

2014 Program Year

Action Plan

Year 5

City of Middletown, NY

Office of Economic and Community Development



Prepared By

City Of Middletown Office of Economic and Community Development

Mayor Joseph M. DeStefano

Director Maria Bruni, Office of Economic and Community Development

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

Introduction

Pursuant to requirements by the United States Department of Housing and Urban Development (HUD), the City of Middletown has prepared the Community Action Plan for Program Year 2014. The objective is for the City to retain eligibility for federal funds such as those already received through HUD's Community Development Block Grant (CDBG) program.

The goal of the Action Plan is to organize and evaluate the efforts of the Middletown municipal government and its residents in defining, determining, debating and, if need be, amending the ideas and policies proposed in the 2010-2014 Consolidated Plan that was prepared by the City's Office of Economic and Community Development and adopted by Middletown's Common Council in 2009.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

During the 2014 Program Year the City of Middletown will continue to address the needs and objectives identified by the municipality which are stated in the 2010-2014 Consolidated Plan. During the coming year, the City of Middletown, through the Office of Economic and Community Development (OECD) will execute projects using CDBG funds in order to combat the most glaring and widespread problems faced by the population:

A) Inadequate Housing

B) Unemployment and Job mobility

The City, through its CDBG programs, continues to actively pursue the goal of securing safe, affordable housing and employment in a challenging economic environment.

3. Evaluation of past performance

2014 Program Year

Action Plan

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3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Through the CDBG program, Middletown provides safe, affordable housing and employment opportunities for low and moderate income persons throughout the jurisdiction. The Housing Rehabilitation Program is designed to provide low/moderate income residents living in owner occupied or rental houses with safe, weather insulated dwellings. The Code Enforcement component of the program serves as a rehabilitation support service and a liaison between contractors and recipients throughout the duration of a project. Housing Rehabilitation activities are available throughout the City for all eligible program recipients. Each year at least 21 units are rehabilitated, virally improving neighborhoods as information about the program is passed from neighbor to neighbor.

The Economic Development portion of OECD's program is designed to assist businesses in locating and expanding within the City of Middletown. The Economic Development component provides Small Business Loans (SBL) and guidance to prospective borrowers. SBLs are designed to fill the financing gap between private funds and available equity required by a small business to meet its needs. In addition, OECD participates in the Section 108 Loan Guarantee Program whose funds are made available to specific development projects in Middletown. Restaurants, medical offices, light manufacturing facilities, barbershops and salons as well as autobody repair businesses, linen supply and laundry businesses have all benefited from the program providing job and economic stability to low and moderate income persons.

The City continues to meet its objectives as described in the 2010-2014 Consolidated Plan. Housing rehabilitation and job creation goals were satisfied.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

Pursuant to the federal regulations that require the solicitation of public opinion in the creation of Consolidated Plans, the City of Middletown utilizes a Citizen Participation Plan adopted by the Common Council. In addition to following this plan, the Middletown OECD is frequently in contact with local, private, non-profit and public sector groups who work in the housing and supportive service field.

In order to solicit resident input, the OECD scheduled two (2) public hearings and published notice in both English and Spanish in the *Times Herald-Record*, the regional daily newspaper, and the OECD website. The first was held on Friday, August 2, 2013, in order to solicit citizen input in advance of the preparation of the draft Annual Action Plan. The second, scheduled for November 1, 2013, is conducted for the purposes of soliciting public input on the final draft of the Annual Action Plan. The second hearing follows a 30-day comment period from October 2, 2013 through October 31, 2013 in which the first draft, inclusive of citizen input from the first public hearing, is made available to the public for comment.

The Consolidated Plan and Action Plan are also made available through the Community Development page on the City of Middletown's website (www.middletown-ny.com) and at the Middletown Thrall Library.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

The first public hearing was held on August 2, 2013 at 4:00 pm. A legal notice appeared in the Times Herald-Record on July 20, 2013. There were 3 members of the public in attendance. A transcript of the hearing is included in the appendix.

A public comment period was held from October 2 through October 31, 2013. A legal notice appeared in the Times Herald-Record on October 1, 2013. The second public hearing will be held on November 1, 2013 at 4:00 pm. A legal notice will appear in the Times Herald-Record.

6. Summary of comments or views not accepted and the reasons for not accepting them

The first public hearing was held on August 2, 2013 at 4:00 pm. A legal notice appeared in the Times Herald-Record on July 20, 2013. There were 3 members of the public in attendance. A transcript of the hearing is included in the appendix.

The meeting was informational in nature as the attendees were unfamiliar with the CDBG program. As the attendees attempted to sort out which projects were CDBG some comments were made that did not pertain to the CDBG program. They were not included in the transcript

7. Summary

The first public hearing was held on August 2, 2013 at 4:00 pm. A legal notice appeared in the Times Herald-Record on July 20, 2013. There were 3 members of the public in attendance. A transcript of the hearing is included in the appendix.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	MIDDLETOWN	
CDBG Administrator		
HOPWA Administrator		
HOME Administrator		
HOPWA-C Administrator		

Table 1 – Responsible Agencies

Narrative (optional)

The City of Middletown Office of Economic and Community Development (OECD) is the designated lead agency in administering the programs covered by the Consolidated Plan voted upon by Middletown’s Common Council. The OECD works closely with the Mayor’s office, the Common Council, as well as the Zoning Board and Economic Development Committee in order to administer the programs sanctioned in the Consolidated Plan as well as to provide the needed annual documentation to HUD, including Action Plans and Evaluation Reports (CAPER).

Consolidated Plan Public Contact Information

City of Middletown

Office of Economic & Community Development

16 James Street; 3rd Floor

Middletown, NY 10940

Maria Bruni, Director

845-346-4170

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

Identify any Agency Types not consulted and provide rationale for not consulting

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting

A public hearing in advance of the draft 2014 Action Plan was held on August 2, 2013. The meeting was more informational in nature. Attendees asked questions regarding the application process and eligibility criteria.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Newspaper Ad	Non-English Speaking - Specify other language: Spanish Non-targeted/broad community	3 persons attended the 1st public hearing in advance of the draft annual action plan.	The hearing provided information about the program, the application process and eligibility criteria.	The attendees were trying to sort out which activities that they had observed were a part of the CDBG program.	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c) (1, 2)

Introduction

In addition to CDBG grant funds, expected resources include program income from repayment of loans during previous program years.

Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1			Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	519,735	183,000	0	702,735	Anticipated program income resources are from loan repayments

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Federal funds will leverage private funds in the Economic Development Program. CDBG funds are used to provide gap funding.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

Discussion

Annual Action Plan
2014

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Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

No Goals Found

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Housing Rehabilitation	2010	2014			Affordable housing	CDBG: \$388,788	Rental units rehabilitated: 8 Household Housing Unit Homeowner Housing Rehabilitated: 13 Household Housing Unit Housing Code Enforcement/Foreclosed Property Care: 21 Household Housing Unit
2	Economic and Community Development	2010	2014			Economic and Community Development	CDBG: \$210,000	Jobs created/retained: 10 Jobs Businesses assisted: 2 Businesses Assisted

Table 6 – Goals Summary<TYPE=[text] REPORT_GUID=[984786E64DDAC839A8E119B13CB7DB46]>

Goal Descriptions

1	Goal Name	Housing Rehabilitation
	Goal Description	
2	Goal Name	Economic and Community Development
	Goal Description	

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

As enumerated in the 2010-2014 Consolidated plan at least 21 low/mod families will be assisted during the 2014 program year.

AP-35 Projects – 91.220(d)

Introduction

The following projects were selected and funded according to the research and tables described and included in the 2010-2014 Consolidated Plan. The twin issues of inadequate housing and unemployment and job mobility have fueled the focus of CDBG fund allocations.

Housing rehabilitation is providing low/mod city residents with safe, affordable, weather-insulated housing. Economic development projects are assisting in providing jobs to low/mod residents.

#	Project Name
1	Program Administration and Planning
2	Single Family Rehabilitation
3	Multi-Unit Housing Rehabilitation
4	Code Enforcement
5	Direct Homebuyer Assistance
6	Economic Development

Table 7 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Allocation priorities were established using the Priority Needs Tables included in the 2010-2014 Consolidated Plan.

Projects

AP-38 Projects Summary

Project Summary Information

1	Project Name	Program Administration and Planning
	Target Area	
	Goals Supported	Housing Rehabilitation Economic and Community Development
	Needs Addressed	
	Funding	CDBG: \$103,947
	Description	Planning and administration
	Planned Activities	Provision of services
2	Project Name	Single Family Rehabilitation
	Target Area	
	Goals Supported	Housing Rehabilitation
	Needs Addressed	
	Funding	CDBG: \$200,788
	Description	The objective of the Housing Rehabilitation component of the City of Middletown's plan is to assist eligible low/moderate income households (owner and renter occupied) to afford safe, weather insulated housing that meets City Housing Code Standards.
	Planned Activities	Housing Rehabilitation.

3	Project Name	Multi-Unit Housing Rehabilitation
	Target Area	
	Goals Supported	Housing Rehabilitation
	Needs Addressed	
	Funding	CDBG: \$100,000
	Description	The objective of the Housing Rehabilitation component of the City of Middletown's Plan is to assist eligible low/moderate income households (both owner and renter occupied) to afford safe, weather insulated housing that meets City Housing Code Standards.
	Planned Activities	Rental and owner occupied multi-family housing rehabilitation.
4	Project Name	Code Enforcement
	Target Area	
	Goals Supported	Housing Rehabilitation
	Needs Addressed	
	Funding	CDBG: \$15,000
	Description	The objective of the housing Rehabilitation component of the City of Middletown's plan is to assist eligible low/moderate income households (both owner and renter occupied) to afford safe, weather insulated housing that meets City Housing code Standards.
	Planned Activities	Housing code enforcement.
5	Project Name	Direct Homebuyer Assistance
	Target Area	
	Goals Supported	Housing Rehabilitation

Needs Addressed	
Funding	CDBG: \$3,000
Description	The objective of this program is to assist eligible applicants in the form of loan or grant funds to assist in the down payment and closing costs associated with buying a home. This program is currently suspended and these funds are currently being used to service existing HBA funds.
Planned Activities	program delivery/provision of services
6 Project Name	Economic Development
Target Area	
Goals Supported	Economic and Community Development
Needs Addressed	
Funding	CDBG: \$100,000
Description	
Planned Activities	Assist new and existing businesses.

Table 8 – Project Summary

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The City of Middletown, located in central Orange County, New York, is an urban area with a population of approximately 28,086 according to the U.S. Census Bureau (2010 Census). The City is an entitlement jurisdiction. Approximately 56.2 percent (most recent figures: 2007 LMISDd) of all households in Middletown are very low and low income (0-80% of median household income). The CDGB funds received by the City of Middletown in 2013 will be used throughout the entire municipality wherever rehabilitation and community and economic development opportunities arise. Assisting the city's low/moderate income households will continue to be an important focus to the Office of Economic and Community Development as we continue with the Housing Rehabilitation Program.

Geographic Distribution

Target Area	Percentage of Funds

Table 9 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The basis for allocating investments through OECD's Housing Rehabilitation program is formed through the use of Census tract records for low/moderate income housing throughout the City of Middletown as well as investigating cases that come to the attention of the OECD. As the Office of Economic and Community Development continues to administer the Small Business Loan Program during Program Year 2014, any investments made in Economic Development efforts throughout the Program Year will strive to create jobs for low/moderate income individuals throughout the City Middletown. Investments cover the entire jurisdiction. There is no geographic target area within the city.

Discussion

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

During the next year, the city of Middletown's priority housing objectives are geared toward the rehabilitation of owner and renter occupied homes, particularly in low/moderate income areas of the City. In program year 2013, OECD anticipates the rehabilitation of 13 units of owner occupied, single family housing, and 8 units of multi-unit housing, both owner and renter occupied.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	21
Special-Needs	0
Total	21

Table 10 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	21
Acquisition of Existing Units	0
Total	21

Table 11 - One Year Goals for Affordable Housing by Support Type

Discussion

The funds provided by CBDG funds will be allocated in the rehabilitation of low to moderate income housing throughout the City of Middletown as well as for emergency projects that have been inspected and approved by the OECD.

AP-60 Public Housing – 91.220(h)

Introduction

The Middletown Public Housing Authority is a self-governing entity. The City of Middletown maintains communication with and is ready to assist as particular needs arise.

Actions planned during the next year to address the needs to public housing

The Middletown Public Housing Authority maintains a total of 199 housing units. Details can be found in the Housing Market Analysis. In the past the MHA has applied for, and received, assistance through the City's Multi-Unit Housing Rehabilitation program; a source of funding which remains available as necessary. Before the economic recession and mortgage crisis, the OECD administered a Homebuyer Assistance Program utilizing CDBG funds. This program is often targeted toward eligible Public Housing residents who may be able to afford the monthly cost of owning a home, but simply lack the down payment and closing costs associated with purchasing a home. Due to the financial and mortgage crisis, the program has been dormant. Existing loans from previous years, however, do continue to provide program income, and as the mortgage market resurrects itself, the OECD will endeavor to make this program available as needed in the 2014 Program Year.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

Through the Rental Rehabilitation Program, CDBG funds are made available to rehabilitate low-income households in multi-unit properties. In past years, the Middletown Housing Authority has applied for and received multi-family rental rehabilitation monies through OECD and, through its Industrial Development Agency, has financially assisted the housing authority and provided administrative help in obtaining funds. During program year 2014 OECD will continue to reach out to the Middletown Housing Authority and offer assistance when needed

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Discussion

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

Although the City of Middletown is not a direct recipient of ESG funds, the City does have a variety of resources that are available to assist the homeless through various providers. For example HONORehg, the primary provider of shelter for the homeless of Orange County, is located in Middletown and does receive ESG funding. RECAP also operates a number of units in Middletown through their Community Re-entry program. These units are apartments where families are provided with a variety of counseling services and a contract to pursue educational and career goals in order to foster and maintain self-sufficiency. Also, FOCUS, a transitional shelter developed by RECAP, provides housing and supportive services for pregnant and parenting teens.

In prior years, CDBG funds have been used to assist RECAP in renovations at their FOCUS facility in Middletown, as well as to provide HONORehg, Inc. with funding to assist in the rehabilitation of emergency shelter property. The Office of Economic and Community Development also communicates with Pathstone, Inc., a private, non-profit multi-state organization, that provides a number of services including housing, housing development and rehab, community and small business development, employment and training, health and safety, and advocacy services to migrant and seasonal farm workers, and other disadvantaged individuals and families and communities.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

While Middletown itself is not a direct recipient of Emergency Shelter Grant funds, OECD and the City of Middletown will continue to work with HONORehg, Inc. in order to provide care and housing for Middletown's homeless.

Addressing the emergency shelter and transitional housing needs of homeless persons

While Middletown itself is not a direct recipient of Emergency Shelter Grant funds, OECD and the City of Middletown will continue to work with HONORehg, Inc. in order to provide care and housing for Middletown's homeless.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that

individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

While Middletown itself is not a direct recipient of Emergency Shelter Grant funds, OECD and the City of Middletown will continue to work with HONORehg, Inc. and RECAP in order to provide care and housing for Middletown’s homeless.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

While Middletown itself is not a direct recipient of Emergency Shelter Grant funds, OECD and the City of Middletown will continue to work with HONORehg, Inc. and RECAP in order to provide care and housing for Middletown’s homeless.

Discussion

One year goals for the number of households to be provided housing through the use of HOPWA for:
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family
Tenant-based rental assistance
Units provided in housing facilities (transitional or permanent) that are being developed, leased, or operated
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds
Total

AP-75 Barriers to affordable housing – 91.220(j)

Introduction

The 2012 Draft Analysis of Impediments to Fair Housing Choice, submitted for HUD review on October 3, 2012, identified impediments and recommendations for addressing each impediment to assist the City in eliminating barriers to fair housing choice.

As a recipient of federal funds through the Department of Housing and Urban Development (HUD), the City of Middletown is required to conduct an Analysis of Impediments to Fair Housing Choice. The City supports fair housing and encourages citizen participation in identifying impediments to fair housing within the community. Information included in the AI will allow the City to continue efforts to improve fair housing throughout the community. Funding is imperative to implementing activities and projects focused on continuing fair housing efforts. Other key agencies involved in promoting fair housing include the Middletown Housing Authority, the State of New York's Office of Fair Housing and Equal Opportunity and the State of New York's Division of Human Rights.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City gathered all the pertinent data for the preparation of the AI including collecting demographic data, performing a comprehensive review of public sector laws, regulations, ordinances, and policies, and reviewing private sector lending policies and practices, fair housing enforcement and informational programs in Middletown. The Analysis also included an assessment of local fair housing programs and activities. The City consulted with various fair housing organizations and also conducted a fair housing survey which provided valuable input for the preparation of the plan.

Review and assessment of the data presented in this analysis along with input received for various organizations and the public identified the following impediments to fair housing in Middletown:

- Impediment #1: Lack of independent process to determine impediments and administer a fair housing plan.
- Impediment #2: Dissemination of fair housing laws, policies and local challenges
- Impediment #3: Tracking and interpreting housing trend data
- Impediment #4: Imbalance between cost and value
- Impediment #5: Inadequate supply of Section 8 Vouchers

Discussion

Recommendations for resolutions to impediments and the continuation of fair housing efforts are detailed in the Analysis of Impediments to Fair Housing Choice 2012. The City may implement specific recommendations to address fair housing needs. Selected actions will be determined by the amount of funding available to address impediments, priority community needs and actions that are in the best interest of Middletown residents.

AP-85 Other Actions – 91.220(k)

Introduction

In order to address obstacles to meeting underserved needs, the City of Middletown will work with existing not-for profit government and community agencies such as RECAP, the Small Business Development Center, and the Orange County Office of Community Development in its efforts to successfully carry out the 2010-2014 Consolidated Plan and 2014 Action Plan

Actions planned to address obstacles to meeting underserved needs

In order to carry out the goals stated in the Consolidated Plan and supplement CDBG funds, the City of Middletown relies on collaborative efforts with other local agencies. Since the initial grant of CDBG funds, Middletown has primarily allocated funds towards housing rehabilitation efforts. During the 2014 Program year, the City will retain the services of the National Development Council in an effort to underwrite and execute Section 108 loans and SBA programs for economic development purposes. Economic development efforts as well as allocation of administrative time in Program Year 2014 will be used to identify and develop community projects. Funds for these projects will be solicited at both the state and federal levels.

The City works closely with existing not-for-profit agencies in the community to assist the homeless population. In addition to RECAP and the Small Business Development Center a partnership has been formed with HONORehg, Inc., an emergency shelter; Pathstone, Inc. and the Guild of St. Margaret Soup Kitchen.

Actions planned to foster and maintain affordable housing

The funds available through the CDBG Single Family Housing Rehabilitation Program and the Multi-family Rehabilitation Program are targeted at maintaining existing housing stock within the city of Middletown. Many owners are unable to pay for repairs due to the lack of personal funds. The two rehabilitation programs provide funds to owners to make repairs so that they are able to maintain their homes and rental properties. As the mortgage market begins to recover the Homebuyer Assistance Program will provide assistance to families whose incomes are at marginal levels but are viable candidates for homeownership with the assistance of OECD. Families who qualify will be given assistance in providing down payments and fees after a mortgage is procured. We will work closely with agencies that provide household budget and other economic counseling for families.

Actions planned to reduce lead-based paint hazards

The reduction of lead based paint hazards has become a vital component of the Housing Rehabilitation program administered with CDBG funds. A partnership with Orange County Health Department's Lead Safe Orange Program (LSO), the OECD will continue to provide a lead paint safe residential environment for Middletown's citizens through lead abatement. Currently, members of OECD's housing rehabilitation staff are EPA and Lead Safe practice certified. As more training is made available, OECD will ensure that, through the coming year, staff is given access to all such opportunities. Each property, built before 1978, being considered for rehabilitation is tested for lead. Lead certified program contractors are required to sign a release that they will use lead free materials and follow lead safe practices. Every applicant for the housing rehabilitation program must sign a form acknowledging that they have received, read and understand the brochures entitled "Protect Your Family from Lead In Your Home" and "Renovate Right."

Actions planned to reduce the number of poverty-level families

The City of Middletown will continue its efforts to reduce the number of poverty level families by supporting economic development and encouraging job creation. In addition, the City will support efforts to improve transportation and provide affordable rental and owner-occupied housing to working families. The city has also made it a point to work closely with a number of non-profit agencies who have ongoing projects and services aimed at reducing poverty through housing assistance and counseling programs.

Actions planned to develop institutional structure

Throughout 2014 the OECD will continue to heighten its profile, programs and services within the community. The OECD is the designated agency in the City for the administration of CDBG projects and activities. The OECD endeavors to maintain open communication with the departments it works most closely with: Planning, Zoning, the Economic Development Committee of Middletown's Common Council, the Business Improvement District, Code Enforcement and the Department of Public Works in order to impact community development with a cohesive, well supported plan.

Actions planned to enhance coordination between public and private housing and social service agencies

Through the Multi-Family Rehabilitation Program, CDBG funds are made available to rehabilitate low-income households in multi-unit properties. In past years, the Middletown Housing Authority has applied for and received multi-family rental rehabilitation monies through OECD. More recently the City of Middletown through its Industrial Development Agency has financially assisted the housing authority and provided administrative help in obtaining funds. During program year 2014 OECD will communicate with Middletown Housing Authority in order to take stock of the low-mod income rental units in order to see if, and where, further assistance is needed.

Discussion

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

Introduction

Program income is derived from the repayment of loan principal and interest.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	183,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	183,000

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

Discussion

All CDBG housing activities are directed only toward low and moderate income households. Economic Development activities are tied to job creation for low and moderate income individuals.

APPENDIX

PROPOSED BUDGET

2014 proposed allocation \$519,735

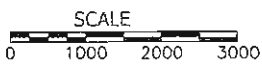
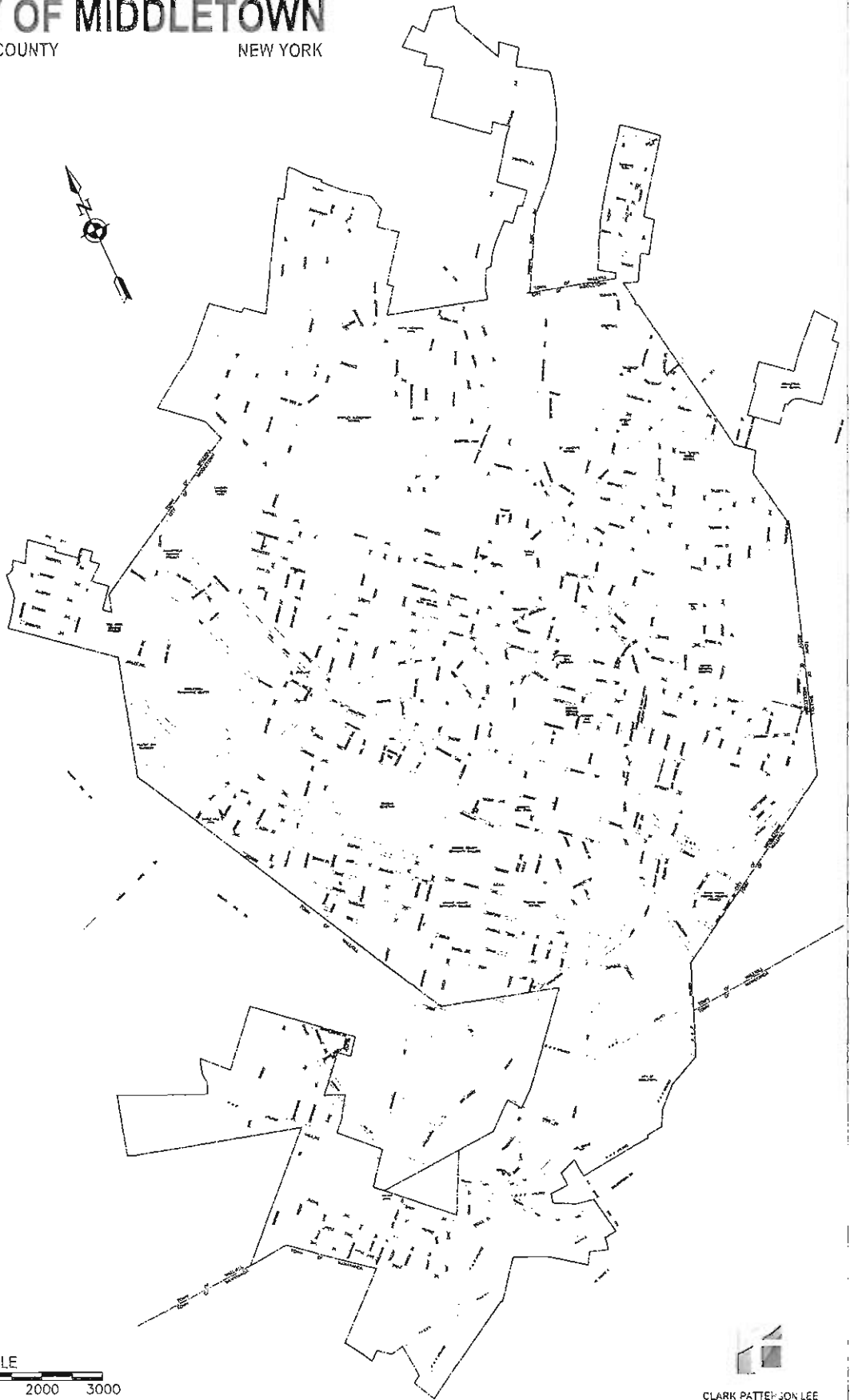
Estimated Program Income \$183,000

PROPOSED BUDGET

	Grant	Program Income	Total
Administration	\$103,947		\$103,947
Single Family Rehab	\$200,788	\$60,000	\$260,788
Multi Family Rehab	\$100,000	\$10,000	\$110,000
Code Enforcement	\$15,000		\$15,000
Economic Development	\$100,000	\$110,000	\$210,000
Homebuyer		\$3000	\$3000
	<hr/>	<hr/>	<hr/>
	\$519,735	\$183,000	\$702,735

CITY OF MIDDLETOWN

ORANGE COUNTY NEW YORK



TIMES HERALD-RECORD

P.O. Box 2046, 40 Mulberry Street, Middletown, NY 10940

State of New York:

County of Orange: ss:

Patricia Foddrill

Being duly sworn deposes and says that the Dow Jones Local Media Group, Inc. is organized under the laws of the State of New York and is, at all the times hereinafter mentioned, was the printer and publisher of the Times Herald-Record, a daily newspaper distributed in the Orange, Ulster, Rockland, Dutchess, Pike, PA, Delaware and Sullivan, Counties, published in the English language in the City of Middletown, County of Orange, State of New York, that deponent is the

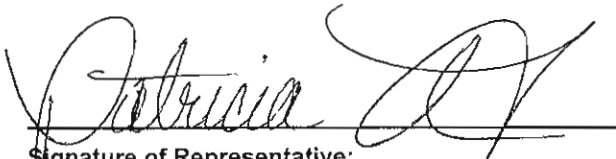
Legal Advertising Rep.

of said The Times Herald-Record acquainted with the facts hereinafter stated, and duly authorized by said Corporation to make this affidavit; that the

Public Notice

a true printed copy of which is attached, has been duly and regularly published in the manner required by law in said The Times Herald-Record in each of its issues published upon each of the following dates, to wit: In its issues of:

07/20/2013



Signature of Representative:

Sworn in before me this 24 Day of Jul 2013



Notary Public, Orange County

DAWN M. GRIFFIN
Notary Public - State of New York
NO. 01GR4832299
Qualified in Orange County
My Commission Expires July 31, 2017

**CITY OF MIDDLETOWN, NEW YORK
NOTICE OF PUBLIC HEARING
CITIZEN INPUT
ANNUAL ACTION PLAN
JANUARY 1, 2014- DECEMBER 31, 2014**

The City of Middletown, through the Office of Economic and Community Development ("OECD"), is pleased to announce that they will hold a public forum on August 2, 2013 at 4 p.m. in Common Council Chambers located on the 2nd floor at City Hall, 16 James Street, Middletown, New York 10940 to identify priority needs of the community in advance of the preparation of the Community Development Block Grant ("CDBG") Annual Action Plan for the January 1, 2014 to December 31, 2014 Program Year.

The goal of the public hearing is to obtain comments and input from the citizens about community needs and neighborhood priorities. The major initiatives for this program year will include the targeting of funds to benefit low- and moderate-income persons, as well as Code Enforcement, Quality of Life Issues, Economic Development, Special Needs Persons, Elderly, Disabled Persons, Homeless Persons, and Affordable Housing and Homebuyer Assistance. Come with your ideas and get involved in planning for Program Year 2013.

For additional information please contact the OECD Office at 845-346-4170.

All interested parties are invited to attend.

**Joseph DeStefano, Mayor
Maria Bruni, Director OECD
The City of Middletown is an EEO.**

**Ciudad de Middletown, Nueva York
Aviso de Audiencia publica
Opinion de ciudadanos
EL Plan de accion anual
1 enero, 2014- 31 diciembre, 2014**

La ciudad de Middletown, a través de la oficina de desarrollo e fomento económico ("OECD"), quiere anunciar que van a tener un foro público el 2 de agosto, 2013 al 4 p.m. en las cámaras del consejo situado en el piso segundo del edificio municipio, 16 calle James, en la ciudad de Middletown. La audiencia es para identificar y reconocer las prioridades de la comunidad durante la preparación del plan anual de desarrollo para el año que viene.

La meta de esta audiencia es para obtener el comentario y sugerencias de ciudadanos sobre necesidades en las comunidades de la ciudad. Los grandes iniciativas para el año que viene incluyen el uso de fondos para ayudar personas de bajo y medio ingreso, ayudar en la creación de condiciones de vida buena para los residentes de Middletown, y ayudar con el fomento de oportunidades económicas aquí en Middletown.

2 de Agosto, 2013

Las cámaras del consejo común, Edificio Municipio

16 calle James

Middletown, Nueva York 10940

**Alcalde, Joseph DeStefano
Directora, Maria Bruni, OECD**

Transcript of Public Hearing #1 in advance of the Draft 2014 Action Plan.

Questions and comments that are not relevant to the 2014 Action Plan have not been included.

The public hearing was declared open at 4:00 PM on August 2, 2013 in the Common Council Chambers. Three members of the public attended.

A background on the CDBG program and the 2010 – 2014 Consolidated Plan was given by Maria Bruni, director of the Office of Economic and Community Development

Mrs. Lauritzen: How many Homebuyer activities have gone into foreclosure?

Bruni: Description of the program which is currently suspended. The previous administration ran the program so we don't have figures at hand, but it was fairly successful. They needed to get a mortgage from a bank and we provided the down payment and/or closing costs.

Mrs. Lauritzen: (Paraphrased) (She has experience with a homeowner in her neighborhood who walked away from a home.) I would hate to see money going to people who really can't afford to live in a house and have no idea what it costs to live in a house. When they get this money for a down payment it easy for them to walk away. We're just doing the same thing over and over again and the city ends up owning the house and it is a burden to the rest of the taxpayers. We see a tremendous increase in our taxes and we think it is linked to what is going on. We would hope and pray that the city is very careful with how they distribute this money. We have to live on what we get. Everyone else should.

Mrs. Lauritzen: Who owns the Classic Hosiery across from the Post Office? Is it the city?

Bruni: No. It is privately owned

Lauritzen: Is the City or any of these programs doing the new windows in the building.

Bruni: No. Our housing rehab basically is for income eligible single and multi-family properties. Mainly seniors take advantage of our programs. Those industrial type buildings, we haven't done any work over there. We don't have that kind of money.

Lauritzen: It concerns me that money ... that building has been run down so many years and now all of a sudden that building is getting new windows and I had a feeling that it had something to do with the film festival.

Bruni: We get our money from the federal government that we apply for every year. (Reiterates the types of programs.) We got \$460,000 this past year. People are loan or grant eligible and lien their home. If they walk away we can with the lien, we can recoup the money spent on the rehab.

Lauritzen: There's a lot of money that needs to be spent in on vacant buildings in the city, right?

Bruni: That would be through another agency with the city, not with the CDBG program, for this particular plan.

Lauritzen: What is a plan?

Racine: (Consolidated and Action plans are explained and the projects that are included in the 2013 Action plan and proposed for the 2014 plan.) There are certain things that are enumerated in the 5-year plan that we MUST do in the upcoming year. Those are Housing Rehabilitation and Economic Development.

Lauritzen: How do you decide who is eligible?

Bruni: All of our housing programs are income based eligibility.

Lauritzen: What are they doing for the seniors?

Bruni: A lot of seniors take advantage, if they qualify, of our housing rehab program, roofs, siding, windows. ... Again we lien the property so if they leave the property we can recoup. We do have restrictions tied in.

Lauritzen: Is some of this money going to the properties the City has foreclosed on? Is that money going to fix them up?

Bruni: Not in this particular plan. It could come from somewhere else or if we apply for any other grants or do any amendments, but for right now, for this public hearing it is for our 2014 Action Plan.

Lauritzen: Does this program pay for Mulberry House?

Bruni: No, that is a City department.

Lauritzen: I think it's great. We noticed that there are a lot of pools without fences around them. Would that be code enforcement?

Bruni: That would be code enforcement tied to the Department of Public works. Our plan has code enforcement that is for inspections of the homes that we may rehab. We have to fix code violations. If you have a leaky roof, paint peeling that is a code violation. We can't go into someone's home because they want a granite countertop. They have to have a code violation.

Lauritzen: So your code enforcement is completely separate?

Bruni: Yes.

Lauritzen: It is frustrating for us when it seems that there are more takers than givers. We're not poor enough to qualify and it we just put a new roof on our house that was \$10,000 that came out of our pocket. We can't go to the city and say, we need a new roof.

Bruni: Did you check?

Lauritzen: We would never think to.

Racine: You would be surprised. Most people qualify. Our funds are aimed at low and moderate income households. Moderate means that you earn 80% of the area median income. The area is Orange County which includes places like the Villages of Goshen and Warwick.

Lauritzen: Another question about the pool at Davidge Park. We are totally unhappy about the money being spent on it.

Bruni: That's Recreation and Parks.

Lauritzen: Maria, we think you're doing a great job!

Bruni: We're doing our best to serve low and moderate income households and creating jobs for the city.

Lauritzen: Where can we find copies of your next plan?

Racine: Well, first we have to write it. But they are available on line as they are due.

Lauritzen: We don't have a computer.

Racine: They are also available in our office and at the library.

Lauritzen: Really?

Bruni: Yes. As we said this 2014 Action Plan is the fifth year of a five year consolidate plan adopted in 2010. Each year we go through this process.

Lauritzen: Do the same people get funds every year or do you divvy it up?

Bruni: You must wait five years to reapply.

Racine: We have a thorough application process.

Lauritzen: Who goes through the applications?

Bruni: Our office.

Racine: Applicants fill out an application and provide proof of income records, like tax returns and bank statements. We go through a monitoring from HUD every year and we are required to provide documentation for each applicant. We also have a budget and a cap for each property that rehab. We have to file income and expenditure reports and a yearend report on our accomplishments.

Luaritzen: Thank you this was very informative.

Bruni: I now call this hearing for the 2014 Action Plan closed at 4:20.