receive additional comments from residents that necessitate modifying our application, these comments will be

addressed by amending the related section within the application, and any such amended application will be transmitted to the United States Department of Housing and Urban Development. As well, any such revised application will be available for residents to view at www.nnchid.org."

Citizen Participation Plan

- C. Proposal Evaluation Team (PET) is established for each funding round comprising of representatives from: Capital Projects Management Department, Navajo Abandon Mine Lands Office, Office of Land Administration and Administrative Service Center, or other relevant organization. The program will orientate PET members on the criteria components and scoring system of the rating sheet in accordance to current NOFA guidelines in order to participate in the rating task of proposals. PET and the staff will comply with the adopted conflict of interest policy as prescribed in Section IV of this policy.
- D. The final review of the comprehensive application is processed through the 164 review to obtain the President's signature. The prior to application submission it will require a RDC committee resolution to certify that the Navajo Nation has met the Citizen Participation requirement at 24 CFR 1003.604.

II. Screening & Flow Chart (steps how a proposal is processed)

- A. The Chapter or interested organization serving the Navajo Nation submits their proposal for funding review and consideration to CDBG Program by a specified deadline date.
- B. The Program staff logs in the proposal in the order it was received and conducts a preliminary threshold review. In the event, the proposal is an ineligible activity or received after the deadline (hand delivered or postmarked); the proposal is returned by mail to the sponsor with a cover letter. Upon the evaluation of PET, proposals that were not recommended for consideration is returned to the sponsor with rating sheet and cover letter attached.
- C. The Program staff attaches the CDBG proposal evaluation sheet to each proposal for threshold review by PET panel. The panel is responsible for screening and rating each proposal according the instructions provided by the Program staff and applicable the criteria set forth in NOFA to satisfy the five factors. There will be no more than two reviewers for each project. An average point will be taken from PET to determine total scores for the projects.
- D. The Program coordinates the ranking of proposals based on the points provided by PET and prepares an overall score sheet to determine which project is recommended for consideration.
- C. A grace period is provided to the sponsor (in writing) whose project is scoring reasonably high but requiring more support documentation to earn maximum

points. If no support information is provided within the grace period, the points for the project will remain unchanged.

Citizen Participation Plan

- D. Upon establishment of the final recommended project listing, the Program prepares a comprehensive grant application, applicable HUD forms and 164 review cover sheet. The application includes the administration budget for Program staff and operation cost. The staff coordinates the processing of the application for reviews by 164 review departments, RDC approval and the President's signature.
- E. The Program submits the Nation's CDBG application to HUD by due date set in the NOFA. Refer to CDBG application flow chart in Public Hearing handbook.

III. Coordination with Contracts and Grants & Controller's Office

- A. The Contracts and Grants Office is the Nation's official representative for all grants and contracts.
- B. The Controller's Office Contract Accounting works closely with Contracts and Grants to provide assistance to the department and the Nation on grants administration after awards are received.
- C. The Contract Accounting maintains the financial records. Also, responsible for providing accounting information to HUD and ensures for submittal of all required financial reports.

IV. Conflict of Interest

- A. The staff and PET is required to comply with the adopted Conflict of Interest policy include prohibiting real and apparent conflicts of interest that may arise among officers, employees, and agents; prohibiting the solicitation and acceptance of gifts or gratuities by the officers, employees and agents for their personal benefit; and it outlines administrative and disciplinary actions available to remedy violations of such standards. Refer to Navajo Nation Ethics in Government Law.
- B. The staff and PET who are evaluating and rating proposals will sign a Disclosure Statement to ensure there is no conflict of interest involved.

V. Amendment

- A. The policy and procedures for proposal evaluation herein adopted is perpetual and can be amended when deemed necessary with the authorization of the Executive Director of the Division of Community Development upon the justification provided by Department Director.

EXHIBIT

“F”

**THE NAVAJO NATION
COMMUNITY DEVELOPMENT BLOCK GRANT
PROJECT PROPOSAL GUIDELINES**

I. INTRODUCTION

Proposal requirements for Indian Community Development Block Grant (ICDBG) are described in 24 CFR 1003.

II. PROPOSAL FORMAT

Navajo Nation Chapters and non-profit organizations are to submit a formal and complete proposal package in requesting for ICDBG funds for each project. Applicants are to assemble each proposal package in the following order:

A. Cover Sheet

1. Name of Chapter or Organization
2. Title of Project
3. Amount of Funds Requested
4. Proposal Submittal Information
 - a. Name of contact person
 - b. Address
 - c. Phone Number
5. Date Proposal is submitted

B. Table of Contents

1. Identifies the subtitle of each section
2. Number the pages
3. Include and identify all documents submitted

C. Proposal Outline (Narrative)

1. Abstract or Summary
 - a. Provide an overview of the proposed project.
2. Introduction
 - a. Give a brief profile of the chapter.
 - b. Provide a history and background of the planned project.
 - c. Explain the primary intent and outcome of the project.
 - d. Describe the administrative capacity of the chapter.
 - e. Describe and previous project management experience.
 - f. Briefly describe the status of the chapter's management.
 - g. Describe the status of land use plan.
 - h. Describe the chapter's Capital Plan.
 - i. Attach Chapter Resolution.

3. Needs and Goals of the Project

- a. Justify the need and extent of the project.
- b. Identify the number of people to be served and indicate the percentage of low and moderate income people (Form B).
- c. Describe how the people were identified and/or selected.
- d. Address the impact and benefits of the project.
- e. Describe how the project will meet community objectives.

4. Scope of Work

- a. Define the role of key personnel, programs, entities, etc. that may be involved in the project.
- b. Provide a project description, summary and/or design i.e., number of miles.
- c. Describe accessibility design features for handicap and disabled, if applicable.
- d. Describe other alternative methods were considered (feasibility studies).
- e. Describe who will operate and maintain the project upon completion.
- f. Explain the status of archaeological and environmental clearances.
- g. Explain the status of Right of Ways, easements and/or land withdrawals for the project.
- h. Indicate the status of bathroom additions for waterline or house wiring for powerlines.
- i. Indicate who will do the construction and how it will be carried out.
- j. Indicate who were involved in the planning of the project i.e., IHS, NTUA, Non-profit organizations, schools, etc.
- k. Include any supporting resolutions, letters, etc.
- l. Attach the feasibility studies.

5. Budget information

- a. Provide a total project cost.
- b. Provide a breakdown of sources and amount contributed by each source.
- c. Include letter of commitments, resolutions, purchase order numbers, copy of checks, etc. identifying the source and amount.
- d. Attach a detailed project cost breakdown by line items.

D. Attachments and Exhibits

1. Required Documents

- a. Current chapter resolution supporting the project.
- b. Feasibility Study and map identifying project area and homes.
- c. Detailed cost estimate breakdown by line item.
- d. Commitment letters, resolutions, etc. for funding and operation & maintenance.
- e. Form B – Client listing and income data.

2. Additional Supporting Documents

- a. Survey Results, Census Data, Chapter Profile
- b. Supporting letters, resolutions, testimonies, etc.
- c. Newspaper clippings, excerpts of meeting minutes, etc.

**SHEEP HILL CHAPTER
Powerline Extension Project
(Phase I)**

Amount of Fund Requested: \$500,000

FY-2021 CDBG Funding Round

Submitted To:

COMMUNITY DEVELOPMENT BLOCK GRANT

P.O. Box 2365

Window Rock, Arizona 86515

October 1, 2021

Submitted By:

Ashkii Muleherder, Chapter Representative

Sheep Hill Chapter

P.O. Box 1000

Sheep Hill, Arizona 81000

SUMMARY

The Sheep Hill Chapter is collaborating with Navajo Tribal Utility Authority, Community Projects Management Department (CPMD) and Community Development Block Grant (CDBG) Program in making this project a reality. The Sheep Hill Chapter along with cooperating agencies and departments intend on constructing 20 miles of powerline with the Sheep Hill Chapter area.

According to project plans, the Navajo Tribal Utility Authority will extend a powerline approximately 2.4 miles south of the Chapter. There are a total of forty-five (45) homes under this project (see attached Form B). Under this project a new well will be established at least 1.5 miles south of the Chapter House.

The total project cost is \$1,000,000 (see attached project budget). The Sheep Hill Chapter and individual homeowners will be responsible for thirty-six (36) house wiring, which include materials and labor.

Upon completion of the proposed powerline, many residents will enjoy a higher standard of living as well as improvement of health for many children, families and the elderly. Finally, the Sheep Hill Chapter Officials and Administration will oversee the project making periodic reports to the Navajo Tribal Utility Authority and the Navajo Nation Community Development Block Grant Program.

INTRODUCTION

The Sheep Hill Chapter and community is geographically situated in Northwestern New Mexico approximately thirty-five miles south of Debe Yazhii, New Mexico. The Chapter is located along U.S. Highway 44. This highway is the main access road between Farmington and Dibe Yazhii, New Mexico.

According to the 2000 Census records, the community's population is approximately two thousand (2,000) residents. Many residents depend on selling art, crafts and silversmith to purchase basic needs. There are also limited employment opportunities available with the community. Limited employment programs, Navajo Tribal Utility Authority Sub-Offices, a Federally-funded school and various Navajo Nation Offices. Approximately 75% receive Navajo Nation general assistance, food stamps or temporary assistance for needy families grant.

Finally, the Sheep Hill community has various governmental offices serving the local residents. They include: Navajo Nation Chapter House, Senior Citizen, Boys & Girls Club and a preschool. Employment is also offered by a federally operated school, Navajo Tribal Utility Authority and community health representative. The local chapter is operated by the chapter administration with three officials serving as an oversight.

PROBLEM STATEMENT AND NEEDS ASSESSMENT

The Sheep Hill Chapter is respectfully requesting the funding in the amount of \$500,000 from the Navajo Nation CDBG Program to construct 20 miles of powerline in the Sheep Hill community. Current residents depend on oil lamps for basic needs. This situation is further compounded by dirt roads, which are often impassable during inclement weather. Furthermore, a large percentage of residents residing in the project area not educated and thus are not practicing healthful habits such as proper cooking of food and cleanliness.

The Navajo Tribal Utility Authority will construct the actual powerline. The Sheep Hill Chapter in cooperation with the Capital Improvement Office will construct the house wiring prior to the proposed powerline project. Upon completion, thirty-six families will enjoy electric facilities.

OBJECTIVES AND GOALS

The objective of this particular project is to improve health, sanitation and an overall enhancement of the quality of life for thirty-six families who are in dire need of services. Furthermore, through the successful and timely completion of this project, the Chapter will exemplify the ability to work with various agencies/organizations in meeting community prioritized needs of the Sheep Hill Chapter. The completion of this project will also contribute to further capital development such as additional waterlines, power line extensions and improved roads. To meet community needs and goals, the Sheep Hill Chapter will require approval of the funds that are being requested. In short, the community supports the project and with proper direction completion will occur within two years.

SCOPE OF WORK

The proposed project's principal players will include the following: The Sheep Hill Chapter Administration and Chapter Officials will play a key role as the primary coordinator for the project. Weekly monitoring and periodic reports will be required of the Chapter. Second, the Navajo Tribal Utility Authority personnel will plan, design and construct the actual powerline for the project.

Upon completion, Navajo Tribal Utility Authority will maintain and operate the powerline (see attached sample commitment letter). Final reports and inspections will be coordinated with Navajo Tribal Utility Authority.

BUDGET

The total cost for 20 miles of powerline project is \$1,000,000. Below is a breakdown of funding sources:

<u>Source</u>	<u>Amount</u>
NTUA	\$ 67,500
CIO	100,000
CDBG	<u>500,000</u>
TOTAL COST:	667,500

The commitment letters from the leveraging funding sources are attached for verification.

Attachments: A – NTUA Commitment Letter for Operation & Maintenance
 B – Form B-Income Data Sheet
 C – Chapter Resolution
 D – NTUA Cost Estimate
 E – Others

EXHIBIT

“G”

CONSTRUCTION READY PROPOSALS

PROPOSAL CHECKLIST

NEEDS ASSESSMENT

Identifying needs, prioritizing, development of plans for funding, chapter profile, identifying potential site for development, identifying clients, etc.

CLIENT LISTING

Conducting home assessments, gathering client data (household information, income, etc.) getting building layout, housing condition, etc.

ENVIRONMENTAL ASSESSMENT

Conducting environmental assessment, this is usually conducted by the developing entity i.e. NTUA, IHS, etc.

ARCHAEOLOGICAL CLEARANCES

This is different from the environmental assessment. The archaeological report is conducted by the developing entity or maybe contracted out to an archaeologist.

FEASIBILITY STUDY

This will determine the feasibility of the project. This will identify other needs for infrastructure such as waterline, powerline, etc.

RIGHTS OF WAY/EASEMENT

This determines the alignment of roads, powerlines, waterline, communication lines, etc. This requirement shows the consent of the land users, permittees and others who may have an interest to the land proposed for development.

LAND WITHDRAWAL

The land withdrawal process has its own process. This is the set aside or authorizing of land for specific use.

DESIGN/ENGINEERING

This is the layout of the facility. This is determined by the needs assessment and client listing. The design/engineering will determine the type, size and drawing of the facility.

House wiring and service entrance inspection completed for powerline.

COST ESTIMATE

All above factors will determine the cost of the project.

CHAPTER RESOLUTION

Chapter resolution is required to ensure the support from the chapter membership and priority of the project.

MATCHING FUNDS

To match resources, in many cases, leverage should be 25% or more.

EXHIBIT

“H”

CDBG Outline of Powerline Planning/Construction Process

Preliminaries

1. Request for Cost Estimate letter for right-of-way expenses from NTUA with a Chapter Resolution. Attach the name listing and project map.
2. Request for funds with a Chapter resolution to other funding sources, i.e., CPMD, County, Chapter funds, etc. to pay for Rights of way expenses using NTUA cost estimate for names identified.
3. Also, on house wiring work, Chapter to obtain funds to complete the required home wiring materials and labor.

Construction Activity

1. After the rights of way and house wiring are completed, another Chapter resolution to NTUA requesting for cost estimate for a powerline construction cost.
2. A project proposal can be submitted with chapter resolution to CDBG Program or other funding agencies to finance the Powerline Construction cost using NTUA cost estimate and name list. Notice of CDBG funding is announced each year, and the public hearing on funding cycle will be advertised in local news paper and KTNN radio for each agency to meeting public requirements.
3. When project is recommended by CDBG office and approved for funding by U.S. Department of Housing and Urban Development (HUD), the Nation will enter into a Sub-grant Agreement to construct the project; thereafter, NTUA will operate and maintain the powerline system.
4. See attached CDBG application process flow chart.