

Delaware County

Commonwealth of Pennsylvania

Recovery Plan

State and Local Fiscal Recovery Funds

2021 Report

Initial Period: May 10, 2021, to July 31, 2021

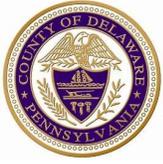


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1.1 Executive Summary

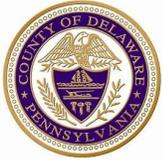
This Program Report is intended to meet the requirements for the Recovery Plan Performance Report due on August 31, 2021. As the initial submittal, it is more directional and aspirational in content than the data driven approach that will be presented in future quarterly and annual reports. The report provides the information specified and formats recommended by the US Treasury publication **Compliance and Reporting Guidance, State and Local Fiscal Recovery Funds**, Version 1.0 dated June 17, 2021.

Delaware County is receiving \$110,083,961 in American Rescue Plan Act (ARPA) funds. As of the date of this submittal, a total of \$5,663,600 has been initially committed to uses shown in the table below and as reported in Section 1.7. As of July 31, 2021, \$410,000 has been obligated by County Council.

| Expenditures by Category | | | | |
|--|--|------------------|-----------------------|-------------------|
| Category | | Committed | Current Period | Cumulative |
| 1 | Public Health | | | |
| 1.12 | Other Public Health | 4,870,800 | | 4,870,800 |
| 2 | Negative Economic Impacts | | | |
| 2.7 | Job Training Assistance | 410,000 | 410,000 | 410,000 |
| 4 | Premium Pay | | | |
| 4.1 | Public Sector Employees | 282,000 | | 282,000 |
| 7 | Administrative and Other | | | |
| 7.1 | Administrative Expenses | 100,800 | | 100,800 |
| Total of all Commitments & Expenditures | | | | |
| | Total of Commitments & Expenditures | \$5,663,600 | \$410,000 | \$5,663,600 |
| | Total Funds Available | | | \$110,083,961 |
| | Percentage of Funds Initially Committed. | | | 5.1% |

County Council is initiating the engagement process with a public discussion on the uses of the remaining funds, and that discussion will inform the upcoming stakeholder engagement process (Section 1.4) and the development of data driven performance reporting using SMART (specific, measurable, attainable, relevant, and timely) objectives (Section 1.6).

Section 1.2 provides a general discussion of the potential uses of the ARPA funds. Primary is the intent to use the funds for current and future testing and vaccination programs and to develop the Delaware County Health Department as Public Health measures. The use of CARES funds under the Delco Strong program builds on success in using coronavirus relief funds to the benefit of the business community, and expansion of these plans is included as a potential use. The estimated loss of revenues due to the



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pandemic is discussed, as is the use of ARPA funds for premium pay. The section concludes with an analysis of potential water, sewer and broadband initiatives that may be considered.

The County's posture on labor is presented in section 1.5, highlighting the strong relationship and partnerships with unions. Current initiatives to provide job training, internships, and competitive pay and benefits are also introduced.

Finally, Section 1.3 uses examples of income, differential outcomes in life expectancy, and vaccination status by ethnicity to identify how past practices have led to inequitable outcomes in the County. Delaware County has, as a primary objective for the use of ARPA funds for allowable expenses to address the conditions that have led to these outcomes, including a heavy investment in the Delaware County Health Department.



1.2 Uses of Funds

Delaware County will employ the \$110,083,961 it will be receiving in American Rescue Plan Act funds in alignment with the goals of the community and in compliance with the guidance received from the US Treasury. The guidance provides for the following general categories: Public Health; Negative Economic Impacts; Premium Pay; Revenue Loss; and Investments in Water, Sewer and Broadband. County Council is initiating a robust Community Engagement process for the allocation of its funds (see Section 1.4). Preliminary project ideas that have been identified and the general approaches for each area are presented in the paragraphs below:

Public Health/Negative Economic Impacts

Public Health has been on the minds of County residents and businesses throughout the COVID pandemic. Delaware County is the most populated County in the US without its own health department. While the County has responded using its available resources combined with the support of neighboring Chester County and an extraordinary community volunteer effort, the need for a fully-recognized health department is clearly evident. We as community leaders need to continue to respond to the current public health crisis, provide for future episodes, and promote vaccination efforts. Council has obligated \$4,870,800 for current year (2021) qualifying costs to develop the response capability. If carried forward at the same level through 2024, the overall estimated allocation of ARPA funds would approach \$20,000,000. The County health department will also be key to efforts addressing health disparities and the social determinants of health in low-income communities within the County. Primary goals of the new health department are to facilitate access to resources that improve health outcomes, including services that connect residents with health care resources and public assistance programs whilst building healthier communities.

Delaware County has been a leader in the use of Emergency Rental Assistance funds. As of mid-August, 55% of the initial allocation (“ERA1”) of funds received by the County had been obligated with assistance to over 2,800 households. These funds have addressed the needs of renters, rental property owners, and utilities providers. ARPA funds can be used to extend benefits if federal dollars and eviction moratoria cease. The program has not aided homeowners, and the allocation of ARPA funds to provide mortgage assistance is a considered and potentially eligible use.

The County is also considering qualifying programs to assist local businesses in recovering from the economic impacts of the pandemic through the following initiatives:

- **Extension of the Delco Strong Programs.** During the shutdown of the economy in 2020, the County provided much needed assistance to small local businesses, particularly those in the retail and hospitality areas. The “Keep the Cheer Here” messaging provided encouragement to residents to



shop locally during the critical December holiday period. Current extension and expansion of these programs are being considered for use of ARPA funds.

- **Small Business Revolving Loan Program.** Through its Commerce Center, the County is considering establishing a revolving loan program for local businesses, focusing on small, diverse, and disabled veteran businesses. The program could be conducted in collaboration with a local bank, ensuring funding is expended prior to 2026 and setting the program up to provide long term benefit.
- **Redevelopment Assistance Program.** The County is also exploring opportunities with local financial institutions through its Commerce Center to establish funding that supports municipalities in developing partnerships for the redevelopment of properties, particularly in economically challenged areas of the County.

Premium Pay

The guidance states, “Premium pay may be provided retrospectively for work performed at any time since the start of the COVID-19 public health emergency. These premiums must be ‘in addition to’ wages and remuneration already received and the obligation to provide such pay must not have been incurred by the recipient prior to March 3, 2021.” The County continues to staff and provide services under the conditions of the pandemic, and is recognizing the efforts of the nursing staff at the County nursing home (Fair Acres) due to the stressful conditions that exist in the custodial care industry. Council has approved a current commitment of \$282,000, and this total is anticipated to increase in the coming months, both for the staff at Fair Acres and potentially for other eligible County employees who performed essential work during the COVID-19 public health emergency.

Revenue Loss

Delaware County relies on several sources of income for its general government operations – local taxes, fees for services, state and federal grants, public-private partnerships, and others. The distribution of these sources of income for the last base year (2019) unaffected by the COVID-19 is depicted in table below:





| | |
|--------------|------------------|
| TOTAL | \$335,331 |
|--------------|------------------|

The County has preliminarily estimated a revenue loss (calculated under current US Treasury guidance) of over \$8 million for 2020 and continues to refine this calculation. The County also anticipates showing revenue losses under this methodology for 2021 and potentially additional future years as permitted by ARPA. The County anticipates applying ARPA funds in the amount of such revenue losses to the provision of government services in 2021 and future years.

The largest areas of revenue risk to the County are identified below:

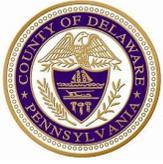
- The County received the majority of its revenues from real estate taxes. While the residential collections appear to remain strong, approximately 26% of the properties in the County are zoned as commercial. The future impacts of COVID on commercial properties are unknown, however the County has seen an increase in visible, vacant storefronts and retail outlets.
- Court earnings have been dramatically lowered due to the suspension of jury trials.
- Delaware County receives substantial combined income from airport, gaming, and gas tax receipts. COVID-related suspension of travel has seen these revenue sources dramatically reduced.
- Revenues to support Fair Acres, the County’s nursing home and geriatric center, have decreased due to losses in occupancy.

Investments in Water, Sewer, and Broadband

Delaware County’s water and sanitary sewer systems are operated through a complex web of authorities and municipal agreements. The County may be able to reach out and participate in improvements, particularly in jurisdictions that do not have the local funds to address projects in their rights of way. Expansion of service to and into County facilities (e.g. parks and trails) may also be considered.

The storm water system is an area where the County is better positioned to participate in sewer system improvements. County lands provide opportunities for stormwater retention and water quality improvement, effectively reducing capacity requirements for downstream sewer sizes and treatment of non-point source pollutants. Effective stormwater management also overlaps with improving capacity of the sanitary sewer system by working with local authorities and municipalities on reducing infiltration and inflow into the wastewater collection and treatment system. The County is currently engaging engineering firms that can assist with these analyses and provide design and construction phase services.

The County has initiated discussions with broadband providers in the area to determine where service coverage and access can be expanded, consistent with the goals of ARPA. Non-disclosure agreements



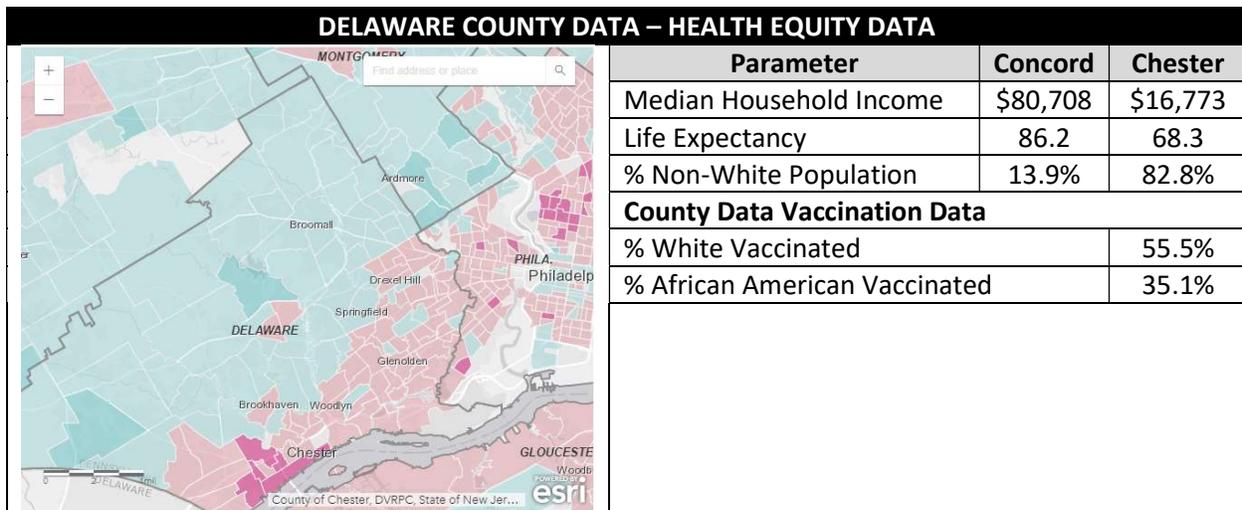
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(NDAs) are being put in place that will allow County officials to view proprietary maps of coverage areas, and work collaboratively to explore how ARPA funds can be used.



1.3 Promoting Equitable Outcomes

A primary goal of the ARPA program is to address the differential health outcomes the COVID pandemic has highlighted. Delaware County, like many diverse political jurisdictions in the country, displays differential outcomes in health and quality of life. The map and table below provide a comparison of life expectancy between the eastern and western parts of the County (blue indicates longer life spans, red shorter ones). The numeric data drills down a bit deeper, comparing Concord Township with the City of Chester, demonstrating that health outcomes (life expectancy) is correlated to wealth and ethnicity. Vaccination data is also provided for the County, again demonstrating a statistically significant difference in the rates of fully vaccinated persons by race.



As programs are developed using ARPA funds, County leadership will look to apply the \$110.1M to address the inequities in health outcomes underscored by the sample of data presented above. The County is in the process of redefining the criteria used to prioritize its capital projects. The capital projects analysis revealed that past and present plans disproportionately benefit the wealthier communities in the County. As a corrective measure, factors that promote more equitable outcomes are being integrated into the scoring rubric. County decision-makers will take a similar, critical approach to the application of ARPA funds with the intent of addressing the historic and systemic inequities built into its investments.

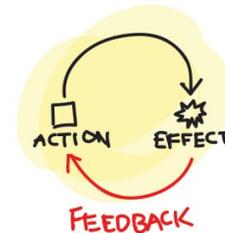
The development and launching of the Delaware County Health Department (DCHD) is the leading example of the County’s intent to provide health resources to the most vulnerable populations in the County. As allowed under the US Treasury rules, DCHD will use ARPA funds to build the programs that that will reduce the gap in differential outcomes, both in COVID vulnerability and longer-term health parameters.



1.4 Community Engagement

County Council is committed to engaging the communities that comprise Delaware County in building an efficient, effective and equitable program for the use of its ARPA funds. Informal, one-on-one discussions have taken place, and a public session is being placed on its agenda. Modeling the processes used to build its program for CARES Act funding, the County will use all available engagement and outreach outlets to communicate the programs and initiatives that will benefit local residents and businesses.

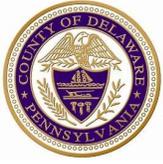
Unlike the CARES programs, which initially had a 10-month window, ARPA provides a longer visible horizon – with the ability to incur program obligations through 2024. Due to the longer window of time, discussions with community members can transform from purely reactive to more reasoned and planned strategies. The longer term also provides the ability to use feedback and data to adjust program goals to ensure program outcomes are on target. The paragraphs below discuss channels of communications, while the use of evidence is presented in Section 1.6.



Initial Programming. County Staff, combining internal needs with informal feedback from stakeholders, has developed an initial framework for Council’s consideration. This structure will be presented at a public meeting and made available via traditional and social media communications. The presentation of the framework also focuses on the ARPA guidelines, timing and reporting requirements, and data collection needs. At the public meeting, Council will provide more detailed direction on programs and initiatives, and potential mechanisms for community engagement.

Stakeholder Engagement in an environment as diverse as Delaware County is a complex undertaking. Conducting an engagement process that does not result in the “STP (same ten people)” dominating the outreach efforts is the key to successfully identifying the community’s needs. The County is employing the mechanisms necessary to hear directly from residents, community and business leaders, elected officials and staff members so as many voices as possible are heard. Discussions focus on the desired outcomes, which when properly defined, guide the means and methods to achieve those results.

Program Reviews. The feedback process requires reliable, reproducible, transparent, and timely data in order to be effective and considered trustworthy by the involved stakeholders. Projects undertaken under ARPA require the development of performance measures that drive information collection and reporting. The County will post program data via a dedicated page on its web site and hold periodic program reviews in person and virtually. Feedback will be obtained and adjustments made as necessary to drive the results.



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Delaware County Health Department. As part of the establishment of the new County health department, the County has been reaching out to various stakeholders including meetings with municipal leaders in the County, listening sessions with various coalitions and organizations, in addition to, public think tanks on specific public health issues. The public input process with respect to the health department is expected to continue.



1.5 Labor Practices

Delaware County has a strong community of organized labor, and maintains strong and positive relationships with the bargaining units that represent a significant percentage of the County's workforce. Nine collective bargaining agreements (CBA) are currently in place, with an additional CBA between the County government currently being negotiated. Labor and the County share the common value of ensuring that direct hire staff and contracted labor are paid fair wages. Through its Workforce Development Department, the County and local unions are working to provide job training and apprenticeship programs. Furthermore, outreach efforts targeting historically underserved members of our community are being exercised. These efforts are also being extended to our "re-entry" programs for the incarcerated population.

The County has experience in successfully administering prevailing wage and other labor requirements through state and federal grant programs. These grant-funded contracts include services and infrastructure efforts. Projects undertaken using ARPA funding will comply with all federal labor requirements.

The County recently completed a comprehensive Compensation Study intended to address longstanding differentials between market rate salaries and its current pay scales. This initiative applies to represented and non-represented members of our workforce. Council has adopted the results of the Study as the County's formal Personnel Plan, ensuring that wages going forward are competitive with our neighbors. In addition to looking at pay rates, the Personnel Plan also provide the momentum for the County to redesign its benefits programs – modernizing the plans and offering staff members choices in their health care options.

Delaware County has a residency requirement for its staff, ensuring that the majority of hires it makes will come from our impacted communities. Local hiring preferences for our contracted work under ARPA will be incorporated to the extent allowed by state laws.

The County hires interns and temporary labor from the many local colleges in our area. These interns are generally local residents. The non-permanent nature of the ARPA programs and the need to add staff form a strong basis for introducing training (and re-training) work experiences to our communities.

The County is actively recruiting for its first Diversity, Equity, and Inclusion Officer (DEIO). The DEIO will serve as a connector between the County and its many stakeholders, especially in linking employers with the economically disadvantaged members of our community through the ARPA programs. The DEIO will also be the leading force in developing greater opportunities for small, diverse, and disabled veteran to participate in County contracting.



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Performance measures for the employment of interns, wage rates, residency, and small, diverse, and disabled veteran owned businesses participation in ARPA related work will be incorporated into each project brought forward and included in future Performance Reports.



1.6 Use of Evidence

Delaware County will develop and employ a data-based approach to provide a credible evidentiary approach to measuring the effectiveness of our use of ARPA as discussed in Section 1.4. The data obtained must be reproducible, accurate, and precise; and relevant to the desired outcome. Ideally, data will be collected as close as possible to the point of service delivery/project completion. Once collected and verified, data will be integrated into stakeholder communication and program reporting. Analysis of the data will also guide the adjustments required to ensure initiatives achieve the desired outcomes.

The County will require that project leads develop SMART objectives as part of the approval process. As an example, the County has established the requirement for all staff involved in providing custodial care at the Fair Acres Geriatric Center to be fully vaccinated by October 15th. To achieve this result, all persons employed at the center will have to have received all vaccines by September 30th. The application of a SMART objective is demonstrated in the table below:

| SMART OBJECTIVES FOR THE FAIR ACRES VACCINATION EFFORT | | |
|---|------------|---|
| S | Specific | The County will vaccinate all staff involved in providing custodial care at Fair Acres who do not have a qualifying medical or religious exemption. |
| M | Measurable | Vaccination status is measured by individuals providing proof of vaccination to their supervisors or a valid letter of exemption by September 30 th . |
| A | Attainable | The County has the ability to require vaccination for its team members and the capability to deliver the vaccine on site. Vaccine is also available at the Yeadon Wellness Center and pharmacies throughout the area. |
| R | Relevant | Vaccinating custodial care personnel at Fair Acres will enhance the safety of the more vulnerable residents at Fair Acres. |
| T | Timely | The vaccination program will be completed by September 30 th so that immunity for staff is effective by October 15 th . The coronavirus that causes COVID-19 is known to be more virulent in colder months and when people are indoors. |



1.7 Table of Expenses by Category

The table below presents the cumulative and current amounts of funds expended. As this is the first report, and allocations of funds have just been made, a “committed” column has also been added. To-date, 5.1% of the County’s total of \$110,083,961 have been initially committed to qualifying uses.

| Expenditures by Category | | | | |
|--|-------------------------------------|------------------|-----------------------|-------------------|
| Category | | Committed | Current Period | Cumulative |
| 1 | Public Health | | | |
| 1.12 | Other Public Health | 4,870,800 | | 4,870,800 |
| 2 | Negative Economic Impacts | | | |
| 2.7 | Job Training Assistance | 410,000 | 410,000 | 410,000 |
| 4 | Premium Pay | | | |
| 4.1 | Public Sector Employees | 282,000 | | 282,000 |
| 7 | Administrative and Other | | | |
| 7.1 | Administrative Expenses | 100,800 | | 100,800 |
| Total of all Commitments & Expenditures | | | | |
| | Total of Commitments & Expenditures | \$5,663,600 | \$410,000 | \$5,663,600 |
| | Total Funds Available | | | \$110,083,961 |
| | Percentage of Funds Employed | | | 5.1% |



2.0 PROJECT INVENTORY

This section provides a description of each project undertaken, with the intent of reporting on how each initiative achieves the goals established in Section 1. The County has adopted the following numbering protocol in identifying the projects: FY-CAT-DEP-NUM-NAME. The fields are defined as follows:

FY corresponds to the County fiscal year in which the project was initiated. This is a two-digit numeric code.

CAT relates the project to the categories provided for in the US Treasury guidance. This is a one-digit number keyed to the categories identified in Section 1.7

DEP identifies the County department or agency leading the project. This is a three-digit alphabetic identifier. Departments identified to-date are Workforce Development (WFD), Delaware County Health Department (PHD), Personnel (PER), and Finance & Budget (FIN).

NUM is the sequential number of the project the department or agency has initiated and is a three-digit numeric entry.

NAME is the short name identifier of the project, limited to 25 characters.

The advantage of this nomenclature is that it allows for easy searching, sorting, and reporting of the projects when placed in a database. The example project demonstrates the use of the code:

| 21 | 2 | WFD | 001 | Workforce Programs |
|---------------------------|---------------------------|---|---------------------------------------|--|
| Project initiated in 2021 | Negative Economic Impacts | Workforce Development (WFD) is the lead agency. | This is the first project undertaken. | The title of this program is 25 characters long and is a unique title. |

2.1 Example Project

| 21-2-WFD-001 | Workforce Programs |
|--|--------------------|
| This project relates to the Negative Economic Impacts of the COVID-19 pandemic by addressing the loss of employment opportunities due to business shut-downs and general economic slowdown. This project consists of three programs: (1) grants to small businesses to allow them to provide sign on bonuses to new hires and compete with larger employers; (2) grants to unemployed caregivers for summer camp for dependents enabling them to look for and return to work; and (3) digital literacy training programs focusing on communities with the greatest need. | |
| Current Obligation Period: \$410,000 | |
| Cumulative Obligation: \$410,000 | |
| Current Period Expenditure: \$0 | |



| 21-2-WFD-001 | Workforce Programs |
|---|---------------------------|
| Cumulative Expenditure: Not available at inception | |
| Project Status: Completed less than 10% | |
| Project Demographic Distribution: | |
| Subawards: | |
| Civil Rights Compliance: | |
| Required Programmatic Data | |
| Payroll for Public Health and Safety Employees: | |
| Household Assistance: | |
| Small Business Economic Assistance: | |
| Aid to Travel, Tourism, and Hospitality or Other Impacted Industries: | |
| Rehiring Public Sector Staff: | |
| Education Assistance: | |
| Premium Pay: | |
| Revenues Replacement: | |

2.2 Additional Projects

Delaware County does not have any additional projects for which funds have been obligated or expended, however the following information is provided on the initiatives listed in Section 1.7 for which commitments are being considered:

| 21-1-PHD-001 | Public Health Department (PHD) |
|--|---------------------------------------|
| This project provides for the development of the Delaware County Health Department (DCHD). Delaware County is the most populated County in the US without its own health department, and the lack of programmatic preventive health medicine, support to children’s health, and dedicated wellness programs – particularly in low-income, minority populations have significant factors in the spread of COVID in those communities. | |
| Current Obligation Period: \$4,870,800 | |
| Cumulative Obligation: \$0 | |
| Current Period Expenditure: \$0 | |
| Cumulative Expenditure: \$0 | |
| Project Status: Completed less than 10% | |

| 21-4-PER-001 | Fair Acres Incentive Pay |
|---|---------------------------------|
| Delaware County operates the Fair Acres Geriatric Center as part of the County’s community safety net, providing senior living care for residents who may have no other options. The staff of nurses and assistants has provided care and kept the residents safe during the pandemic, and the County is providing incentive pay to ensure continued support of the facility. | |
| Current Obligation Period: \$282,000 | |
| Cumulative Obligation: \$0 | |
| Current Period Expenditure: \$0 | |



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| | |
|---|---------------------------------|
| 21-4-PER-001 | Fair Acres Incentive Pay |
| Cumulative Expenditure: \$0 | |
| Project Status: Completed less than 50% | |

| | |
|---|--------------------------------|
| 21-1-FIN-002 | Administrative Expenses |
| To date, the County has dedicated the efforts of one staff member to the administration of ARPA. This total is likely to change as community input is sought and additional projects are added. Dedicated administrative support will be necessary to meet the ARPA reporting requirements. | |
| Current Obligation Period: \$100,800 | |
| Cumulative Obligation: \$0 | |
| Current Period Expenditure: \$0 | |
| Cumulative Expenditure: \$0 | |
| Project Status: Completed less than 10% | |

[END of REPORT]