

**CITY OF MIDDLETOWN CONNECTICUT**  
*Department of Planning, Conservation, & Development*

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C O M M U N I T Y   D E V E L O P M E N T

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**TO:** All Interested Parties

**FROM:** Michiel Wackers  
Community Development Specialist

**DATE:** December 31, 20088

**RE:** Notice of Funding Availability -- Community Development Block Grant Program, Year 35

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Pursuant to the City of Middletown's *Citizens' Participation Plan* and the regulations of the U.S. Department of Housing and Urban Development, the Citizens' Advisory Committee will hold a public hearing to provide citizens and citizen organizations with an opportunity to comment on the use of an estimated \$400,000 in anticipated Community Development Block Grant (CDBG) entitlement program for the 2009 grant year.

The city is interested in proposals for projects pursuant to the goals and strategies outlined in the city's 5-year *Consolidated Plan of Housing & Community Development*, a summary of which will be included in the grant application. The City of Middletown will accept applications for any project which demonstrates a public benefit, fulfills an objective of the *Consolidated Plan*, or is otherwise consistent with CDBG program guidelines.

The hearing will be held on Wednesday, March 18<sup>th</sup>, 2009 at 5:00 p.m. in the Common Council Chambers of the Municipal Building, 245 deKoven Drive. Each proposal will be granted a five-minute time slot to present their proposal. The Citizens' Advisory Committee of the City of Middletown has established certain requirements for organizations who would like to receive program funds. Therefore, persons and organizations interested in submitting funding requests and/or commenting on the use of funds should obtain applications which are available in the Community Development Division of the Department of Planning, Conservation and Development, Room 202 of the Municipal Building, or download them from the department's website, at <http://www.middletownplanning.com>.

On Wednesday, January 21, 2009 at 9:30 a.m. in Room 208, and Wednesday, February 4, 2009 at 9:30 a.m. in Room 208, there will be a voluntary CDBG application seminar for grantees to learn about the application process and ask questions.

Completed funding requests should be returned to the Community Development Division of the Department of Planning, Conservation and Development no later than 3:00 p.m. on Tuesday, February 17, 2009.

For more information go to <http://www.middletownplanning.com>.

## PY34 CITY OF MIDDLETOWN COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

ANTICIPATED FUNDS AS OF 01.01.2009

### INCOMING FUNDING\*

PY35 ENTITLEMENT ( <i>ESTIMATED</i> )	\$- 400,000.00
<u>REPROGRAMMING</u>	<u>\$- 0.00</u>
TOTAL AVAILABLE	\$- 400,000.00

\* INCOME FIGURES ARE ESTIMATES ONLY.

### OUTGOING FUNDING

MAXIMUM AVAILABLE FOR PUBLIC SERVICE	\$- 60,000.00
MAXIMUM AVAILABLE FOR PLANNING AND ADMINISTRATION	\$- 80,000.00
MINIMUM RESTRICTED TO EXPENDITURE ON LMI ACTIVITIES	\$- 224,000.00
MAXIMUM AVAILABLE FOR SLUM/BLIGHT OR URGENT NEED ACTIVITIES	\$- 96,000.00

### Public Service- Designated Grants

The Citizens' Advisory Committee seeks to fund three grants of \$15,000 each for three specific public service programs. The three grants are for:

After School Program- The Citizens' Advisory Committee wants to fund a comprehensive after school program that will provide tutoring and enrichment activities to children of low and moderate income households. The goal for the program is to provide a program to service at least 50 children.

Employment training Program- The Citizens' Advisory Committee wants to fund a job placement and employment training program to provide low and moderate resident of Middletown meaningful long-term employment. The goal for the program is to provide this service to at least 30 individuals.

Homeowners Counseling Program- The Citizens' Advisory Committee wants a program that would target low and moderate income homeowners in Middletown that are going through foreclosure or at-risk of foreclosure. This grant would be awarded to the organization best able to provide counseling that will help Middletown residents stay in their homes. The goal for the program is to provide assistance to at least 60 households.

*Instructions and Advice*

1. Please make sure you have received a full and up-to-date application form. Only current and complete application forms will be considered for funding. The application is titled "2009(PY35) Entitlement Sub-grantee Application Form". **Note:** In addition to the application, you must also submit your signed Statement of Agreement (on page 8 of this packet).
  
2. If you are not familiar with Middletown's CDBG program, or the CDBG program in general, consider taking the time to familiarize yourself with the following two key documents, available at the DPCD office, the library, or online at [www.middletownplanning.com](http://www.middletownplanning.com).

- Ø *City of Middletown Consolidated Plan for Housing and Community Development September 1, 2005 to August 31, 2010*
- Ø *Community Development Block Grant Program: Guide to National Objectives and Eligible Activities for Entitlement Communities*

CDBG funds are federal money, subject to federal regulations. If you receive CDBG funds, you will have to abide by an elaborate framework of federal laws and regulation, the scope of which ranges from issues of labor to environmental protection. The community development staff for the city is on hand to answer questions and help you navigate through these laws, but the ultimate responsibility lies with you the applicant.

3. Glossary  
 Understanding the following definitions will make the application process easier for you.

**Low and moderate income.** Low- and moderate-income persons are defined as persons residing in households with total gross household income at or below the HUD-established moderate income threshold for a household of that size. \*If you apply for a grant through the CDBG program that is *not* for "area benefit," you will have to document that the persons benefited by your project are indeed "low and moderate income." The following table is of current income thresholds applicable to the City of Middletown.

Hartford MSA	Family size	1	2	3	4	5	6	7	8
Median Family	Very Low-Income	\$ 16,850	\$ 19,250	\$ 21,650	\$ 24,050	\$ 25,950	\$ 27,900	\$ 29,800	\$ 31,750
Income:	Low-Income	\$ 28,050	\$ 32,100	\$ 36,100	\$ 40,100	\$ 43,300	\$ 46,500	\$ 49,700	\$ 52,950
\$ 80,200	Low/Mod-Income	\$ 41,700	\$ 47,700	\$ 53,650	\$ 59,600	\$ 64,350	\$ 69,150	\$ 73,900	\$ 78,650

**Income.** Income is defined as any form of financial support received by a person or household including wages, salaries, tips, and commissions; self-employment including proprietorships and partnerships; interest, dividends, net rental income or income from estates and trusts; Social Security, pension, or other forms of public assistance; veterans payments; unemployment compensation; and alimony or child support.

**CAC.** Citizens' Advisory Committee. This is the city committee, appointed by the mayor, who reviews CDBG applications and makes final funding recommendations to the Common Council and HUD.

**CDBG.** Community Development Block Grant

**HUD.** United States Department of Housing and Urban Development

**DPCD.** City of Middletown Department of Planning, Conservation, and Development

**Household.** A household is defined as all persons who occupy a single housing unit. The occupants may be a single family, a person living alone, two or more families living together in one unit, or any other combination of related or unrelated persons sharing a housing unit.

**Rehabilitation.** Rehabilitation is defined as physical improvements to existing housing structures. A minimum of 51% of the units within a CDBG-funded rehabilitation project must be rented or sold to low and moderate income persons at a rent (inclusive of utilities) or calculated mortgage payment that does not exceed 30% of the adjusted gross household income.

**Public service.** Up to 15% of the CDBG budget may go to Public Service projects. Public service activities include, but are not limited to, those concerned with employment, crime prevention, education, child care, health, and recreational needs. To be eligible for CDBG assistance, a public service must be a new service or a quantifiable increase in the level of an existing service. Income payments are ineligible.

**Public facility.** A public facility is a structure that is owned or operated by a public or not-for-profit entity and used primarily as a site for the delivery of services to low- and moderate-income persons or the disabled.

4. Your application will be reviewed by staff and members of the Citizens' Advisory Committee and assessed on the merits of criteria described in the "Assessment of Proposals," included on the following pages. Many of the questions in the application, however, are there to translate the projects' content into federal formulas (not to disqualify or disadvantage particular applications), so please answer objectively and candidly.

## Assessment of Proposals

### Staff Questions

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- \_\_\_ 1. Project addresses a priority cited in the *Consolidated Plan for Housing and Community Development, 2005-2010*. If addresses Priority One= 10 points; if addresses Priority Two= 8 points; if addresses Priority Three= 6 points; addresses Priority Four= 4 points; addresses Priority Five= 2 points; if no need addressed = 0 points. (Corresponds to Question 7a on the Application.)
- \_\_\_ 2. Project implements one or more of the objectives cited in the *Consolidated Plan for Housing and Community Development, 2005-2010*. If addresses:
- Community Development Objective= 10 points
  - Rental Housing Objective= 8 points      Owner Housing Objective= 8 points
  - Lead-Based Hazards Objective= 8 points      Fair Housing Objective= 8 points
  - Economic Development Objective= 6 points
  - Homeless Objective= 4 points      Special Needs Objective= 4 points
  - Public Facilities Objective= 4 points      Public Service Objective= 4 points
  - Infrastructure Objective= 2 point
- (Corresponds to Question 7b on the Application.)
- \_\_\_ 3. Cost of proposed project will be shared between CDBG and other sources. Score 10%-25%= 1 point; 26%-50%= 2 points; 51%-75%= 3 points; 76%-100%= 4 points; 101% and greater= 5 points (must show commitment letters.) (Corresponds to Question 18 on the Application.)
- \_\_\_ 4. Bonus Points- 10 additional points for an application that addresses a Strategy not yet implemented in the *Consolidated Plan for Housing and Community Development, 2005-2010*. See table on next page.

### Committee Questions

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- \_\_\_ 5. Application is complete. If yes = 5 points; if no = 0 points and the application shall be rejected.
- \_\_\_ 6. Project meets basic eligibility criteria as established by HUD. If yes = 5 points; if no = 0 points and proceed no further. (Corresponds to Question 5, 6, 7 on the Application.)
- \_\_\_ 7. Project clearly benefits primarily Middletown residents. If nature of the project is such that only Middletown residents will be served = 5 points; if not, but applicant makes a case that the concern will be addressed with earmarking = 3; if it seems likely that Middletown CDBG funds will be spent on non-Middletown residents = 0. (Corresponds to Question 10c on the application.)
- \_\_\_ 8. Project clearly shows direct or indirect benefit to low/mod persons. Score from 0, 3, or 5, with 5 representing highest direct benefit and 0 representing no benefit. (Corresponds to Question 8, 9 and 10 on the Application.)
- \_\_\_ 9. Proposed project addresses the needs of groups presumed to be beneficiaries such as the homeless, public housing residents and the handicapped. If yes = 5; if no = 0. (Corr. to Qu. 10 on the App.)
- \_\_\_ 10. Likely community impact of the project, relative to its size, is: high = 25 points, medium = 15 points, low = zero points. (based on the assessment of the proposal)
- \_\_\_ 11. Organization Capacity, is: very capable= 10, moderately capable= 5, not capable=0. (Corresponds to Question 20 on the application.)

### Project Specific Questions

#### Construction/Rehab

- \_\_\_ 12. Organization has site control. If currently in control of site = 15 points; if option to control or binder = 8 points; if the project has no control over a site = 0 (Corresponds to Question 21 on the Application.)

#### Public Service

- \_\_\_ 12. Proposal clearly identifies how program will be sustained financially after one year of CDBG funding. If future funding is secured = 15; if a viable strategy for future funding has been identified = 8; if future funding is not seriously addressed = 0 (Corresponds to Question 22 on the Application.)

Economic Development

\_\_\_ 12. Proposal clearly identifies how the proposal will be made available to Middletown residents. If the proposal does address clearly how it will be made available = 15; if the proposal does address how it will be made available, but not sufficiently = 8; if the proposal does not address how it will be made available = 0. (Corresponds to Question 23 on the Application.)

Planning

\_\_\_ 12. Proposal clearly identifies how this study will then be followed by an actual project that will be implemented and benefit Middletown residents. If the proposal does address clearly how the study will be carried through to implementation = 15; if the proposal does address how the study will be carried through to implementation but not sufficiently = 8; if the proposal does not address how the study will be carried through to implementation = 0 (Corresponds to Question 24 on the Application.)

## **Bonus Point Projects- Strategies not yet implemented from the 2005-2010 Consolidated Plan.**

### **Special Needs Objectives**

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Strategy 9 Continue to support anti-drug, addiction and transitional programs.

### **Rental Housing Objectives**

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Strategy 11 Support the redevelopment of downtown areas and the construction of and/or conversion of alternative space into affordable rental housing.

Strategy 12 Support the expansion of Rehabilitation Loan program to include conversion of upper story floors of Main Street buildings for residential affordable use and market rate housing.

### **Owner Housing Objectives**

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Strategy 15 Partner with Banks to offer favorable loans to first-time low- and moderate income home buyers that are secured with loan guarantees or subsidies to reduce the interest.

### **Public Service Objectives**

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Strategy 23 Continue to improve access to transportation to seniors, disabled adults and low-income residents to get to shopping areas, medical facilities, educational and employment opportunities.

Strategy 25 Support programs that increase access to healthcare to those of low- and moderate-income.

Strategy 27 Continue to study the effect that an aging population will have on Middletown and implement programs to not only assist those elderly who are in need to take advantage of the body of knowledge, expertise, and volunteerism that this segment of the community can apply to address a range of community needs.

### **Economic Development Objectives**

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Strategy 31 Rehabilitate historic industrial sites in Middletown such as the North End, to be then used as a business incubator creating new jobs.

Strategy 32 Take advantage of the success of downtown Middletown as a entertainment and restaurant center to increase employment by attracting retail and business establishments.

Strategy 33 Reclaim former industrial sites on the riverfront as a mixed-use commercial/recreational area on the 85-acre site to reinvigorate residential neighborhoods and connect to all new development downtown.

Strategy 34 Continue efforts to attract businesses through the Enterprise Zone and Target Investment Community Incentives, and the local Tax and Business Incentive Ordinance.

### **Lead-Based Paint Hazards**

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Strategy 37 Continue testing at-risk children and provide families with educational materials on the hazards of lead-based paint.

Strategy 38 Continue to support Middletown's application for Federal Lead Abatement Grants.

### **Fair Housing**

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Strategy 39 Continue to actively support the involvement of housing activists with the Human Relations staff to unilaterally and expeditiously deal with inquires and complaints.