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COMMONWEALTH of VIRGINIA

Maggie Beal
Director

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

February 3, 2026

Mr. Mark Bellamy
County Administrator
York County
224 Ballard Street
Yorktown, Virginia 23690

RE: Community Development Block Grant #22-22-04
Carys Chapel Road Housing Rehabilitation Project
Final Compliance Review

Dear Mr. Bellamy:

On January 7, 2026, Ms. Jenna Evers, Program Administrator with the Virginia Department of Housing and Community Development (DHCD), conducted an on-site Final Compliance Review (FCR) of the above-referenced Community Development Block Grant (CDBG). The FCR consisted of a detailed inspection of all files and materials related to the County's management of this project to date. In addition to examining the relevant files, Ms. Evers talked with financial staff and the grant manager. The objective of this review was to determine whether the County administered the project in compliance with federal and state laws and policies. Enclosed is a summary of what DHCD staff observed during this review.

PROJECT STATUS AND ACTIVITIES

The CDBG Agreement is intended to provide rehabilitation of low-to moderate-income (LMI) single family homes. York County was awarded a \$1,346,195.00 CDBG contract on **July 17, 2023**. Additionally, the County committed \$122,800.00 in non-CDBG funds toward the project. The grant is scheduled to expire on **April 30, 2026**, after one extension.

At the time of the compliance review, the status of the required activities, per this contract, are as follows:

1. Administration of this project in a timely and compliant manner. **Ongoing.**



2. Clearance of all junk, debris, weeds, and inoperable vehicles from the project area, including annual neighborhood cleanups, to assist residents to dispose of outside debris. **For 2024, the County performed yard work and removal of unwanted large items for project residents. For 2025, the historic neighborhood “corner store” landmark owned by one of the beneficiaries was repaired and painted.**
3. Rehabilitation of eleven (11) owner-occupied houses to DHCD Housing Rehabilitation Standards (HRS). **Ten (10) complete, one (1) substantially complete, and one (1) under construction. Three of the twelve houses were served using York County Local Rehab, Essential Home and Accessibility Repair Program (EHARP) and ARP funds.**
4. Rehabilitation of one (1) investor-owned house to DHCD HRS. **Two (2) complete.**
5. Substantial reconstruction of two (2) owner-occupied houses to DHCD HRS. **One (1) complete. One house was moved to the owner-occupied rehabilitation activity due to the flood plain requirements that would require the foundation of the house to be 11ft higher. This elevation would be a challenge to the elderly occupants.**
6. Demolition of one (1) vacant substandard home. **One (1) complete.**

BENEFIT STATUS

The CDBG Agreement requires improvements of living conditions of fourteen (14) total households. As of the date of the compliance review, twelve (12) owner-occupied households of which twelve (12) are low- and moderate-income (LMI) households are expected to have received housing rehabilitation improvements. Two (2) investor-owned households of which two (2) are LMI have received housing rehabilitation improvements. One (1) substantial reconstruction household, of which one (1) is an LMI household, has received housing rehabilitation improvements. Therefore, living conditions were improved for fifteen (15) households and as a result, twenty-seven (27) persons, of which twenty-seven (27) were LMI persons, have been served by this project to date.

FINANCIAL MANAGEMENT

The CDBG Agreement requires York County to establish and maintain sufficient internal controls over CDBG funds. Ms. TeriAnn Pierantoni, of York County, serves as the project’s Finance Manager. The financial documentation is well organized. The County draws down on a reimbursement basis. As of the date of the FCR, the County had made twenty-six (26) payment requests, totaling \$1,218,842.89 of the \$1,346,195.00 (91%) in CDBG funds allocated for this project. A total of \$122,800.00 (9%) in leverage funds is committed to this project, of which \$322,623.63 (24%) was verified at the compliance review. The chart below outlines the expenditures that were reviewed and verified.



Documented Project Expenditures as of January 7, 2026

Activity	CDBG	Non-CDBG	Total
Administration	\$48,600.00	\$0.00	\$48,600.00
Neighborhood Cleanup	\$0.00	\$17,235.00	\$17,235.00
Owner-Occupied Housing Rehab	\$753,204.26	\$213,616.47	\$966,820.73
Investor-Owned Housing Rehab	\$222,779.28	\$9,250.00	\$232,029.28
Substantial Reconstruction	\$181,759.35	\$78,122.16	\$259,881.51
Demolition	\$12,500.00	\$4,400.00	\$16,900.00
Total Expended	\$1,218,842.89	\$322,623.63	\$1,541,466.52
Total Available	\$127,352.11	\$0.00	\$127,352.11
Total Budget	\$1,346,195.00	\$322,623.63	\$1,688,818.63

Therefore, leverage funds are being spent in proportion to CDBG funds.

The County received \$65,991.56 from two Carver Gardens CDBG projects (\$19,202.39 from #18-27 and \$46,789.17 from #20-20-22) from sales/refinancing - \$57,943.80 was used towards construction costs for 112 Collins Lane and \$8,047.76 for 1618 Carys Chapel.

The County’s audit submittals are up to date.

DHCD staff reviewed invoices, checks and other support documentation for remittance requests #13-26. The expenditure of all CDBG and associated leverage funds appeared to be adequately supported with costs incurred reasonable and eligible.

PROJECT MANAGEMENT

The project has generally been implemented in accordance with the CDBG program guidelines. Ms. Jan Marshall, of York County, acts as the grant manager for the project while Mr. Jim Hughes, of York County, serves as the Rehab Specialist. Regular project management team and rehab board meetings are held, and minutes are sent to DHCD.

A review of the grant project files found that they appeared to include all necessary project documentation other than what is noted in the next section, Housing Rehabilitation. Procurement procedures were generally followed.

HOUSING REHABILITATION

Our representative, Ms. Jenna Evers, reviewed two client files with no issues identified for remediation. York County verified the eligibility of beneficiaries, documented inspections



during construction, and files included all necessary permits and procurement data. Inspections were performed on two units and there are no follow-up issues to address.

COMPLIANCE STATUS

The following table lists the regulatory topics reviewed and indicates the status of your compliance in each area. If attached, the **Summary of Findings, Concerns and Unresolved Issues** identifies the corrective action that the County will need to take to ensure full compliance with the program regulations.

We also note that over the course of the two years that this project has been active, York County has completed four fair housing activities:

Fair housing topic included in presentations on 2/16/24 for York-Poquoson Social Services Community Resource Refresh Forum, on 1/27/25 for HeadStart, and on 2/12/25 at the Community Refresh Forum.
 Fair Housing Information is posted on the on the County’s Housing & Neighborhood Revitalization webpage.

Area Reviewed	Finding	Concern	Unresolved Issue	Compliance
Project Management				X
Files and Contracts				X
Citizens Participation/Complaints				X
Equal Opportunity/Fair Housing				X
Benefits				X
Financial				X
Procurement-Rehab Construction Services				X
Housing Rehab File Checklist/HQS Inspections				X

CONCLUSION

York County generally administered its CDBG funds in accordance with DHCD requirements. It ensured that funds expended were necessary or reasonable and met the contracted National Objective, maintained adequate documentation, and implemented adequate internal controls. We commend the County for its efforts to assist project area residents with their housing rehabilitation needs. The York County staff have shown they are dedicated to this community and have gone above and beyond in their efforts to build strong relationships with its residents.



Mr. Mark Bellamy

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We appreciate the cooperation and assistance that Ms. Jan Marshall, Mr. Abbitt Woodall, Ms. TeriAnn Pierantoni, and Mr. Jim Hughes provided DHCD staff during the review. Please extend our thanks to them. If you have any questions regarding this matter, please contact your Program Administrator, Ms. Jenna Evers, by e-mail at jenna.evers@dhcd.virginia.gov or by phone at (804) 584-8011.

Sincerely,



Joanne Peerman
Acting Associate Director

c: Jan Marshall, York County
Abbitt Woodall, York County
TeriAnn Pierantoni, York County
Jenna Evers, DHCD

