



U.S. Department of Housing and Urban Development

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

JUL 6 - 2010

The Honorable Jeffrey T. Haste
Chairman
Dauphin County Board of Commissioners
2 South 2nd Street
P.O. Box 1295
Harrisburg, PA 17108

Dear Mr. Haste:

SUBJECT: Annual Community Assessment
Dauphin County, PA
January 1, 2009 through December 31, 2009

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 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 this 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 Dauphin County's overall progress.

In making our evaluation, we relied primarily upon the County's submission of the Consolidated Annual Performance and Evaluation Report (CAPER) for Fiscal Year 2009. This report summarized accomplishments made with funds provided from the Community Development Block Grant (CDBG) and the Home Investment Partnerships (HOME) Programs.

As you know, under the update to the Part 91 Consolidated Planning regulations that came into effect March 13, 2006, all Annual Action Plans and Consolidated Annual Performance and Evaluation Reports (CAPER) are required to include Performance Measures as part of their annual reporting. The Office of Management and Budget (OMB) has deemed this information necessary to validate the continued funding of HUD programs. The County provided Performance Measures as required by the new 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. As of November 2, 2009, Dauphin County had funds remaining in the line of credit equal to 1.22 times its latest grant amount. The County, therefore, is in compliance with the requirements established at 24 CFR 570.902(a).

During the 2009 program year, Dauphin County has expended 90 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. The County obligated 11.34 percent of funds for public service activities and, thus, is compliant with the 15 percent regulatory cap. The County also obligated 16.33 percent of its funds on planning and administration, less than the 20 percent regulatory cap.

The County 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. We also remind grantees that all HOME projects should be closed within 120 days of their final draw.

The CAPER included the County's efforts in affirmatively furthering Fair Housing and identifying impediments to Fair Housing. The County has continued to implement affirmative fair housing marketing for its First Time Homebuyers and Homeowner Rehabilitation programs. The municipality also addresses lead based paint issues in all rehabilitation projects.

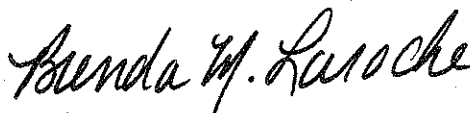
The County was also the recipient of funding under the American Reinvestment and Recovery Act. The Borough received \$406,027 in CDBG-R funding. It is our understanding that the County has expended \$388,054 of this funding to complete the Pillow Borrow Authority and Gratz Borough Watermain Projects, the Highspire Borough Roadway Rehabilitation Program, and the Volunteers of America Living Center Rental Housing Project. The County also received \$621,187 in HPRP funds and has expended \$61,259 to fund seven subrecipients to provide Homeless Prevention and Rapid Re-Housing services. We commend you for the timely nature in which you are spending the CDBG-R funds and have noted that while HPRP expenditures have been slow, the County has expressed that it is on target for meeting the contract benchmark to expend 60 percent of the funds by September 30, 2011.

We congratulate the County on its many accomplishments during this program year. Based on our review, we have concluded that Dauphin County 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 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 Mr. Nadab Bynum, Community Planning and Development Director, at (215) 861-7652, or Ms. Ileana Colon, Senior Community Planning and Development Representative, at (215) 861-7656. This Office may be reached via text telephone (TTY), by dialing (215) 656-3452.

Sincerely,



Brenda M. Laroche
Deputy Regional Administrator

cc:

Mr. August Memmi ✓