



U.S. Department of Housing and Urban Development

**Philadelphia Office
The Wanamaker Building
100 Penn Square East
Philadelphia, Pennsylvania 19107-3380**

December 29, 2020

Ms. Linda F. Hill
Director
Delaware County Office of Housing
and Community Development
600 North Jackson Street, Suite 101
Media, PA 19063-2561

Dear Ms. Hill:

RE: Annual Community Assessment
Delaware County, PA
Program Year 2019 (July 1, 2019 to June 30, 2020)

The provisions of the Housing and Community Development Act of 1974, as amended, and the National Affordable Housing Act of 1990, require the annual submission of performance reports by grant recipients receiving federal assistance through programs covered under these Acts. Additionally, these Acts require that a determination be made by the Secretary of the U.S. Department of Housing and Urban Development that the grant recipient is in compliance with the statutes and has the continuing capacity to implement and administer the programs for which assistance is received.

The Plan regulations at 24 CFR 91.525 require the Department to evaluate and report to the public on a community's overall progress in the management of its program funds, compliance with the Consolidated Plan, the accuracy of performance reports, and the extent to which progress has been achieved toward the statutory goals identified in Section 91.1. This letter serves to apprise you of our assessment of Delaware County's overall progress during its 2019 Program Year.

In making our evaluation, we relied primarily upon the County's submission of the Consolidated Annual Performance and Evaluation Report (CAPER) for Fiscal Year 2019. This report summarized accomplishments made with funds provided from the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), and the Home Investment Partnerships Program (HOME). As part of our evaluation of the County's performance, we also took into account technical assistance and follow up conversations with County staff. This letter is a summary of our review of Delaware County's overall performance.

Delaware County has received an allocation of \$4,480,998 of CDBG and \$2,261,356 of ESG CARES Act funds for use preparing for, preventing, and responding to COVID-19. We appreciate all that the County has done to serve the needs of its community during these difficult times and to adapt to the many operational challenges that COVID-19 has presented. Please note that this Annual Community Assessment letter does not assess the County's performance relative to its CDBG-CV or ESG-CV funds.

Under the update to the Part 91 Consolidated Planning regulations that came into effect March 13, 2006, all Annual Action Plans and CAPERs are required to include performance measures as part of their annual reporting. The Office of Management and Budget has deemed this information necessary to validate the continued funding of HUD programs. The County provided performance measures as required by this guidance.

The CDBG timeliness requirement is that a community may have no more than 1.5 times its most recent annual grant remaining in the line of credit 60 days prior to the end of its Program Year. When the 60-day timeliness test was conducted on May 2, 2020, it was calculated that Delaware County had a balance in its line of credit of 1.46 times its annual grant, which is in compliance with the 1.5 timeliness standard. Please note that this did include program income that the County had in its accounts and reported in HUD's Integrated Disbursement and Information System (IDIS).

Based on the information in the County's CAPER submission, during the 2019 Program Year, the County expended 93.32 percent of its CDBG funds for activities benefiting low- and moderate-income persons, which meets the primary objective of the Housing and Community Development Act of 1974. In addition, the County expended 18.73 percent of its 2019 CDBG funds on planning and administration, less than the 20 percent regulatory cap. Regarding compliance with the 15 percent cap on public service activities, the 2019 CAPER indicates that the County obligated 12.90 percent of its CDBG funds for public service activities.

The grant-based accounting interim rule at 24 CFR 570.200(g)(1) requires that, for 2015 and subsequent CDBG grants, a grantee may not expend more than 20 percent of any year grant for planning and program administrative costs. As a result, beginning with 2015 CDBG grants, grantees must ensure compliance with this new *origin year grant expenditure test*. Though not fully expended, currently the County has expended 18.82 percent of its 2015 grant, 17.46 percent of its 2016 grant, 18.45 percent of its 2017 grant, 17.80 percent of its 2018 grant and 19.36 percent of its 2019 grant on planning and program administrative costs. The County's final compliance with the 2015, 2016, 2017, 2018 and 2019 origin year expenditure tests will be assessed once the grants are fully expended.

The County received a CDBG grant of \$3,631,060 for Program Year 2019. The County expended \$2,663,995.89 of CDBG funds during the 2019 Program Year. Resources were devoted to activities in geographic areas consisting primarily of low- and moderate-income residents throughout the County. The types of activities undertaken with these funds include

public facilities and improvements, public services, housing rehabilitation, economic development and planning and administration. In Program Year 2019, the majority of CDBG funds were spent on public facility and improvement activities.

The County also provided a benefit to homeless populations through its ESG funding. The County received \$306,369 of ESG funds for Program Year 2019 and expended \$265,213.44. ESG provided funding for Emergency Shelters, Rapid Rehousing, Homeless Prevention and Administration activities.

The County received a HOME grant of \$916,193 for Program Year 2019 and expended \$55,685.95 of HOME funds. HOME funds were used primarily for homeowner rehabilitation, homebuyer programs, and new construction of rental and homeowner housing. The County has procedures in place for addressing housing that has been found to contain lead-based paint.

In Program Year 2019, the County met all applicable requirements for committing and expending HOME funds, including expending 100 percent of its required HOME funds by its deadline, with no resulting shortfall. This information is available on the HOME Deadline Compliance Status Report with is updated monthly on the HOME Program website at: https://files.hudexchange.info/reports/published/HOME_Deadline_Natl_2015_2014_FO_Disbursement_Current.pdf

HUD acknowledges the County's programmatic accomplishments during the Program Year. Based on our review we have concluded that the County has the capacity to carry out its CPD programs and has met its reporting requirements.

The County also included in its CAPER efforts to affirmatively further fair housing and identify impediments to fair housing. Delaware County, in a partnership with the Delaware County Housing Authority, adopted the 2018-2022 Assessment of Fair Housing (AFH). The County contracts with the Housing Equality Center of Pennsylvania (HECP) to take the lead role in addressing the impediments identified in the AFH. During the 2019 Program Year, HECP convened 4 meetings of the Delaware County Fair Housing Task Force. These meetings provided a forum for government officials, housing advocates and industry professionals to share fair housing resources, network and gain knowledge of current fair housing issues. In addition, HECP distributed 4,047 print materials to agencies and individuals in Delaware County, including the distribution of the Fair Housing for Local Government guide to all municipalities in the County. HECP also provided fair housing counseling to 59 individuals, including counseling to 21 consumers with fair housing complaints and compliance questions. Twenty-eight consumers also received information and referrals regarding landlord/tenant issues, and technical assistance was provided to 10 housing providers.

As a reminder, Program Participants are reminded that the legal obligation to affirmatively further fair housing remains in effect under the Fair Housing Act, Title VI of the Civil Rights Act, Section 109 of the Housing and Community Development Act, and other civil rights related authorities. Please be aware that a jurisdiction could be subject to a compliance

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review to determine whether, as a recipient of HUD funds, it is in compliance with applicable civil rights laws and their implementing regulations if its certification to affirmatively further fair housing is in question. The Office of Fair Housing and Equal Opportunity (FHEO) initiates most compliance reviews based on risk analyses, issues raised during a limited monitoring review, or when a civil rights problem is detected through HUD program monitoring. FHEO is available to provide technical assistance regarding affirmatively furthering fair housing upon your request. Should you have any questions, we encourage you to reach out to Melody Taylor, FHEO Regional Director, at (215) 861-7643, or by email at Melody.C.Taylor@hud.gov.

We ask that you review our assessment of your performance and provide any comments that you may have within 35 days of the date of this letter. Upon receipt, we will evaluate your comments and make any revisions that are deemed appropriate. If you do not have any comments, we request that you formally notify us of that fact within the 35-day timeframe. Where no comments are received within the designated timeframe, our initial letter will serve as our final assessment of the County's performance for this Program Year. To facilitate and expedite citizen access to our performance letter, we request that you inform the general public and interested citizens' organizations and non-profit entities of its availability. If, for any reason, the County chooses not to do so, please be advised that our office is obligated to make the letter available to the public. We appreciate your cooperation in this matter.

We look forward to continuing to work with you and members of your staff to accomplish Departmental goals and mutual objectives to develop viable urban communities. We would also be pleased to provide you with any information on resources that may be available to your community. If you need assistance, or if you have any questions concerning the content of this letter please contact Ms. Carolyn Mayinja, Community Planning & Development Representative at (215) 861-7648, or by email, at Carolyn.Mayinja@hud.gov. Our telephone text (TTY) number for the hearing impaired is (800) 877-8339.

Sincerely,

Nadab O. Bynum
Director
Office of Community Planning
and Development