

**AMENDMENT TO THE
2011 AND 2012 ACTION PLAN COMPONENTS OF THE
2010-2014 CONSOLIDATED PLAN FOR
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
FUNDING AS PREPARED BY THE
CITY OF MIDDLETOWN
OFFICE OF ECONOMIC AND COMMUNITY DEVELOPMENT**

A. BACKGROUND

The City of Middletown Office of Economic and Community Development (“OECD”) submitted a final 2011 Action Plan Component to the 2010-2014 Five-Year Consolidated Plan to the U.S. Department of Housing and Urban Development (“HUD”) on December 1, 2010. A public review period was undertaken from October 18, 2010 to November 27, 2010. The following allocations of Community Development Block Grant (CDBG) funding were made under the 2011 Action Plan:

- Program: Economic Development - \$100,000.00

The City of Middletown Office of Economic and Community Development (“OECD”) submitted a final 2012 Action Plan Component to the 2010-2014 Five-Year Consolidated Plan to the U.S. Department of Housing and Urban Development (“HUD”) on December 11, 2011. A public review period was undertaken from October 24, 2011 to November 24, 2011. The following allocations of Community Development Block Grant (CDBG) funding were made under the 2012 Action Plan:

- Program: Economic Development - \$85,000.00

The Substantial Amendment guidelines contained in the City’s Final Consolidated Plan for 2010-2014 requires that an Amendment be undertaken whenever the purpose, scope, location, or beneficiaries of an CDBG eligible activity is changed in a material way, such that the same is no longer consistent with the initial proposed activity contained within the applicable Action Plan when adopted subsequent to modifications made thereafter.

The City of Middletown Office of Economic and Community Development also wishes to announce that due an event of default by a participant in the Section 108 Loan Guarantee Program that it has redirected an amount of \$83,744.95 in Program Income derived from CDBG related activities in previous Program Years to render payment to the HUD on certain Section 108 obligations originated in 2003. The unanticipated reallocation of Program Income to cover this HUD Section 108 obligation has not impacted the Program Year 2011-2012 allocation of CDBG resources since the payment was made out of Program Income derived from CDBG activities unrelated to the 2011-2012 Program Year.

The City of Middletown OECD in an effort to respond to changed circumstances within the community, has identified that there is a need to create an Amendment to the 2011 Action Plan to reflect these changes.

B. AMENDMENT

The Amendment to the 2011 and 2012 Action Plans involves the reallocation of \$75,000.00 of funding from the sum allocated to the Economic Development Program to the Public Facilities Improvements Program. Attachment 1 summarizes the relevant changes to the originally submitted 2012 Action Plan. Attachment 1 features revised tables indicating the reallocation to projects included within the scope of the Amendment.

C. PUBLIC PARTICIPATION PROCESS

A public comment period on the Amendment will be conducted beginning on October 1, 2012 and ending on November 1, 2012. Any persons wishing to obtain a copy of the Amendment may do so at the City of Middletown Office of Economic and Community Development (OECD) at 16 James Street Middletown, New York 10940.

D. PUBLIC COMMENT ON AMENDMENT

Any person wishing to provide comments on the Amendment may do so in person or by writing to the Office of Economic and Community Development at the following address: Office of Economic and Community Development, Middletown City Hall, 16 James Street Middletown, New York 10940.

Attachment 1

2011 Revised Budget Allocations

	Grant
Code Enforcement	\$ 30,000.00
Single Family Rehab	\$240,000.00
Multi-Unit Rehab	\$ 51,921.60
Economic Development	\$ 75,000.00
Administration	\$105,480.40
Homebuyer Assistance	.00
Public Facilities Improvement	<u>\$ 25,000.00</u>
	\$527,402.00

2012 Revised Budget Allocations

	Grant
Code Enforcement	\$ 25,000.00
Single Family Rehab	\$180,000.00
Multi-Unit Rehab	\$ 79,004.80
Economic Development	\$ 35,000.00
Administration	\$ 92,251.20
Homebuyer Assistance	0.00
Public Facilities Improvement	<u>\$ 50,000.00</u>
	\$461,256.00