

**AMENDMENT TO THE
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) 2014 ACTION PLAN
TO REPROGRAM PRE-2014 FUND BALANCE**

A. BACKGROUND

The City of Middletown is a recipient of annual CDBG grant in accordance with statutory requirements undisbursed CDBG FY 2014 grant funds will be returned to the U.S. Department of Treasury if those funds are not disbursed by September 11, 2021. The City of Middletown has an undisbursed balance of \$33,556.10. This unusual occurrence for the City is due to a Housing and Urban Development accounting change subsequent to the 2014 grants. These 2014 grants were the last funds to be treated in a cumulative fashion under program-based, first in, first out accounting. The first in, first out method would apply any draw to the oldest account, thereby reducing those balances to zero. Today, the 2014 grant is the only account available under that cumulative program-based funding because all prior year accounts have each already been cancelled as required by regulations (24 CFR 570.200(k)).

The Amendment guidelines contained in the City's Citizen Participation Plan require that an Amendment be undertaken whenever the needs, goals, priorities or funding identified in an Action Plan 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 modification made thereafter. A substantial amendment is when there is a change in the needs, goals or priorities or funding (more than \$10,000) identified in the Plans. All other changes that do not meet the criteria defined above will be considered minor amendments and will not be subject to public comments.

The City of Middletown in response to a balance of CDBG grant funds has identified that there is a need to create an Amendment to the 2014 Action Plan.

At this time, The City of Middletown is submitting a substantial amendment to the approved 2014 Action Plan to address the following program change:

- Amend the Action Plan budget/Project allocation to include additional projects and activities utilizing the balance of CDBG funds due to be canceled

B. AMENDMENT

The Amendment to the 2014 Action Plan involves an allocation of CDBG funding from the federal department of Housing and Urban Development, in the amount of \$33,556.10 that will be used for and additional project and activity

The amendment is in regards to the following allocation addition and additional proposed project:

Estimated CDBG Budget

CDBG balance - \$33,556.10

Project	MATRIX CODE	OBJECTIVES	ACTIVITIES	CDBG
Public Services	05Z Public Services Recreational Services	LMA	Erie Way Park	\$ 33,556.10
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TOTAL				\$33,556.10

C. PUBLIC PARTICIPATION

A 30 - day public comment period on the Amendment will be conducted beginning on May 24, 2021 and will end at 4:30 on June 24, 2021 in accordance with the City's Citizen Participation Plan relative to CDBG. Any persons wishing to obtain a copy of the Amendment may do so on the City of Middletown website: www.middletown-ny.com on the Public Hearings page.

A public hearing will be held on June 7, 2021 at 4:00 pm. Those wishing to participate may do so virtually by registering at <https://middletown-ny.digitaltownhall.com/> OR attend in person in the Common Council Chambers, City Hall; 16 James Street, Middletown, NY 10940

D. PUBLIC COMMENT ON AMENDMENT

Any persons wishing to provide comments on the Amendment may do so by writing to the Office of Economic and Community Development at the following address: Office of Economic and Community Development; City Hall; 16 James Street; Middletown, New York 10940 or by email to CommDev@Middletown-NY.com or at the public hearing.

Attachment 1

A. Project and Activity Descriptions

1. Public Services

24 CFR 570.201 (e) allows for the provision of public services (including labor, supplies, and materials) including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation, welfare (but excluding the provision of income payments identified under § 570.207(b)(4)), homebuyer downpayment assistance, or recreational needs.

The City of Middletown intends to use a 2014 CDBG fund balance to assist in the equipage of a new urban park. These funds will leverage state and local funds in the amount of \$1,566,881.00

In particular:

- A. The park has a need for safety fencing to protect park users from increased traffic on a narrow street with a sharp corner next to the park.
- B. Various other equipment that increases safety and sanitation and provides for the recreational needs of the community.