

Appeal of 1990 Low-mod Census Data

July 22, 1993

MEMORANDUM FOR: Harold G. Thompson, Acting
Regional Administrator-
Regional Housing Commissioner, 1S

ATTENTION: Frank V. Del Vecchio, Regional Director for CPD, 1C

FROM: David M. Cohen, Acting Deputy Assistant Secretary
for Grant Programs, CG

SUBJECT: Appeal of 1990 Low-Mod Census Data, Woonsocket, RI

This is in response to your memorandum of June 4, 1993, enclosing correspondence from the City of Woonsocket, Rhode Island regarding HUD's calculation of the City's low- and moderate-income population based on 1990 census data. The low/mod data from the 1980 census placed Woonsocket's population at 53.66 percent low/mod, while the 1990 data indicates the current low/mod percentage is 49.79 percent. The City is appealing this new calculation since many of the CDBG activities proposed to be undertaken with Fiscal Year 1993 funds are city-wide in nature.

The City has based its appeal on two issues. First, the City has indicated that the official population count from 1990 Census data is 43,877 while the count provided by HUD indicates a total population of 42,361. As Bob Meehan of our Data System and Statistics Division discussed directly with City officials, the Census Bureau does not collect income information from persons residing in group quarters such as prisons, institutional nursing facilities, monasteries, and group homes for the mentally ill. Therefore, HUD does not have income data on these persons to determine whether or not their inclusion would make a difference in the total low/mod calculation.

But even if the information were available, it is questionable if it should be included in the HUD computer lists, since such institutionalized persons would not usually be expected to benefit from the vast majority of area-benefit activities assisted with CDBG funds.

Homeless residing in shelters have also been excluded from this low/mod count which is calculated by census tract and block group, since the homeless have no permanent address and therefore do not reside in a particular census tract. It should be noted that the statute requires the determination to be made for this purpose based on the income of persons residing in an activity's service area.

We have been advised that the Census Bureau used the same approach in 1980 as they did in the 1990 census concerning the tabulation of income for persons who were institutionalized. Therefore, the difference in the percentages of low- and moderate-income persons for the City between the two censuses cannot be accounted for by this factor. HUD did use a more refined methodology for determining the number of low/mod persons for the 1990 census than for the 1980 census, because the

1990 census provided more detailed information on income by size of family. In the 1980 computer runs, HUD applied the 4-person family income limits to all families in order to determine which were low/mod for CDBG area benefit activities, because the Census tapes supplied did not have better detail. The Census tapes supplied for 1990 do show the income for each family, so it was possible to apply the correct income limit to each family. This obviously could account for some portion of the difference between the 1980 and 1990 low/mod percentages for the City of Woonsocket, but we are unable to tell how much, using information currently available.

Secondly, the City has pointed out that the percentage of low- and moderate-income persons in Rhode Island has substantially increased from the 1990 census to the present time. You may find it helpful to review the HUD computer runs for 1980 and 1990 supplied for the State's CDBG program in order to determine whether this is the case. But even if it is, it does not necessarily follow that the City's income distribution would have changed in the same manner.

Local officials have indicated that many of the projects proposed for Fiscal Year 1993 block grant funding are city-wide in nature. It is possible that certain of these activities would continue to meet a national objective, even though the City itself does not have blanket low/mod status. We suggest that the Boston Office discuss with the City how these activities may be carried out in a manner which would comply with the program requirements. The City has also indicated that certain capital and park improvements were to be phased in over a number of CDBG program years. You will receive a memorandum shortly which will provide guidance on how to determine whether activities may continue to be funded as low/mod area benefit activities if the new Census data shows the area is no longer low/mod.

We regret the difficulties that the new census data has presented to the City in designing its CDBG Program. However, as a Department we must require consistent treatment of this data for all entitlement communities nationwide.

cc: Robert P. Allen, SC