



U.S. Department of Housing and Urban Development

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

NOV 16 2018

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 2017 (July 1, 2017 to June 30, 2018)

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 Consolidated 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 2017 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 2017. This report summarized accomplishments made with funds provided from the Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), Home Investment Partnerships (HOME), and Continuum of Care (COC) Programs. 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.

Ms. Linda F. Hill
Director
Re: Annual Community Assessment
Program Year 2017

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 HUD 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 CDBG timeliness test was conducted on May 2, 2018, the county had 1.50 years of CDBG funds remaining in its accounts, which is in compliance with the 1.5 timeliness standard. Please note that beginning in 2017, HUD began measuring grantee compliance with the CDBG timeliness standard using the adjusted for program income ratio.

Based on the information in the county's CAPER submission, during the 2017 Program Year, the county expended 93.26 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 16.96 percent of its 2017 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 2017 CAPER indicates that the county obligated 14.26 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 and 17.40 percent of its 2017 grant on planning and program administrative costs. The county's final compliance with the 2015, 2016 and 2017 origin year expenditure tests will be assessed once the grants are fully expended.

The county received a CDBG grant of \$3,295,926 for Program Year 2017. The county expended \$2,922,625.85 of CDBG funds during the 2017 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 2017, the majority of CDBG funds were spent on public facility and improvement activities.

In Program year 2017, the county met all applicable requirements for committing and expending HOME funds. The requirement to provide at least 15 percent of HOME funding to Community Housing Development Organizations, and to commit these funds to specific projects within two year, has also been achieved. In Program Year 2017, the county used its HOME funds for rental housing and homebuyer assistance. The majority of the county's HOME funds

RECEIVED NOV 27 2018

Ms. Linda F. Hill
Director
Re: Annual Community Assessment
Program Year 2017

were used in connection with rental housing. The county has procedures in place for addressing housing that has been found to contain lead-based paint.

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.

HUD's Office of Fair Housing and Equal Opportunity (FHEO) also reviewed the county's CAPER for Program Year 2017. The impediments identified in the CAPER, from the county's 2017 draft Analysis of Impediments (AI) to Fair Housing Choice, include: (1) Restrictive municipal land use and zoning regulations and practices limit access to housing; (2) the availability and quality of affordable housing make it difficult to obtain housing in all areas of Delaware County; (3) high demand and access to affordable housing throughout Delaware County and the Philadelphia region limit housing mobility; and (4) limited resources are available to support housing initiatives.

Based on its CAPER, the county carried out activities to address several of the impediments identified. In summary, the county convened quarterly meetings for the Delaware County Fair Housing Task Force, provided Fair Housing education and training to a total of 187 people, trained 29 potential homebuyers at two Delaware County Homeownership First Program seminars, produced seven issues of its email newsletter the Fair Housing News, prepared five articles for the Delaware Valley Realtors Association and the Suburban West Realtors Association newsletters addressing Fair Housing Compliance for realtors, developed a new publication entitled "Know Your Rights as a Renter in Pennsylvania," provided Fair Housing Counseling to 44 individuals, participated in the Delaware County Fair Housing Month and assisted Lansdowne Borough with drafting a Fair Housing Proclamation, and attended a meeting of the Delaware County Housing Plan Task Force and distributed the Housing Plan Survey to the HECF mailing list. We commend you for these efforts.

FHEO has the following recommendations for how the county might enhance its efforts to affirmatively further fair housing:

- Delaware County's CAPER described actions it took to address one of the listed four impediments from its 2017 draft Analysis of Impediments to Fair Housing Choice, specifically regarding providing fair housing education. However, the county did not address or reference actions taken to address the other three impediments. While a jurisdiction is not required to address all its identified impediments each program year, by the 5th year of the consolidated planning period all the identified impediments should have been addressed or ameliorated. FHEO recommends that the county continue to make concerted efforts to address all the impediments identified in 2017 and be specific when addressing each one.
- The county conducted an Assessment of Fair Housing (AFH) that has been approved by the Department, and this 2017 CAPER is the final report for the present 5-Year Con Plan. In future Consolidated Plans, Annual Action Plans and CAPERs, the county should identify the

Ms. Linda F. Hill
Director
Re: Annual Community Assessment
Program Year 2017

- goals and milestones identified in its AFH and the activities taken to address those goals and milestones.
- The county is encouraged to take additional efforts to encourage citizen participation in the development of the CAPER, including outreach to community- and faith-based agencies and public housing authorities, and undertaking additional efforts to ensure participation is inclusive to the disabled and to those with limited English proficiency. The 2017 CAPER does not make reference to a public hearing or meetings to provide opportunities for citizens to fully engage and provide comments regarding the CAPER. In addition, the county, if it has not already done so, should complete a four-factor analysis to determine the need for producing literature and information in languages in addition to English for those populations with limited English proficiency. The county is advised to continue those citizen participation outreach efforts that were approved by the Department as part of the county's AFH and include those outreach efforts in future CAPER submissions.
- The county should increase its outreach to the Asian and Hispanic populations who appear to not be benefitting from the HOME program.

Please note that 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.

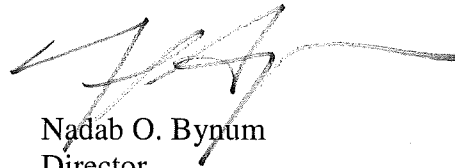
We look forward to continuing to work with you and members of your staff to accomplish Departmental goals and mutual objectives to develop viable urban communities. We would also be pleased to provide you with any information on resources that may be available to

RECEIVED NOV 27 2018

Ms. Linda F. Hill
Director
Re: Annual Community Assessment
Program Year 2017

your community. If you need assistance, or if you have any questions concerning the content of this letter please contact Ms. Mary Anne Bellacima, Senior Community Development Representative at (215) 861-7654, or by email, at MaryAnne.Bellacima@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

cc:
Ms. Linda F. Hill, Director, Delaware County Planning

RECEIVED NOV 27 2018