



**U.S. Department of Housing and Urban Development**

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

NOV 23 2017

The Honorable Thaddeus Kirkland  
Mayor of Chester  
City Hall  
1 Fourth Street  
Chester, PA 19013-4430

Dear Mayor Kirkland:

RE: Annual Community Assessment  
City of Chester  
July 1, 2016 through June 30, 2017

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 the City of Chester's overall progress.

In making our evaluation, we relied primarily upon the city's submission of the Consolidated Annual Performance and Evaluation Report (CAPER) for Fiscal Year 2016. This report summarized accomplishments made with funds provided from the Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) programs. This letter is a summary of our review of the city's overall performance.

Under the update to the Part 91 Consolidated Planning regulations, effective 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 city provided performance measures as required by this guidance.

The HUD timeliness requirement is that a community may have no more than 1.5 times their most recent annual grant remaining in the line of credit 60-days prior to the end of their program year. When the 60-day timeliness test was conducted on May 2, 2017, it was calculated that the city had a balance in its line of credit of 0.62 times its annual grant, which is in compliance with the 1.5 timeliness standard. Please note that in 2017, HUD began measuring grantee compliance with the CDBG timeliness standard using the adjusted for program income ratio.

During the 2016 program year, the city reports that it expended 76.43 percent of its CDBG funds for activities benefiting low/moderate income persons, which meets the primary objective of the Housing and Community Development Act of 1974. In addition, the city spent 10.5 percent of its funds on public service activities, which is below the 15 percent regulatory cap. The city also obligated 20 percent of its funds on planning and administration, which just meets the 20 percent regulatory cap.

The city received a CDBG grant of \$1,111,611 for Program Year 2016 and expended \$1,208,359 of CDBG funds during the 2016 Program Year. Resources were devoted to activities in geographic areas consisting primarily of low- and moderate-income residents throughout the city. The types of activities undertaken with these funds included public facilities and improvements, public service activities, demolition, administration and shelter operations.

The city has met the HOME requirements for expenditure by committing all funds to projects within two years and expending funds within five years. The requirement to provide at least 15 percent of HOME funding to Community Housing Development Organizations has also been achieved. During FY2016, the city disbursed HOME funds to multiple projects, that included new construction. In addition, the city expended HOME funds on rental rehabilitation, homeowner rehabilitation, and homebuyer assistance. We remind grantees that all HOME projects should be closed within 120 days of their final draw.

The CAPER included the city's efforts in affirmatively furthering fair housing and identifying impediments to fair housing. The city is actively involved in providing quality, safe and affordable housing for low- and moderate-income households in a discrimination free environment.

During this CAPER period, under fair housing the following actions were taken to address the identified barriers to affordable housing. In fiscal year 2016-2017, the Chester Economic Development Authority (CEDA), on behalf of the city, provided education on fair housing rights and responsibilities through a fair housing component as a part of its Homebuyer Assistance Program (HAP) group counseling sessions. Sessions were held in October 2016, January 2017, March 2017, and June 2017. In addition to a presentation on fair housing by the Housing Equality Center of Pennsylvania (HECP), the group counseling sessions included a presentation of lending and insurance instruments to assist clients avoid discriminatory practices.

In addition, during this CAPER period, the city assigned a Spanish speaking employee from the Department of Licenses and Inspections to provide translation services for residents interested in housing programs and services. The employee is available to assist residents and property owners who speak Spanish understand and comply with the city's building and property maintenance codes.

Through Chester's Homebuyer Assistance Program (HAP), CEDA assisted low- and moderate-income households purchase their first home. The majority of beneficiaries were minorities. All participants must purchase a home in the city.

High demand for affordable housing continues to exist in the city. In fact, the Chester Housing Authority (CHA) closed its Housing Choice Voucher Program and Public Housing units to new applications. CHA continued to provide listings for available units in areas of opportunity and has met its deconcentrating goals for the past 15 years. A member of CHA's staff is responsible for discussing with voucher holder's mobility options.

In spite of limited housing resources, CEDA actively pursued financial partnership opportunities with other organization. CEDA worked closely with the Riverfront Alliance of Delaware County on its Employer Assisted Housing Program. In March, CEDA subcontracted its Housing Director to work for the Riverfront Alliance of Delaware County on the Employer Assisted Housing Program and other initiatives on average 15 hours per week. The Riverfront Alliance of Delaware County (RADC) is a consortium of private sector corporations and non-profit institutions that have come together to develop and implement programs and activities that serve as the catalyst for the physical, economic, and social development of all Delaware County waterfront communities. RADC's priorities include increasing the rate of homeownership, ensuring public safety, and marketing the region as an exciting place to live, work, and play.

We commend you for these efforts. The Office of Fair Housing and Equal Opportunity (FHEO), also reviewed the city's CAPER for Program Year 2016. Based on FHEO's analysis of the city's 2016 CAPER, FHEO found that the city carried out activities to address the impediments identified in their most recent AI and showed good faith efforts to affirmatively further fair housing. The city aligned the activities outlined in their five-year plan to correspond with the fair housing activities conducted during 2016.

FHEO recommends that the city take the following actions to continue compliance with their obligation to affirmatively further fair housing:

1. Take meaningful actions to address the restrictive zoning impediment identified in their AI. The city has three years to conduct activities to address this impediment and FHEO will be looking for information in future Action Plans and CAPERs to address this impediment.

2. Conduct a four-factor analysis to determine the needs of their LEP community. FHEO is available to provide technical assistance to the jurisdiction regarding this initiative.
3. FHEO reminds the city to include language in all future public notices to provide accommodations for disabled and LEP persons.

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) 8161-7643, or by email at [Melody.C.Taylor@hud.gov](mailto:Melody.C.Taylor@hud.gov)

HUD congratulates the city on its accomplishments during the program year. In accordance with 24 CFR 91.525, we have concluded that the city has the capacity to carry out its programs and has met its reporting requirements.

We ask that you review our assessment of your performance and provide any comment 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 city'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 city 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 Mr. Nadab O. Bynum, Community Planning and Development Director, at (215) 861-7652, or Ms. Michelle Patterson, Senior Community Development Representative at (215) 861-7665, or by email, at [Michelle.Patterson@hud.gov](mailto:Michelle.Patterson@hud.gov). This office may be reached via text telephone (TTY), by dialing (800) 877-8339.

Sincerely,

  
Joseph J. DeFelice  
Regional Administrator

cc:  
Mr. Drake Nakaishi ✓