



City of Newburgh, NY

**Five Year Consolidated Plan
2010-2014
and
FY 2010 Annual Action Plan**

November 2009

Saccardi & Schiff, Inc.

City of Newburgh, NY
2010 – 2014 Consolidated Plan
and
FY 2010 Annual Action Plan

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November 2009

**City of Newburgh, NY
2010-2014 Consolidate Plan and
FY 2010 Annual Action Plan**

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Executive Summary

A. Consolidated Plan

This Consolidated Plan covers fiscal years 2010 through 2014. It is prepared in compliance with the requirements of the U.S. Department of Housing and Urban Development (HUD) as a plan for the City of Newburgh to spend approximately \$4.15 million in Community Development Block Grant (CDBG) funds over a five year period.*

This document presents a strategic plan to address the three goals established by federal statute for these programs: providing decent housing; providing a suitable living environment; and providing expanded economic opportunities. These programs are primarily aimed to benefit families and individuals of low to moderate income.

The Consolidated Plan, as required by HUD, is an important policy document. It sets forth both housing and community development needs in one document and establishes priorities and strategies for meeting identified needs, consistent with available funding sources.

Housing and Community Development Needs

The Needs Analysis provides a comprehensive evaluation of housing needs in the City including an estimate of needs based on HUD data, an analysis of specific housing problems, and an analysis of groups with disproportionately greater needs. The purpose of this analysis is to provide guidance to the City, as well as to community development grantees, housing developers and non-profits as to the extent and characteristics of these housing needs. Further, the analysis will be utilized to define priorities for the allocation of public resources in the provision of housing assistance will serve identified needs of residents in a targeted manner in order to leverage limited resources.

Community Development needs the City of Newburgh include four broad categories:

- Infrastructure Improvements;
- Economic Development/Job Creation;
- Public Services; and
- Rehabilitation of Private Property.

Although treated separately from housing needs in this Consolidated Plan, community development and housing are closely linked in a number of areas, including the low and moderate income Census tracts and block groups where activities are targeted to occur, and in affordable housing projects that may have public service or infrastructure components. The

* Based on an estimated 2009 CDBG allocation of \$830,000 for the City of Newburgh.

relationship between economic development activities and housing has become increasingly important as residents need literacy and job skills in order to obtain employment that will provide the income needed to afford housing.

Strategic Plan

The strategies for the City of Newburgh outline priorities and objectives for each major category of potential funding. They also cite obstacles that need to be addressed to help meet the stated objectives.

Major initiatives are geographically defined and include the Lander Street area as a primary target area and Census blocks 4 and 5 as secondary target areas. Hence, new projects in the Landers Street area will be given priority treatment. Past progress has occurred throughout the City without geographic foci due to the needs that exist all through the City. It is estimated that 70% or more of the City's CDBG funds will be directed to the primary target and secondary target areas through programs and projects aimed towards the provision of decent housing, the provision of a suitable living environment and expansion of economic opportunities.

Based on the assessment of needs, overall priorities are established in the area of housing, homelessness, special needs housing and community development. Each reflects the targeting of efforts to those households and facilities more in need, taking into consideration the importance of maintaining and improving housing opportunities in the City, expanding economic development opportunities, improving the City's low and moderate income neighborhoods most in need of revitalization, improving neighborhoods and providing support to homeless and special needs populations.

Priorities for public services include basic needs such as job training and literacy to support workforce development and community strengthening and community building activities.

Following the section that outlines the City's strategies are a number of additional strategies required by HUD to be articulated as part of the Consolidated Plan, they provide additional focus on:

- Homeless Housing and Services
- Anti Poverty
- Lead Paint
- Housing Opportunities for Persons with AIDS
- Special Needs
- Barriers to Affordable Housing

Objectives identified in the Five Year Strategy are summarized as follows:

1. Provide rehabilitation assistance.
2. Provide opportunities for additional ownership and rental housing.
3. Expand the supply of affordable housing in good condition that meets the needs of the City's diverse households and family structures.

4. Upgrade the physical condition of targeted areas and City as a whole; create and retain jobs, and provide housing opportunities close to employment opportunities.
5. Maintain, repair and upgrade infrastructure to support revitalization and rehabilitation.
6. Provide limited resources to public and non-profit organizations that provide services to low income households.
7. End chronic homelessness and move families and individuals to permanent housing and eliminate homelessness due to housing market conditions by stabilizing housing tenure through financial and policy supports.
8. Expand crisis supports to meet the needs of homeless households and those potentially facing homelessness.
9. Reduce the number of families living in poverty.
10. Reduce lead based paint hazards in the City
11. Subsidize rental assistance through non-profit agencies for the HIV/AIDS population in Orange County.
12. Enhance opportunities for housing and support services for special needs populations.
13. Continue to identify and address major impediments to the creation of affordable housing at the local level.

HUD Required Documentation

All required supplemental data and information, including subsidized housing data, notice of public hearings, written comments and other HUD required documentation is provided in the Appendices.

Citizen Participation and Public Hearings

In preparation of this Consolidated Plan, the City consulted and coordinated with agencies serving the City including, the public housing agency, City and Orange County departments and agencies, and non-profit organizations that were interested in providing input on housing and community development needs and strategies. A direct mailing was completed at the beginning of the Consolidated Plan development process. This mailing notified interested parties of the beginning of the development process and invited them to the first public hearing. A survey was sent to interested parties during the Plan development process. In response to a recommendation in the 2005-2009 Consolidated Plan, the City convened an advisory committee (the CDBG Advisory Committee) of interested citizens and service providers to assist with development of the 2010-2014 Consolidated Plan and the 2010 Annual Action Plan. This committee met several times during the Consolidated Plan planning process. In response to a recommendation from the advisory committees, the Lander Street target area was canvassed door-to-door to obtain resident input and opinions about community needs.

The City held two public hearings. The first gather input regarding community needs. The purpose of the second public hearing was to give the public a chance to comment on the priorities and activities outlined in the Plan. A draft of the Consolidated Plan was available for public review and comment for a 30-day period.

The final plan takes into account all comments made by the public.

A revised Citizen Participation Plan accompanies the Consolidated Plan document. It calls for the hearings cited above and the advisory committee. A technical assistance process is also provided.

B. One Year Action Plan

Evaluation of Past Performance

The City of Newburgh has encountered a number of challenges to meeting the underserved needs of residents. The greatest obstacle, lack of financial resources, is met by continuing and on-going efforts to seek funding from private and public sources. Specific efforts have included:

Affordable Housing: The City's 2005-2009 primary housing priority was rehabilitation of sub-standard housing. The City placed emphasis on the redevelopment of deteriorated property for owner-occupancy. The City conveyed properties to non-profit partners, funded a Historic Preservation Program to provide support to residential property owners and funded down-payment assistance.

Public Housing: The Newburgh Housing Authority, which had been designated as "troubled" received technical assistance from the City on funding, administration and physical management. The "troubled" designation was removed from the authority in 2008.

Anti Poverty Strategies: The City has supported economic development programs, including a Business Loan Program, with the goal of increasing employment opportunities for poverty level families.

Upgrading the Living Environment: The City has made substantial investments in infrastructure and park improvements in low and moderate-income neighborhoods. Projects include the Renwick Street Infrastructure Project, the First Street Fishing Pier and improvements to Tyrone Crabb Park.

FY 2010

The City of Newburgh One Year Action Plan outlines the proposed use of approximately \$840,000 in funds, representing the City's estimated \$830,000 annual allocation of CDBG funds and an estimated \$10,000 in program funds that the City expects to receive. Funds will be spent on housing and community development activities including rehabilitation of owner occupied and rental units, rehabilitation assistance, clearance, historic preservation/façade improvement activities, street tree planting, and public services. Most activities will be carried out in the Lander Street primary target area and the Census tracts 4 and 5 secondary target area. Some activities may serve residents be City-wide. At least 70% of these funds will be used to benefit extremely low, low and moderate income persons.

The use of past CDBG funds for loan activities results in the City of Newburgh earning program income, primarily from loan repayments. Program income will be reviewed during the first quarter of FY 2010. As program income is identified the City would have the opportunity to amend its annual action plan to utilize these funds as appropriate.

Proposed FY 2010 CDBG Allocations

Homeowner Rehabilitation	\$178,150
Rental Rehabilitation Program	\$235,023
Clearance	\$70,000
Rehabilitation: Historic Preservation Activities/Façade Improvement	\$75,427
Public Services: Workforce Development/Job Training	\$75,000
Public Services: Strong Neighborhoods/Strong Families Initiatives	\$33,816
PFI: Street Tree Planting	\$5,000
Public Services: Neighborhood Policing	\$12,000
Administration and Planning	\$149,401
TOTAL	\$833,817

I. Introduction/Citizen Participation

A. Community Profile

The City of Newburgh, New York, a 3.2 square mile urban area on the eastern edge of Orange County and bordering the western shore of Hudson River. The City is surrounded on three sides by the suburban towns of Newburgh and New Windsor.

Newburgh is located approximately 65 miles north of New York City. The City is proximate to major transportation routes, including Interstate 87 (locally, the New York Thruway, which runs north-south). Interstate 84 (which runs east-west) and (State) Route 17K.

B. Entitlement Community Status

The Consolidated Plan is a five-year plan, required by the United States Department of Housing and Urban Development (HUD) that serves as a comprehensive strategy to address the needs of low- and moderate-income residents in the City of Newburgh. The plan identifies community needs and provides a strategy to address those needs using Community Development Block Grant (CDBG) funds, HOPWA funds (which are administered by the City of Poughkeepsie for Dutchess and Orange Counties), Section 108 funds and other City resources.

The City also participates in the Orange County HOME consortium. The City of Newburgh is required to complete a Consolidated Plan by virtue of it being its own entitlement community under the CDBG Program. The City works closely with the Orange County Office of Community Development as a member of the County's HOME consortium. The City solicits applications for owner-occupied rehabilitation projects for referral to the County program, and participates in the application and evaluation process for Newburgh projects submitted to the Rental Reduction Program.

The City participates in the Orange County Neighborhood Stabilization Program (NSP), which was developed as part of the Housing and Economic Recovery Act of 2008. The purpose of the NSP program is to assist in the redevelopment of abandoned or foreclosed homes. Strategies and actions, as they apply to the City of Newburgh, which is a target area for the program, are contained in an Amendment to the Orange County Fiscal Year 2008 CDBG Annual Action Plan Neighborhood Stabilization Program (NSP), dated January 30, 2009.

The City of Newburgh received a total of \$225,632 through the American Recovery and Reinvestment Act of 2009 (the Recovery Act). These one-time funds are earmarked to the City as a CDBG entitlement grantee and are referred to as CDBG-R.

C. Consolidated Plan Process

This 2010-2014 City of Newburgh Consolidated Plan has been prepared in accordance with the U.S. Department of Housing and Urban Development's (HUD) Consolidated Plan regulations (24 CFR Part 91).

The main purpose of consolidated planning is to develop the plan through a collaborative process whereby a community establishes a unified vision for community development actions. This Plan outlines the priorities by which the City's CDBG Program funds will be administered over the next five years. An Action Plan, which describes how funds will be spent each year to address the needs in the Consolidated Plan, must also be prepared and submitted to HUD annually.

Consistent with a proposal in the 2005-2009 Consolidated Plan, the City convened a CDBG Advisory Committee to assist with the development of this Consolidated Plan and 2010 Annual Action Plan. The CDBG Advisory Committee membership list is located in the Appendix.

This five-year plan serves the following purposes for the City of Newburgh:

- 1) Integration of its housing and community development programs with guidance by, and accountability to, citizens generally, and especially those who can benefit the most from the effective implementation of these programs;
- 2) Application to the U.S. Department of Housing and Urban Development for formula-based Community Development Block Grant (CDBG);
- 3) Identification of specific strategies for the implementation of the CDBG program for the period of 2010-2014; and
- 4) Providing guidance for the annual action plans for the use of CDBG funds, to allow for performance measurement.

Through the planning process, the City has determined that this Consolidated Plan will incorporate a primary target area and secondary target areas that will better focus the use of limited resources.

The Plan also discusses priorities which will not be funded by the CDBG program but are integral to any successful community development strategy. These priorities are not recommended for CDBG funds because they are either ineligible for such funding or they can be addressed by other funding sources. The City has, however, identified unspent resources from prior years that will be reallocated during the 2010-2014 Plan period.

The goals of this Plan reflect the three main goals of HUD's consolidated planning efforts which include:

- * *Provision of decent housing*
- * *Provision of a suitable living environment*
- * *Expansion of economic opportunities*

The City has prepared this Consolidated Plan in accordance with its Community Participation Plan contained in its 2005-2009 Consolidated Plan with the intention of promoting these statutory goals through a collaborative process which encourages resident participation and partnerships between the City, other municipalities, social service providers and the public.

D. 2010-2014 Citizen Participation Plan

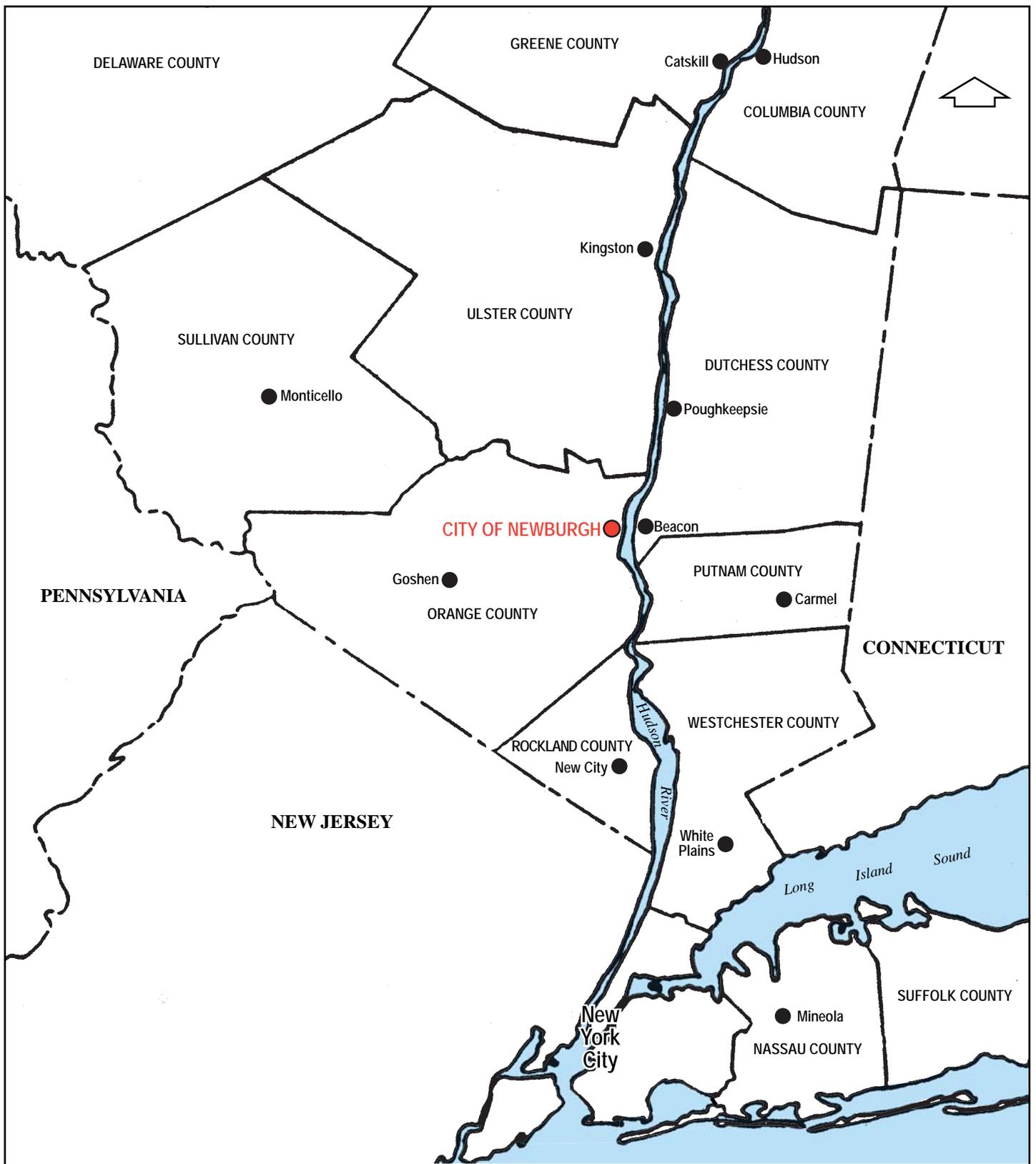
A copy of the Citizen Participation Plan is located in the Appendix.

E. Federal Income Definitions

The income definitions used for the Consolidated Plan, which is part of the federal CDBG and HOME program, are based on definitions used by HUD. Persons or households with an income less than 80 percent of the area median income (AMI) are within the income range targeted by the goals, policies and strategies of the Consolidated Plan. Census block groups where 51 percent or more of the households have incomes less than 80 percent AMI are referred to as CDBG target areas.

**Table I-1
FEDERAL INCOME DEFINITIONS**

Income (% of AMI)	Federal CDBG Definition
0-30%	Extremely Low
31-50%	Low
51-80%	Moderate
Income (% of AMI)	Federal HOME Definition
0-30%	Extremely Low
31-50%	Very Low
51-80%	Low



REGIONAL LOCATION

**CONSOLIDATED PLAN 2010-2014
City of Newburgh, New York**

Saccardi & Schiff, Inc. - Planning and Development Consultants

II. Managing the Process

A. Lead Agency

The lead agency for the preparation of the Consolidated Plan is the City of Newburgh Department of Planning and Development. This department also coordinates the resources available through the CDBG, County NSP, County HOME, HUD Section 108 Loans and other programs.

1. Institutional Structure and Coordination

The institutional structure involved in the creation of the Consolidated Plan is comprehensive and extensive. The lead agency is responsible for ensuring that the public and all interested agencies are part of the structure that creates this Plan. In addition to the Lead Agency, the structure involves the public, municipal officials, private non-profit organizations, church and community organizations, the public housing agency and other public institutions. This same structure will implement the Plan.

To ensure participation of the groups listed above, the City:

- * provides technical assistance to all groups interested in submitting ideas to be incorporated in the Consolidated Plan or projects to be included in an action plan
- * keeps all groups informed of the status of plans and their opportunity to participate through direct mailing, press releases and legal notices
- * facilitates the flow of information among groups involved in the plan development

In addition to participating in the development of the Plan, most of these organizations participate in the implementation of the Plan. They achieve this through their participation in the development of the annual action plans which outline the specific activities that will take place to address the priorities outlined in the Consolidated Plan. These organizations make up the City's service delivery system. The City is required to periodically assess the strengths and weaknesses of this system to ensure that the City is able to implement the Consolidated Plan goals. These strengths and weaknesses are reviewed in detail in the Strategic Plan section of this Plan.

B. Required Consultation

In preparation of the Consolidated Plan, the City of Newburgh consulted and coordinated with appropriate public and private agencies to assure that the Consolidated Plan is a comprehensive document that addresses statutory requirements. Consultation and coordination efforts included outreach, in-person, by mail and or by telephone to over 50 agencies that service the City of Newburgh. This mailing notified interested parties of the beginning of the development process and invited them to the first public hearing. A survey was sent to interested parties during the Plan development process. A list of agencies and services providers that received a survey, and follow-up outreach as necessary, is included in the Appendix.

Outreach meetings and/or materials described the Consolidated Plan process, HUD's intent in consolidating grant submissions, and the importance of participation by interested agencies in providing input on housing and community development needs and strategies.

Special efforts were made to reach the Spanish speaking population and to consult with social services agencies regarding housing needs of children, elderly persons, persons with disabilities, homeless persons, and others with special needs.

In addition to the survey, specific outreach was made several services providers and agencies, including:

The City of Newburgh Public Housing Authority
The City of Newburgh Department of Human Services
Orange County Department of Social Services
Orange County Department of Health
Ecclesia Ministries
Habitat for Humanity of Greater Newburgh
Pathstone (formerly Rural Opportunities, Inc.)
RECAP
Steven Saunders Residence

The Towns of Newburgh and New Windsor, Orange County and the City of Poughkeepsie were notified of the proposed Consolidated Plan. A copy of the mailing is included in the Appendix.

C. Citizen Outreach and Participation

To best meet the intent of the Consolidated Plan in terms of promoting neighborhood and community development strategies to revitalize communities, the City of Newburgh Department of Planning and Development has followed a detailed citizen participation plan to assure the opportunity for citizen participation to occur in a comprehensive context.

The citizen participation elements include conducting hearings that are accessible and adequately publicized; and meeting the needs of non-English speaking residents and others with special needs, such as persons with mobility, visual or hearing impairments.

The City held two public meetings during the consolidated planning process. A needs hearing was held on Monday, August 10, 2009 at 7pm in the City Council Chambers, 83 Broadway. This public hearing was held as part of a City Council meeting. This meeting was recorded and later made available on public television. Information about the consolidated planning process, the funding anticipated to be received and past performance was presented. Public comments about community needs were obtained during this hearing.

The City undertook targeted outreach to the Lander Street area. VISTA volunteers, coordinated through the City's Strong Neighborhoods/Strong Families program, and City staff conducted door-to-door canvassing of the neighborhood using a questionnaire. A copy of the questionnaire, which was available in both English and Spanish, is provided in the Appendix.

Prior to the second meeting, a summary of the proposed Consolidated Plan and FY2010 Annual Action Plan was published in the Mid-Hudson Times and Sentinel, providing a 30 day written comment period. The Draft Consolidated Plan was made available at the City of Newburgh Department of Planning and Development, the Newburgh Free Library and posted on-line at the City's web site: <http://www.cityofnewburgh-ny.gov/devel/docs/ConsolidatePlanFY2010-2014FinalDraft-2.pdf> for review by local agencies, the non-profit sector, local residents, the County, adjacent municipalities and the general public. Executive summaries of the plan were also available for review at the above locations. Adjacent jurisdictions, including the Town of Newburgh and the Town of New Windsor were notified in writing of the availability of the Draft Consolidated Plan. Orange County and the City of Poughkeepsie were also notified.

In addition, the CDBG advisory committee met at the beginning of the Plan development process, prior to the first public hearing, and during the development of the Plan.

Copies of mailings and a listing of agencies and jurisdictions that received mailings are provided in the Appendix.

D. Data Sources

Data sources included, but were not limited to:

- City of Newburgh 2005-2009 Consolidated Plan
- City of Newburgh 2008 Action Plan
- City of Newburgh Sustainable Master Plan 2008
- City of Newburgh Impediments to Fair Housing Analysis, November 2006
- Orange County Consolidated Plan 2005 to 2009 Executive Summary

- Orange County Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Homelessness Prevention and Rapid Re-Housing Program
- Orange County Neighborhood Stabilization Program Amendment
- Orange County Community Health Assessment 2005-2010
- A Three-County Regional Housing Needs Assessment: Orange, Dutchess and Ulster Counties 2006 to 2020
- New York State Office of Children & Family Services, The Domestic Violence Prevention Action, 2008 Annual Report to the Governor and Legislature
- New York State Department of Health, Eliminating Childhood Lead Poisoning in New York State: 2004-2005 Surveillance Report
- US Census 2000
- US Department of Housing and Urban Development
- Various City and County Departments

III. Housing and Community Development Needs

The analysis performed in this section of the Consolidated Plan provides an overall picture of the City of Newburgh's community development and housing needs. To both identify and describe its housing and non-housing community development needs for the purposes of the Consolidated Plan, the City referred to relevant information from reports and studies generated by various agencies that document housing, community development and economic development needs and implementation strategies, which are referenced throughout the text. In developing the Needs Analysis section of the Consolidated Plan, the City utilized a variety of sources (see Section II. Managing the Process), updated demographic information was obtained from ESRI Business Information Solutions, a proprietary data source that produces estimates and projections using 2000 U.S. Census baseline data. Citizen input was obtained pursuant to the City's public participation process, including two public hearings, three meetings of the CDBG Advisory Committee and consultations with service providers regarding housing, homelessness and community development needs. Residents along Lander Street, a target area for this plan were also asked for input.

The objective of this Community Development and Housing Needs Assessment is to provide a comprehensive evaluation of needs in the City of Newburgh. This Needs Assessment will assist citizens and grantees in establishing priorities and allocating available resources - principally for low, very low and extremely low-income households. Definitions of key terms used throughout this Community Development and Housing Needs Assessment are included in Appendix A.

A. City Overview

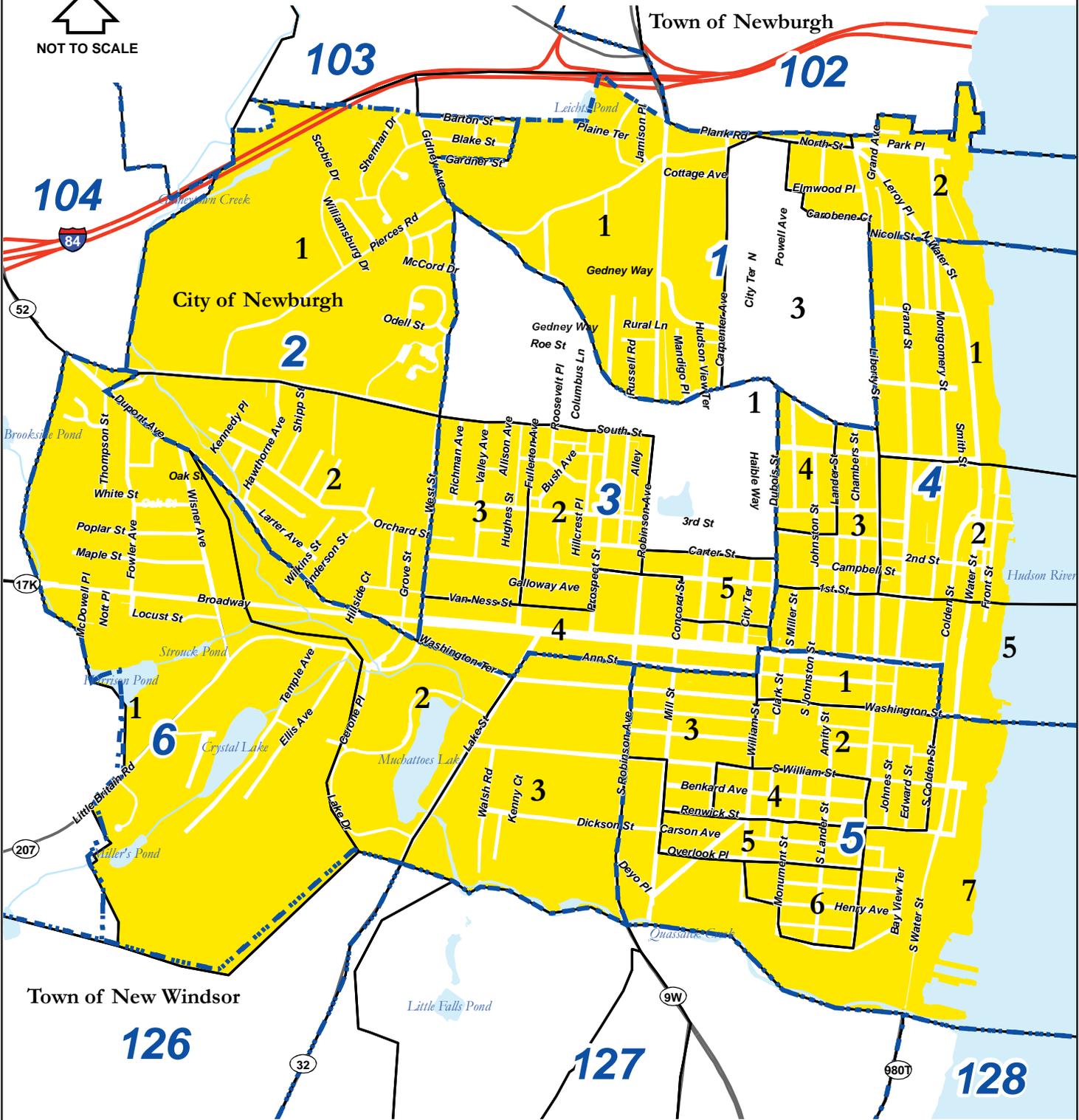
Table III-1 provides a statistical portrait of Census tracts in the City of Newburgh, including those with a concentration of low/mod-income households. This table was compiled from a special run of Census 2000 data that are largely not available through standard Census products. These "special tabulation" data are used by local governments for housing planning as part of the Consolidated Planning process. HUD also uses some of these data in allocation formulas for distributing funds to local jurisdictions. These data are typically referred to as the "CHAS Data." The CHAS data are different from the standard Census 2000 data files. They are mostly comprised of a variety of housing need variables split by HUD-defined income limits (30, 50, and 80 percent of median income) and HUD-specified household types.

Table III-1
Concentration of Low-Income Households in the City of Newburgh

Census Tract/Block Group	Very Low Income Households <=30% Income Threshold		Low Income Households <=50% Income Threshold		Household Income <=80% of Income threshold	
	#	%	#	%	#	%
Census Tract 1/ 1	36	10.88%	88	26.59%	183	55.29%
2	103	26.75%	158	41.04%	253	65.71%
3	64	17.93%	86	24.09%	136	38.10%
Census Tract 2/ 1	48	9.58%	174	34.73%	254	50.70%
2	52	14.40%	120	33.24%	205	56.79%
Census Tract 3/ 1	47	10.04%	113	24.15%	197	42.09%
2	69	12.87%	199	37.13%	300	55.97%
3	62	16.71%	111	29.92%	231	62.26%
4	142	35.77%	180	45.34%	276	69.52%
5	112	29.87%	202	53.87%	233	62.13%
Census Tract 4/ 1	162	26.56%	246	40.33%	384	62.95%
2	167	37.28%	211	47.10%	319	71.21%
3	180	37.42%	235	48.86%	263	54.68%
4	184	38.02%	209	43.18%	274	56.61%
5	109	27.32%	161	40.35%	198	49.62%
Census Tract 5/ 1	124	42.32%	188	64.16%	221	75.43%
2	111	34.69%	189	59.06%	203	63.44%
3	140	23.97%	310	53.08%	410	70.21%
4	150	35.55%	215	50.95%	313	74.17%
5	124	31.63%	179	45.66%	218	55.61%
6	104	32.30%	152	47.20%	261	81.06%
7	46	17.76%	117	45.17%	146	56.37%
Census Tract 6/ 1	99	19.19%	153	29.65%	283	54.84%
2	255	42.29%	391	64.84%	527	87.40%
3	141	54.02%	192	73.56%	247	94.64%

Source: HUD Census 2000 Low and Moderate Income Summary Data, FY 2009

Note: Each of the data sets is cumulative, for example, households below the 50% level includes those below the 30% level and households below the 80% level include those below the 50% level and those below the 30% level.

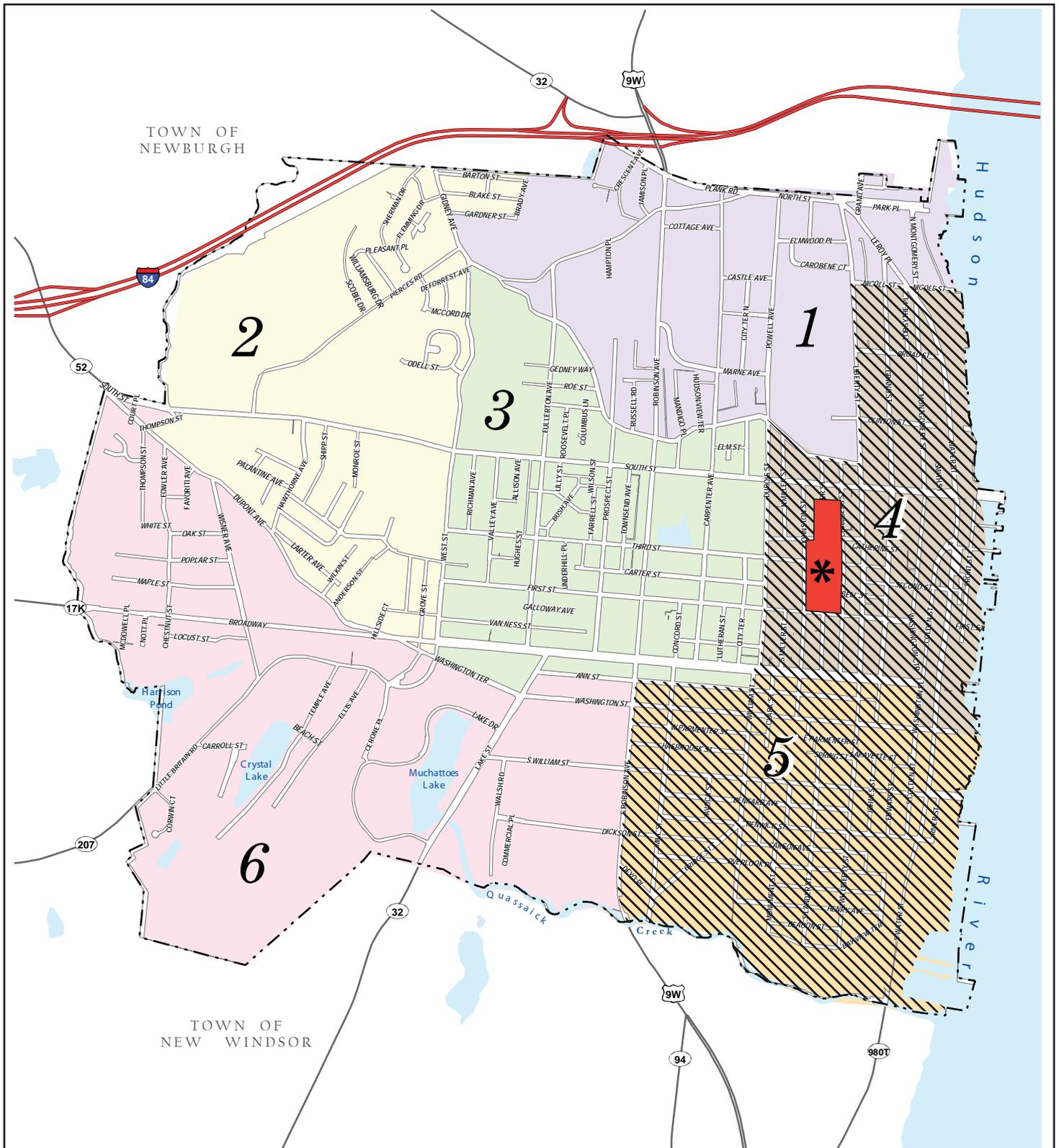


Note: HUD Released Low/Mod Data for City of Newburgh, Summary data 2009, Low/Mod Population > 51%

-  Census Tract Boundary
-  Census Group Boundary
-  Eligible Area (Low/Mod Population > 51%)

LOW AND MODERATE INCOME POPULATION CONCENTRATIONS

**CONSOLIDATED PLAN 2010-2014
City of Newburgh, New York**



-  Secondary Target Area
-  Primary Target Area
-  Municipal Boundary

CONSOLIDATED PLAN TARGET AREAS

CONSOLIDATED PLAN 2010-2014 City of Newburgh, New York

1. Income

An analysis of income and poverty conditions suggests disparities between the City and the County. The Median Family income in Orange County was 60 percent higher than in the City of Newburgh in 2000; the disparity grew even further to 124 percent in 2007. In 2000, the per-capita income for residents of Orange County was 62 percent more than in the City of Newburgh. By 2007, the disparity between the County and the City had grown to 82 percent.

**Table III-2
City of Newburgh and Orange County
Income and Poverty Conditions**

	City of Newburgh, 2000	Orange County, 2000	City of Newburgh, 2007	Orange County, 2007
Total Population	28,259	341,367	31,400	374,066
Median Family Income	\$32,519	\$52,058	\$34,373	77,133
Per Capita Income	\$13,360	\$21,597	\$14,832	\$26,780
Families Below Poverty Level	23%	10%	25%	8%

Source: US Census Data 2000; US American Community Survey, 2005-2007

Census tracts 4 and 5 had the lowest median family incomes in the City of Newburgh in 2000 and the highest percent of families with incomes below the poverty level. Over one-third of families in Census tracts 4 and 5 had income levels below the poverty level in 1999.

**Table III-3
Income and Poverty Conditions
By Census Tract**

	Census Tract 1	Census Tract 2	Census Tract 3	Census Tract 4	Census Tract 5	Census Tract 6
Median Family Income	\$47,250	\$47,105	\$39,740	\$26,174	\$25,889	\$34,038
Percent of Families below poverty level	12.6%	8.0%	16.7%	34.7%	33.6%	13.5%

Source: US Census Data 2000, SF3, P77 and DP-3

HUD utilizes several categories of household income to determine eligibility for program participation. The most commonly utilized threshold is the low and moderate income category, which includes households with total incomes that are less than 80% of median. This is the basic criteria for CDBG eligibility. Certain HUD programs like the Section 8 rental assistance program utilize 50% of median as the basic threshold for eligibility. The HOME program utilizes 60% of median for household income limits and in projects with three or more units, 20% of the units must be occupied by families whose annual incomes do not exceed 50% of the median income. The 2009 HUD

median income is \$81,800, the median income limits for a family of four in the Poughkeepsie-Newburgh-Middletown MSA are:

- 80% of median for a family of four is \$64,000;
- 50% of median for a family of four is \$40,900; and
- 30% of median income for a family of four is \$24,550.

2. Employment

New York State Department of Labor estimates there are 11,800 persons in Newburgh’s labor force. The City’s unemployment rate of 10.5% (not seasonally adjusted) in April 2009 exceeded that of the City’s Metropolitan Statistical Area (MSA) (7.2%), Orange County (7.6%) and New York State (7.5%). Starting in January 2009, the City experienced unemployment rates exceeding 10 percent for the first time since January 1996 (13 years). Table III-4 provides a comparison of annual average unemployment rates in the City, MSA, County and State. This data suggests that the City traditionally experiences higher than average unemployment rates.

**Table III-4
Unemployment rates**

Year	Annual Average Unemployment Rates			
	City of Newburgh	Poughkeepsie-Newburgh-Middletown MSA	Orange County	New York State
2008	7.7%	5.3%	5.5%	5.4%
2007	5.8%	4.2%	4.3%	4.5%
2006	5.8%	4.1%	4.3%	4.6%
2005	5.9%	4.1%	4.3%	5.0%
2004	6.7%	4.5%	4.7%	5.8%

Source: New York State Department of Labor

According to the City’s Master Plan (2008), based on an analysis of the occupational breakdown, there is a need to increase jobs in the construction field, see Table III-5 for an occupational breakdown of residents.

The Newburgh Free Academy (NFA) and the Laborers’ International Union of North America, Local 17, have formed a school- to-work based partnership to enable NFA to create a teaching and learning model aligned with the needs of various trade unions in the local construction industry. The Construction Career Academy has been designed to develop practical knowledge of commercial and residential building, heavy and highway construction, and environmental remediation industries, while also teaching students the required subjects of graduation.

**Table III-5
City of Newburgh Occupational Breakdown**

Occupation	Percent of Workforce
Management, professional related	18%
Service	22.7%
Sales/office	23.8%
Farming, fishing, forestry	0.3%
Construction, extraction,	8.0%
Production, transportation, material moving	27.2%

Source: Newburgh Master Plan (2008), based on US Census Data, 2000

**Table III-6
Industry Breakdown in City of Newburgh**

Industry	Percent
Agriculture, forestry, fishing, hunting and mining	0.6%
Construction	5.9%
Manufacturing	18.7%
Wholesale trade	5.8%
Retail trade	11.9%
Transportation and warehousing, utilities	4.3%
Information	2.0%
Finance, insurance, real estate, rental/leasing	4.9%
Public administration	3.7%

Source: Newburgh Master Plan (2008), based on US Census Data, 2000

The 2008 Master Plan reported that the greater Newburgh area contains 1,538 business establishments with 21,598 employees and that job growth outpaced the rest of New York State over the past 10 years, with over a 14% growth rate overall, ranking Newburgh in the top 100 metropolitan areas in the country. The Master Plan notes that even though employment is available locally, the City's poorest residents are not among the beneficiaries of job opportunities and conditions of poverty persist. The industry breakdown in the City is shown in Table III-6

Since April 2008, however, the number of nonfarm jobs in the MSA has decreased by 4,400, or 1.7 percent, and the number of private sector jobs has decreased by 4,400, or 2.2 percent. The area's unemployment rate was 7.2 percent in April 2009, compared with 7.8 in March and 4.4 in April 2008.¹

¹ <http://www.labor.state.ny.us/workforceindustrydata/pressreleases/pruistat.htm> accessed 6/17/2009

3. Crime

The City of Newburgh’s 2008 Master Plan identifies a connection between crime rates and community neglect, as well as a connection between crime prevention and community sustainability. The City has undertaken several programs to address crime. The Master Plan states, “However, crime prevention efforts must not neglect the underlying factors that create crime in the first place – lack of economic opportunities and weak social bond among neighborhood residents.”²

Crime Data from 2008 for the City indicates that Lander Street and Census tracts 4 and 5 account for a significant percent of overall crime in the City. Over one-half of all crime in the City occurs in Census tract 4 and 5, including 68% of violent crimes and 48% of property crimes. The approximate eight block Lander Street area accounts for about three percent of all crime in the City, including five percent of violent crime.

**Table III-7
2008 Crime Data City of Newburgh**

Crime	City Total	Lander Street*	% of City Crime	Census Tract 4	% of City Crime	Census Tract 5	% of City Crime
Murder	7	1		2		3	
Rape	13	0		3		4	
Robbery	162	10		39		63	
Agg. Assault	294	15		100		109	
Residential Burglary	246	13		44		89	
Commercial Burglary	87	1		21		24	
Larceny	640	8		155		138	
Motor Vehicle Theft	90	1		17		29	
Total Part One Crime	1,539	49	3%	381	25%	459	30%
<i>Violent Crime</i>	<i>476</i>	<i>26</i>	<i>5%</i>	<i>144</i>	<i>30%</i>	<i>179</i>	<i>38%</i>
<i>Property Crime</i>	<i>1,063</i>	<i>23</i>	<i>2%</i>	<i>237</i>	<i>22%</i>	<i>280</i>	<i>26%</i>
Reported Incidents	7,721	242	3%	1,940	25%	2,753	36%
Calls for Service	33,424	1,086	3%	9,457	28%	10,510	31%

Source: City of Newburgh Police Department

*Lander Street is located in Census tract 4.

4. Economic Development Efforts in Newburgh

The City has made several efforts to advance community development. These include the Newburgh-Stewart Economic Development Zone (EDZ), which covers 1,280 acres within the City of Newburgh, the Town of Newburgh and Town of New Windsor.

² City of Newburgh Master Plan, 2008, pg 29.

The Economic Development Zone Program was created in New York State to stimulate economic growth through a variety of tax Incentives and benefits to attract new businesses and enable existing businesses to expand and create more jobs.

Certified businesses that make an investment and/or create new jobs in Newburgh-Stewart EDZ are eligible for a combination of state tax credits and benefits. This can mean significant savings for the business owner.

Below is a list of the different types of benefits and incentives:

- Wage and Tax Credit
- Investment Tax Credit
- Employment Incentive Credit
- Sales Tax Refund
- Zone Capital Credit
- Special Low-Interest Loans and Priority Attention

In 2006, the City implemented a Small Business Loan Program, offering loans ranging from \$1,000 to \$10,000. A 10% equity contribution from existing businesses, and a 20% equity from start-up business is required. Funds have been used towards working capital inventory, machinery, equipment, emergency expenditures and start-up costs. HUD income requirements are stringently imposed. This program has recently become inactive due to a lack of staffing.

Also in 2006, the City implemented the CDBG Façade Improvement/Signage Program for businesses and or/mixed use properties throughout the City. The maximum loan amount is \$10,000 or one-half of improvement costs, whichever is less. In 2007, over 10 projects were funded, leveraging \$350,000 in construction costs. In 2008, seven projects, all on Broadway and Liberty Street were funded through this program. The City expects an additional 12 projects to be funded in 2009.

Having identified a critical local shortage of trained inspectors, risk assessors and abatement contractors, the City works closely with other municipalities to recruit and train persons and supports the County Office of Community Development in sponsored training to certify contractors and employees.

5. Housing Efforts in Newburgh

According to the City's FY 2008 CAPER, through 2008, the City has transferred a total of 32 properties to Habitat for Humanity of Newburgh for renovation and sale to first time homebuyers. An additional four properties were identified as potential Habitat sites for transfer during 2009.

A total of five other sites were conveyed to the Newburgh Community Improvement Corp. for the same purpose in 2006 and six properties were conveyed to HOGAR, a Rockland County based non-profit organization, for rehabilitation of severely deteriorated formerly City-owned properties into homeownership properties.

The City of Newburgh, working with for-profit developers created a Public/Private Partnership Initiative to address homeownership issues and property vacancy rates. As of December 2008, there were 16 properties under development through this initiative.

The City has also funded a Historic Preservation Program to provide support to residential property to ensure residential rehabilitation complies with the Historic District Design Guidelines and Building Code. This effort addresses the unique rehabilitation challenges faced by property owners within the City’s Historic District.

As of December 2008, the City had funded \$30,000 in downpayment assistance to income eligible first time homebuyers and an additional \$110,000 was committed to local non-profit organizations developing homeownership opportunities.

Also in 2008, the City received a \$300,000 matching grant (of up to 60% of project costs with a grant maximum of \$10,000) from the New York State Affordable Housing Corporation (AHC) to fund the Home Upgrade Project. The project provided grants to assist homeowners (with up to two units), earning between 80% and 112% of the Area Median Income (AMI), in correcting code violations, structural defects, and installing water and/or sewer laterals.

B. Housing Market Analysis (91.210)

1. Population

Census data from 1990 and 2000, indicated the population of the City of Newburgh grew by 6.9% during the 1990’s, from a population of 26,445 in 1990 to a 2000 population of 28,259. By 2009, estimates indicate that the City’s growth has continued, rising to 29,845, an increase of 5.6% since the 2000 Census.

**Table III-8
City of Newburgh Population**

Characteristics	City of Newburgh						
	1990	2000	% Change	2009	% Change	2014	% Change
Total Population	26,394	28,259	7.1%	29,845	5.6%	30,282	1.5%

Source: Source: US Census Data, 1990, 2000 (Plan-It Newburgh Sustainable Master Plan, adopted December 8, 2008); ESRI

The racial distribution of the population also experienced changes between 1990 and 2000. The White population declined by over 28% between, the Black/African American population declined by approximately 1%, and the Hispanic population increased 70% by 2000. Between 2000 and 2007, the White population continued to decrease by approximately 10%, while the Black/African American population increased approximately 10%, and the Hispanic population increased approximately 30% (see Tables III-9 and III-10 and the “Race and Ethnicity by Census Tract” map).

**Table III-9
City of Newburgh Population by Race**

Population	1990 Census	2000 Census	% Change	2007 ACS	% Change
White (non-Hispanic)	11,154	7,969	(28.6%)	7,202	(9.6%)
African-American/Black (non-Hispanic)	9,031	8,961	(0.8%)	9,892	10.4%
Hispanic (all races)	6,025	10,257	70.2%	13,279	29.5%
Other (non-Hispanic)	244	1,072	339.3%	1,027	(4.2%)
Total Population	26,445	28,259	6.9%	31,400	11.1%

Source: US Census Data, 1990, 2000 (Plan-It Newburgh Sustainable Master Plan, adopted December 8, 2008); US American Community Survey, 2005-2007

**Table III-10
Race and Ethnicity by Census Tract**

Census Tract	Total Pop.	White (Non-Hispanic)	% of Total	Black/African American (Non-Hispanic)	% of Total	Other (Non-Hispanic)	% of Total	Total Hispanic	% of Total
1	3,270	1,644	50%	924	28%	119	4%	571	17%
2	2,336	1,322	56%	355	15%	101	4%	558	24%
3	6,175	1,809	29%	1,388	22%	286	5%	2,682	43%
4	5,587	901	16%	3,163	57%	223	4%	1,300	23%
5	7,869	1,054	13%	2,351	30%	213	3%	4,251	54%
6	3,161	1,308	41%	812	26%	132	4%	909	29%
Total	28,259		28%		32%		4%		36%

Source: Plan-It Newburgh Sustainable Master Plan, adopted December 8, 2008, based on US Census, 2000

2. Households

Because the demand for housing is a function of households rather than population, household characteristics are key to the analysis of housing needs. The number of households in Newburgh grew from 8,981 in 1990 to 9,144 in 2000 (1.8%) and is estimated to be 9,504 in 2009. The average household size has risen steadily and is projected to continue to rise; in 1990 the average size was 2.83 persons, in 2014 it is projected to increase to 3.03 persons.

Table III-11
City of Newburgh Family and Household Characteristics, 1990, 2000, 2009, 2014

Characteristics	City of Newburgh						
	1990	2000	% Change	2009	% Change	2014	% Change
Total Population	26,394	28,259	7.1%	29,845	5.6%	30,282	1.5%
Total Households	8,981	9,144	1.8%	9,504	3.9%	9,640	1.4%
Family Households	6,149	6,078	(1.2%)	6,189	1.8%	6,215	0.4%
Average Household Size	2.83	2.97	5.0%	3.02	1.7%	3.03	0.3%
Average Family Size	3.39	3.62	6.8%	n/a	--	n/a	--

Source: US Census Bureau; ESRI forecasts for 2009 and 2014

Orange County has grown steadily since 1990, with significant increases shown in 2000 census data and 2007 population projections. Also, compared to the City of Newburgh, average household and family sizes have remained fairly constant, while the City’s grew significantly between 1990 and 2000.

Table III-12
Orange County Family and Household Characteristics, 1990, 2000, 2007

Characteristics	Orange County				
	1990	2000	% Change	2007	% Change
Total Population	307,647	341,367	11.0%	374,066	9.6%
Total Households	101,506	114,788	13.1%	123,112	7.3%
Family Households	77,111	84,457	9.5%	89,720	6.2%
Average Household Size	2.89	2.85	(1.4%)	2.90	1.8%
Average Family Size	3.35	3.35	No Change	3.43	2.4%

Source: US Census Data, 1990, 2000; US American Community Survey, 2005-2007

In 2000, there were 1,105 persons in Newburgh residing in group homes and 13,692 countywide, including 3,278 in correctional institutions.



Scale: 1" = 1,600 Feet

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RACE/ETHNICITY BY CENSUS TRACT

City of Newburgh



Date: 3/1/2007

Prepared by: City of Newburgh GIS

(845) 569-7488

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E:\Map Gallery\Planning\EthnicityTract.pdf

LEGEND:

Census Tract Boundary

Population (2000):

2,000-3,000

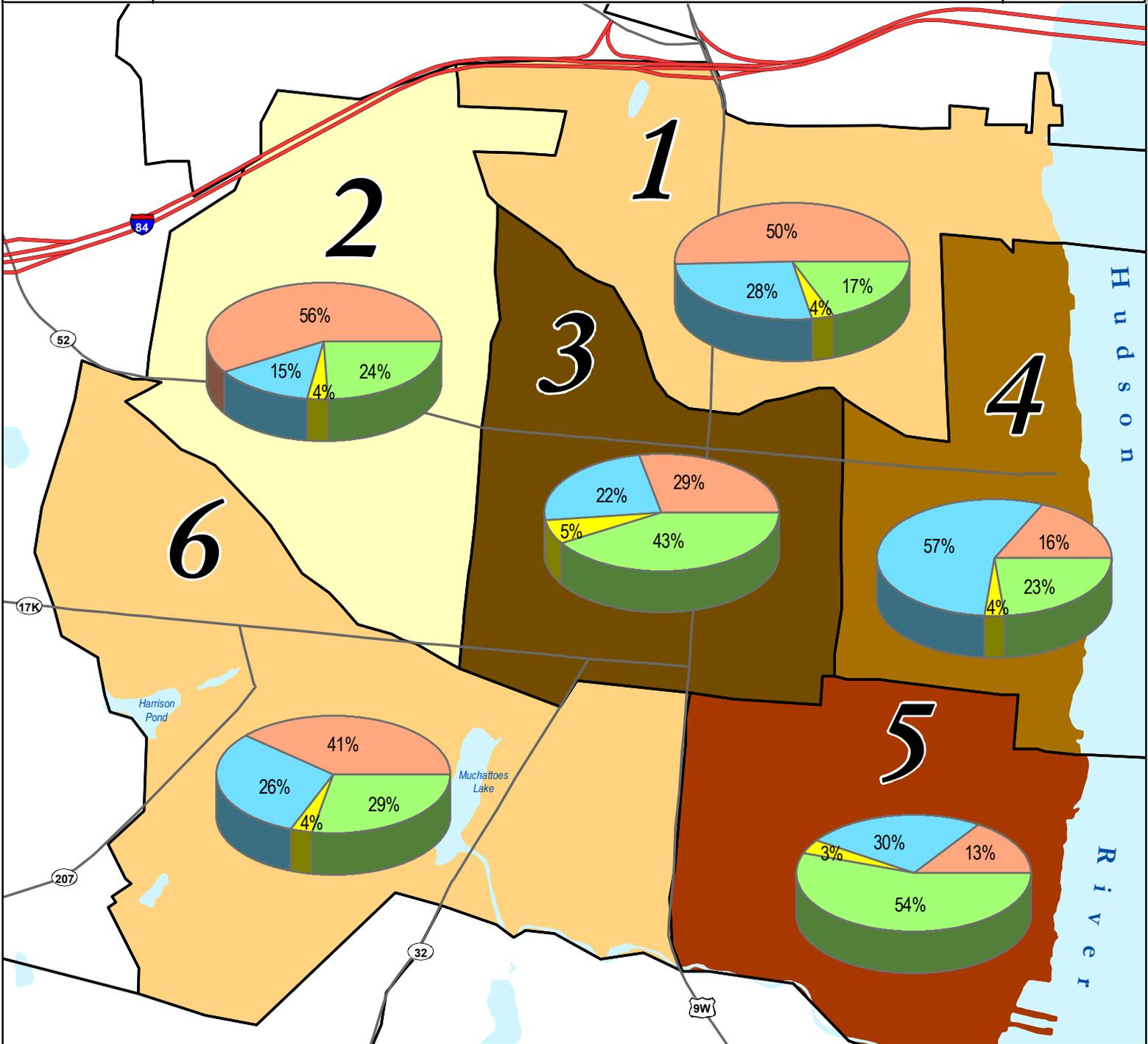
3,001-4,000

4,001-5,000

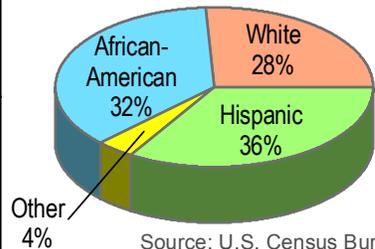
5,001-6,000

6,001-7,000

>7000



City of Newburgh
Total Population: 28,259



Source: U.S. Census Bureau (2000)

Census Tract	Total Population	White (Non-Hispanic)	% of Total	African-American	% of Total	Other (Non-Hispanic)	% of Total	Total Hispanic	% of Total
1	3,270	1,644	50%	924	28%	119	4%	571	17%
2	2,336	1,312	56%	355	15%	101	4%	558	24%
3	6,175	1,809	29%	1,388	22%	286	5%	2,682	43%
4	5,587	901	16%	3,163	57%	223	4%	1,300	23%
5	7,869	1,054	13%	2,351	30%	213	3%	4,251	54%
6	3,161	1,308	41%	812	26%	132	4%	909	29%
Total	28,259		28%		32%		4%		36%

3. Current Housing Conditions (91.210(a))

a) *Market Summary*

The City of Newburgh contains a mixture of housing unit types. The greatest percentages of unit types are included in three to four unit structures, two-unit structures and one-unit detached dwellings. Table III-13 below summarizes the unit composition based on Census 2000 data.

**Table III-13
Housing Unit Types**

Type of Housing Unit	Number	Percent
1 Unit-Detached	2,523	24.1
1 Unit-Attached	706	6.7
2 Units	2,580	24.6
3-4 Units	2,942	28.1
5-9 Units	617	5.9
10-19 Units	178	1.7
20 or More Units	902	8.6
Mobile Homes	19	0.2
Boat, RV, Van, etc.	12	0.1

Source: Plan-It Newburgh Sustainable Master Plan, adopted December 8, 2008

In 2000, the City had 10,476 year-round housing units, of which 9,144 were occupied. A vacancy rate of 12% included a 7.6% rental vacancy rate and a 6.8% ownership vacancy rate. Overall, housing tenure in Newburgh is approximately 69.3% renter occupied and 30.7% ownership.³ Identified barriers to homeownership include high property taxes, lack of employment opportunities and poor or no credit histories.⁴ The City's November 2006 *Impediments to Fair Housing Analysis* indicates that 38% of people in the City pay more than 35% of their income for rent and the 3,734 households cannot afford median rent.

Newburgh contains an older housing stock; almost one-half of all units were constructed in 1939 or earlier. The condition of Newburgh's housing stock varies throughout the city. The City's 2008 Master Plan identified 1,618 substandard housing units. These units represent approximately 15% of the housing stock. It is estimated that approximately 85% of all substandard housing units are suitable for rehabilitation.

³ Impediments to Fair Housing Analysis, City of Newburgh, New York. November 2006.

⁴ City of Newburgh Master Plan, 2008, pg 57.

The City maintains a registry of vacant buildings; 165 vacant buildings were identified at the time the Master Plan was developed. A majority of vacant buildings are blighted and need repair before they are habitable. The highest concentration of vacant and abandoned housing is in the lowest-income and most ethnically diverse neighborhoods, such as Census tract 4.⁵ The City’s most challenged neighborhoods in terms of housing quality, vacant and abandoned buildings and safety are in Census tracts 4 and 5.

For example, the City has identified the following housing conditions in Census tract 4⁶:

Boarded up or vacant properties	124 (12%)
Buildings in fair condition	46%
Buildings in poor condition	36%
Total buildings needing significant renovation	82%

(1) Rental Housing Market

Fair Market Rent

HUD calculates and publishes the fair market rent (FMR) for areas each year. The 2009 FMR for Newburgh, which is part of the Poughkeepsie-Newburgh-Middletown, NY MSA is as follows:

**Table III-14
2009 FMR, Poughkeepsie-Newburgh-Middletown, NY MSA**

2009 FMR	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four Bedroom
	\$776	\$913	\$1,117	\$1,369	\$1,459

Source: www.huduser.org, 6/17/09

Rental Housing Market

The rental housing market in the City is impacted by several factors, including the quality and affordability of units, availability of units in the broader housing market and the economy.

In April 2006, the Times Herald Record reported that the following average monthly rents in Orange County:

Studio:	\$694
One-bedroom	\$815

⁵ Impediments to Fair Housing Analysis, City of Newburgh, November 2006.

⁶ Ibid.

Three-bedroom \$1,224⁷

A 2005 Analysis of the Newburgh, New York – Pennsylvania Housing Market as of April 1, 2005, forecast through April 1, 2007, indicates that the rental market in the housing market area has been tightening.⁸

(2) For-Sale/Owner-Occupied Housing Market

According to Trulia.com, the median sales price for homes in Newburgh (this includes information for the City of Newburgh and the Town of Newburgh combined, since the two municipalities share a zip code) from March 2009 to May 2009 was approximately \$175,250, based on 36 sales. This represents a 30% decrease in the sales price and a 75% drop in the number of sales compared to one year earlier.⁹

The US Department of Housing and Urban Development estimated that the Newburgh CDBG area would have 389 foreclosure starts over an 18 month period through June 2008, for a foreclosure rate of 7.7% as of June 2008. The estimated foreclosure rates in Census tracts 3, 4, and 5 would exceed the City average at estimated rates of 7.9%, 8.0% and 8.4% respectively.

(3) Housing Available to Service Persons with HIV/AIDS and Their Families

Rental assistance, short-term rent/mortgage/utility assistance; case management and referrals for persons with HIV/AIDS and their Families are provided through the following agencies: Multi-County Development, Pathstone (formerly Rural Opportunities), Emergency Housing and RECAP.

(4) Senior Housing

Orange County maintains a listing of affordable housing units, including accessibility and adaptability information, for older adults. Last updated in 2007, this list provides information about

⁷ *The High Cost of Low Wages*, Times Herald-Record, by Steve Israel, April 23, 2006.

<http://archive.recordonline.com/archive/2006/04/23/news-sicounter-04-23.html>. Accessed 6/24/2009.

⁸ *Analysis of the Newburgh, New York-Pennsylvania Housing Market as of April 1, 2005*. Comprehensive Market Analysis Reports, US Department of Housing and Urban Development.

⁹ www.trulia.com/real_estate//Newburgh_NewYork. Accessed 6/19/2009.

over 410 senior units (including 65 units at the Fogerty project in Newburgh).¹⁰

4. Public and Assisted Housing (91.210(b))

HOME

The City participates in the Orange County HOME consortium which has created more than 845 units of affordable housing and leveraged more than \$40 million in public and private funds. The City has relied primarily on HOME resources for new residential units, allowing CDBG funds to be use for infrastructure and other improvements.

Project Based Public Housing and Housing Choice Voucher Program

The Newburgh Housing Authority (NHA) manages the City’s public housing stock. That stock includes 135 units in two projects, including 65 elderly units (including studio and one-bedroom units) at the City’s Fogarty project and 70 family units (including one-, two-, three- and four-bedroom units) at the Mullin project (see “Financially Assisted Housing Map”).

The Newburgh Housing Authority (NHA) serves 135 households, in 2009, at the time of Plan development. Approximately 90 percent of the households are very low income and 10 percent low income. These households included:

Families	65
Elderly Households (which may include persons with disabilities)	65
Elderly and/or Disabled	5

The estimated turnover rate of units is less than 2%. The current waiting list for public housing consists of 169 households, including 138 extremely low income households and 31 low income household. Wait list households include 97 households with children, two elderly households and 10 households that include a person with a disability. The wait list for the public housing authority is open.

The Newburgh Housing Authority has indicated that it receives Capital Fund Program monies from HUD to address site improvements (e.g., door and elevator improvements), management and operations. NHA’s operating subsidy also has a budget line item for resident services, such as its Skills for Life program. Generally, NHA’s public housing needs, including resident services, are met through funding sources other than CDBG. It is not anticipated that any units will be lost.

¹⁰ Orange County Affordable Housing for Older Adults 2007, revised 11/2007.

Section 8/Housing Choice Voucher Program

The City's Housing Choice Voucher Program has the capacity to serve 421 households, in 2009, through 374 housing choice vouchers and 47 project based units. It is not anticipated that any units will be lost.

There are 309 households on the Section 8 waiting list, consisting of 237 very low income households and 72 low income households. The waiting list household composition is 145 households with children, 42 elderly households and 23 households that include a person with a disability. The racial/ethnic composition of the wait list is 38 Hispanic households, 150 Black/African American households and 153 White, non-Hispanic households.

The Newburgh Housing Authority, which administers the Section 8 program offers a Family Self-Sufficiency program. Four clients participate in this program.¹¹

Additionally, Pathstone, formerly Orange County Rural Opportunities, Inc., administers Section 8 certificates and vouchers from Orange County within the City of Newburgh.

Other Affordable Units

The City has 205 units of state-sponsored housing which have since been privatized. Through support from the State of New York Tax Credit Program, they currently remain low-income.

5. Homeless Inventory (91.210(c))

The City of Newburgh addresses most of its core needs for homeless and housing related services through a partnership with the Orange County Housing Consortium, a partnership of public, private and non-profit agencies dedicated to responding to the housing needs of the County's homeless and low-income population. Annually, the Consortium develops a Continuum of Care to respond to the needs for permanent and transitional housing, as well as related services such as health care, mental health care, counseling, substance abuse treatment, education and employment counseling. The Consortium has developed a strategic plan aimed at ending chronic homelessness by 2012.

The City of Newburgh has supplemented these efforts, for example, the City has consistently supported the efforts of Safe Harbors, Inc., a supportive housing facility.

¹¹ Four clients were participating in the program at the time information was collected in August 2009.

Also, the City previously committed two properties to RECAP for the development of supportive housing units for up to four families as part of a McKinney-Vinto funded grant through the HUD. Case management services will be provided to the occupants of these households.

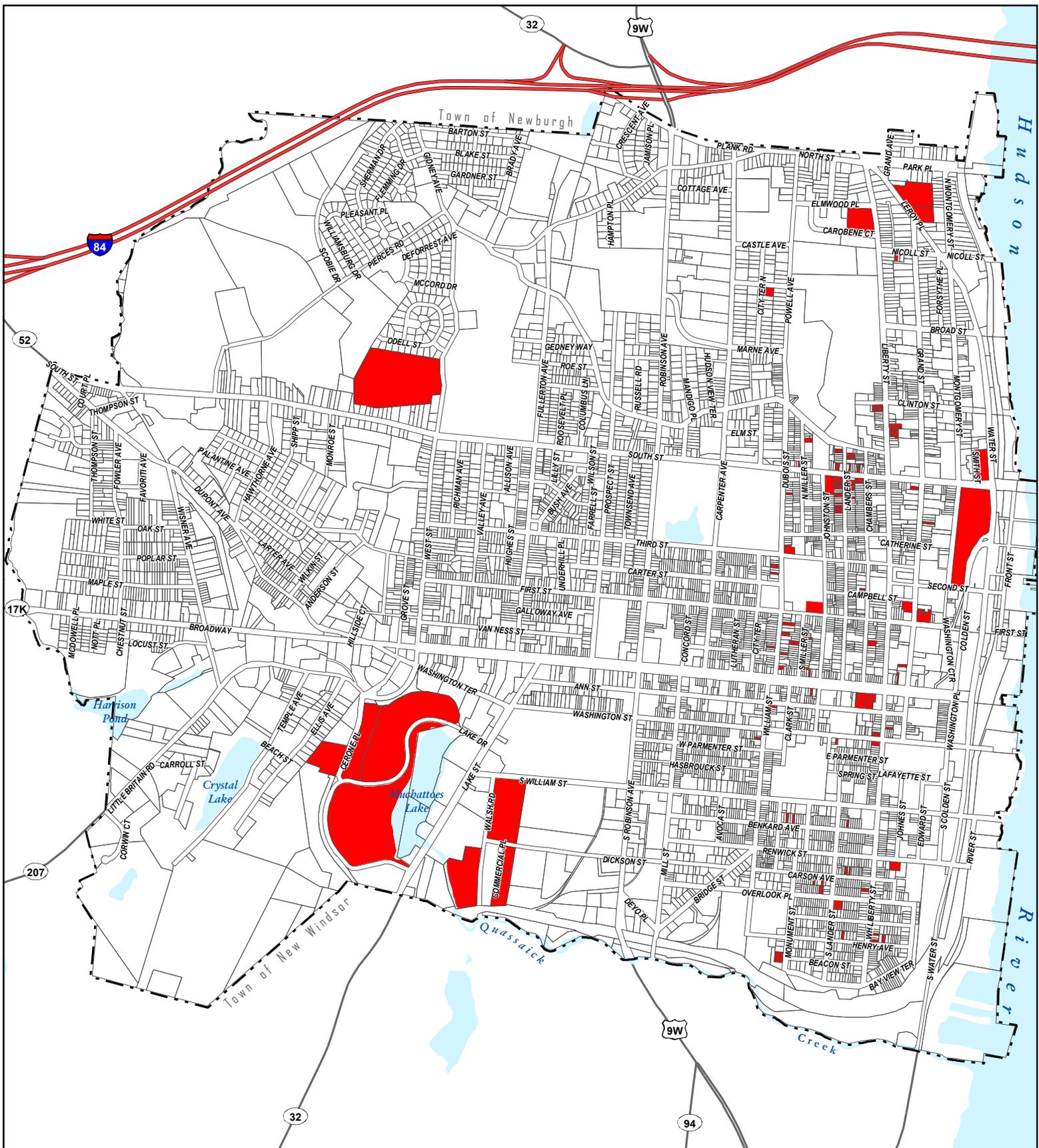
Orange County has established a Housing Resource Center, located at 280 Broadway, Newburgh to provide one-stop assistance with the provision of housing for eligible homeless applicants/recipients.

Transitional housing facilities are an additional homeless support service that, regardless of location, are a resource for homeless persons within the Consortium area, including the City of Newburgh:

- The Adult/Family Shelter of the Emergency Housing Group, Inc, Middletown, NY, with beds allocated to serve 22 single men, 7 single women and separate room for nine families.
- A Friend's House, Middletown, NY, is a 13 bed youth emergency shelter operated by The Emergency Housing Group.
- Project LIFE, developed by the Newburgh Interfaith Emergency Housing Group, is a transitional shelter for 8 families. The wait list is typically between 10 and 20 families.
- Ecclesia Ministries on Grand Street, which is a safe haven for homeless walk-ins. This facility served some 220 individuals (including families) and was instrumental in connecting many of them with other service providers.
- Ecclesia House, a 14-bed transitional housing facility is under development at 91 Ann Street. Once on line (anticipated Spring 2010), it will serve homeless and non-homeless individuals with chemical and/or alcohol dependencies, and the general homeless population as they transition to permanent housing.

An additional source case of management, counseling, social supports and life skill development is the Newburgh Ministry, which operates a drop-in center providing telephone access, a thrift shop, a learning center for children, English-as-a-Second-Language instruction. During the winter months, the Ministry established expanded hours to provide overnight access for 15 homeless men.

Orange County submitted a Substantial Amendment to the Consolidated Plan 2008 Action Plan for the Homelessness Prevention and Rapid Re-Housing Program (HPRP). Funding through this program will be used to enhance existing one-stop housing centers, including the one located in Newburgh, and will increase case management capacity. Through this program, case managers will identify appropriate housing or housing services available to consumers. The commencement date of the HPRP program is September 2009. This program will address needs of persons at risk of homelessness as well as persons who are homeless.



NORTH



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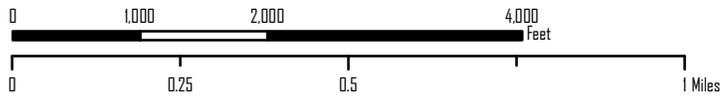
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FINANCIALLY ASSISTED HOUSING

- City of Newburgh -

LEGEND:

- Financially Assisted Housing (As of March 28, 2007)
- Parcel



Date: 4/12/2007
 Prepared by: City of Newburgh GIS
 (845) 563-7488
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6. Special Need Facilities and Services (91.210(d))

Longer-term supportive housing, in connection with other special needs services, are provided to the City of Newburgh residents as follows:

- Crystal Run Village, Middletown, NY, serves Orange County residents with developmental, physical or psychological disabilities through a network of 43 community-based group homes, each housing 4 to 14 residents. In 2008, Crystal Run Village opened a wheel chair accessible home for six people.
- Rehabilitation Support Services, based in Albany and New York City, provides six supported housing apartment for adults who have histories of mental illness.
- Independent Living, provides eight units of long-term housing for people with physical disabilities.
- Steven Saunders Residence, Newburgh, provides eight permanent units for persons with HIV/AIDS.
- The Cornerstone Residence, a 128 unit special needs housing project for artists and formerly homeless tenants, including the mentally ill, victims of domestic violence, veterans and other adults, has recently been completed in downtown Newburgh. This project includes an on-site library, a computer lab, a community center, a fitness center, studio space for artists and supportive services. GED classes are also offered. The wait list consists of 75 to 100 persons.

7. Barriers to Affordable Housing and Community Development (91.210(e))

The following are obstacles that the City must face in addressing its housing and community development needs:

Lack of Income: A primary barrier to affordable housing is the lack of income on the part of Newburgh households to afford housing in the market place.

Deteriorated Housing Stock: Physical deterioration of the housing stock and resultant high costs of rehabilitation compound housing affordability problems. Much of the deteriorated housing stock is in the East End Historic District with inherent additional regulations, reviews and potential costs.

Economic Base: Within the City, overall, the job categories with the greatest numbers of employed persons were service, sales/office and production. The industries with the highest representation in the City were manufacturing and retail trade. Retail trade generally does not pay as well as other industries and service positions often are lower paid positions. There is a need to grow jobs in the City that will directly benefit residents.

Aging Infrastructure: The City's infrastructure is aging, though improvements and repairs are made with the limited funds available. An obsolete infrastructure may impact the City's ability to attract certain industries and employers and can interfere with day-to-day household operations.

Site Selection: The shortage of suitable land and site for housing development require redevelopment action to assemble sites.

Land Cost: The high cost of available land contributes to the inflation of housing costs.

Cost of Rehabilitation: Substantial rehabilitation cost requirements for many units are so high that major subsidies are required if they are to become economically feasible.

Zoning Code and Land Use: One inhibiting condition is the prevalent single family detached home and zoning that does not support or promote multi-family housing units.¹²

High Crime Rate: High crime rates are frequently cited as reasons why people choose to leave or avoid a community. Crime contributes to community neglect and disintegration.¹³

C. Housing and Homeless Needs

1. General Housing Needs and Categories of Persons Affected (91.205(a) and (b1))

The analysis of housing needs within the City is a vital element of the analysis of overall community development needs. The purpose of this section is to provide guidance to the City, as well as to Community Development grantees, housing developers and non-profits as to the extent and characteristics of these housing needs. Further, the analysis will be utilized to define priorities for the allocation of public resources in the provision of housing assistance for various programs that will serve the identified needs of different demographic groups.

The *Plan-It Newburgh, Sustainable Master Plan* (Master Plan), adopted in 2008, provides an analysis of demographic, economic and housing trends within the City, a discussion of how those trends were impacting local housing markets and an identification of existing impediments to meeting housing needs. Finally, the Master Plan presents a series of recommendations (goals, targets and strategies) to "allow for a continuum of housing choices that meet the needs of the community." The goals, targets and

¹² City of Newburgh Master Plan, 2008.

¹³ Ibid.

strategies developed during the master planning process have been considered in the consolidated planning process.

The *Three-County Regional Housing Needs Assessment: Orange, Dutchess and Ulster Counties 2006 to 2020* report was published in April 2009. This report includes an affordability gap analysis, which estimates the number of owner and renter units demanded based on distributions of household income reported from the 2006 American Community survey and estimates of unit supply based on several sources. The *Regional Housing Needs Assessment* estimated an affordability gap of 880 owner units and 1,608 renter units. The *Assessment* indicates that greatest deficiency between the supply and demand of renter is at the 50% of median household income level (the lowest income level studied in the report).

In the City of Newburgh, over half the households within each category (renter and owner) experienced housing problems. Housing problems include a cost burden greater than 30% of income and/or overcrowding and/or units without complete kitchen or plumbing facilities. HUD defines extremely cost burdened as those households paying in excess of 50% of income towards housing costs. Overall, over 50% of all households in the City experience housing problems.

When housing costs exceed 30% of a household's total gross income, HUD defines the household as housing cost burdened. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities. This situation exists at a number of levels in the City. In addition to cost burden, HUD data provides information on other housing problems such as overcrowding, lack of plumbing, etc.

The housing cost burden data presented in this plan provides information about the relationship between housing costs and the incomes of specific household categories: elderly, small family, and large family. HUD data are available for both renter households and owner households.

At very low incomes (below 30% of median) the percent of renters who are cost burdened is greater than that for owners. However, as incomes increase to the percent of owners who are cost burdened is greater than that for renters. For example, for households with incomes greater than 80% of median, almost 10% of owners were cost burdened and less than one percent of renters were cost burdened.

The estimated housing needs for projected for the next five years are as follows:

a) ***Housing Cost Burden and Other Housing Problems***

Extremely Low Income is defined as households earning between 0% and 30% of the median family income (MFI) based on HUD adjusted income limits. Within

this category there were 2,441 households representing 27% of the total households in the City.

Approximately 84% of all extremely low income households have housing problems and approximately 64% were extremely cost burdened, compared to 21% for the City as a whole.

Approximately 91% of extremely low income households, or 2,229 are renter and 212 are owner. Approximately 21% of extremely low income renters were elderly and about 69% of all renters in this category were minority households.

Low Income is defined as households earning >30% to 50% MFI based upon HUD adjusted income limits. Within this category there were 1,621 households representing about 18% of total households in the City. Of the low income households, 1,308 were renters and 1,621 were owners. Approximately 69% of low income households have housing problems, compared to 50% percent for the City as a whole and 14% were severely cost burdened.

Moderate Income is defined as households earning >50% to 80% MFI based on HUD adjusted income limits. Within this category, there were 1,939 households, including 1,277 renter and 662 owner households, representing about 22% of all households in the City. Approximately 43% of moderate income households experience housing problems, however, only 24.5% experience a cost burden, indicating that there are other housing problems, which may include overcrowding and/or units without complete kitchen or plumbing facilities.

Middle Income is defined as households earning more than 80% MFI. One-third of the City's households (3,003 households) are middle income. Of these households, 18 percent experience housing problems, with only 4.9% experiencing a cost burden, indicating that there are other housing problems, which may include overcrowding and/or units without complete kitchen or plumbing facilities.

Renter Overall, approximately 58% of renters (3,657 households) experience housing problems. Generally, a greater percentage of renters experience housing problems than owners and incidence of housing problems generally increased at lower income levels. Eighty-five percent of all renters (elderly, small family, large family, others) with incomes below 30% of median income experienced housing problems, compared to 83.7 percent of owners.

Over 72% of renters with incomes between 30% and 50% of median experienced housing problems, this drops to about 38% for moderate income household and 22% of middle income renter households.

Owners Approximately 32% of owners (875 households) experience housing problems. However, as with renters, lower income owner households experience housing problems at greater rates compared to higher income households. Over 70% of extremely low income owners (about 149 households) experience housing problems; this equals the percent of cost burdened households. Almost 55% of owners (171 households) with incomes between 30% and 50% MFI experienced housing problems, and slightly less, 51% of moderate income households experienced housing problems, with most, but not all, related to cost burden. Only 14.3% of middle income owners, those earning more than 80% MFI experienced housing problems, of those, less than 10% were related to cost burden.

Elderly Persons The 2000 CHAS data indicates that the approximately 16% of rental units are occupied by the elderly. Housing needs and reported housing problems for the elderly are significant, with nearly 50% of all elderly renters reporting problems. However, within communities of color, this rate is higher, reflecting the general trends in the Black/African-American and Latino households, specifically that the Latino population experiences higher rates of housing problems. This suggests that cultural and language needs of the Latino population must be addressed to ensure full access and participation in programs.

Persons with Disabilities HUD CHAS data indicate there are 2,255 households that include one or more persons with: 1) a long-lasting condition that substantially limits one (or more) basic physical activity, such as walking, climbing stairs, reaching, lifting, or carrying and/or 2) a physical, mental, or emotional condition lasting more than 6 months that creates difficulty with dressing, bathing, or getting around inside the home. Almost 60% of these households experience housing problems.

Single Persons “all other” owner households (a group that includes single adults, unmarried adults living together, college students, prisoners, residents in group homes, and other households that do not fit within the three defined household types – elderly, small related, large related) indicate that the majority of housing problems for these groups are related to cost burden.

Large Families make up 1,396 renter households and 426 owner households in the City (over 20% of all households in the City). Of these households, 80% of large family renter households experience housing problems. Thirty-five percent experience a cost burden and over 41 % of large family owner households experience housing problems, with slightly fewer than 26% experiencing a housing cost burden. These data indicate housing problems for large families

include overcrowding and/or units without complete kitchen or plumbing facilities.

In the City, 100 percent of large family owner households earning less than 30% of the median experienced housing cost burdens of greater than 50%. For both renter (80%) and owner households (41%), at all income levels, large families experienced the greatest percentage of housing problems of any type

Victims of Domestic Violence

The Orange County Safe Home Projects, Inc. is authorized domestic violence shelter for Orange County. According to the New York State Office of Children & Family Services, *The Domestic Violence Prevention Act 2008 Annual Report to the Governor and Legislature*, the occupancy rate (based on a prescribed formula) of the safe house was 69.65% and the average length of stay was 50 days.

Public Housing Residents

As stated previously, the Newburgh Housing Authority (NHA) serves 135 households, in 2009, at the time of Plan development. Approximately 90% of the households are very low income and 10 percent low income. These households included:

Families	65
Elderly Households (which may include persons with disabilities)	65
Elderly and/or Disabled	5

The City’s Housing Choice Voucher Program has the capacity to serve 421 households, in 2009, through 374 housing choice vouchers and 47 project based units.

Families on the Public Housing and Section 8 Tenant Based Waiting List

The waiting list for public housing (as of August 2009) contains 169 households including 138 extremely low income households and 31 low income households. There are 97 households with children, two elderly households and 10 households that include a person with a disability on the wait list.

There are currently 309 households on the Section 8 waiting list, including 237 very low income households and 72 low income households. The waiting list household composition is 145 households with children, 42 elderly households and 23 households containing a person with a disability. The racial/ethnic composition of the wait list is 38 Hispanic households, 150 Black/African American households and 153 White, non-Hispanic households.

Persons with HIV/AIDS and their Families

The Steven Saunders Residence has indicated that they do not have a waiting list for units. Staff indicated the facility has a no-tolerance policy.

Persons with Mental Illness

The Cornerstone Residence wait list generally contains 75 to 100 names. This is one indicator of additional needs. Orange County Single Point of Access program staff has stated that there is a general need across the County for additional housing to serve persons with mental illness. Recommendations for housing placements are based on client needs and appropriate levels of care offered at facilities rather than facility location.

b) Additional City Data

Beyond housing cost burden data supplied by HUD, in March 2007, the City determined that there were 9,197 occupied housing units in the city and that 1,685 (18.3%) of the occupied units received financial assistance.¹⁴

The City's 2005 Consolidated Plan identified age of units, deteriorated structures and overcrowding as housing problems in the City. These trends continue.

Based on 2000 Census data, 3,694 rental units and 1,164 owner units are affordable to households with incomes at or below 50% median. The number of units affordable to households with incomes at or below 80% was 6,229 rental units and 5,011 ownership units.¹⁵

The City of Newburgh conducted an Impediments to Fair Housing Analysis (AI) in 2006. This analysis included demographics; information on fair housing complaints; identification of impediments in the public and private sectors; and an assessment of the City's fair housing programs and activities. The analysis found that there were existing conditions related to housing availability, which were considered in relation to the ability of low-income communities and communities of color to secure safe and affordable housing. The primary barrier to affordable housing was found to be the lack of income on the part of Newburgh households to afford housing in the marketplace. This problem was found to be compounded by the level of physical deterioration of the housing stock and the resultant high costs of rehabilitation. Other existing conditions related to housing availability identified in the AI were: (1) the high level of residents reporting a disability; (2) language barriers; (3) the highest concentration of vacant and abandoned housing is in the lowest income, and most ethnically diverse neighborhoods, such as Census tract 4; (4) the City's

¹⁴ Master Plan, pg. 54

¹⁵ Analysis of Impediments to Fair Housing, City of Newburgh, November 2006.

most challenged neighborhoods occur along with the highest concentration of both poverty and racial/ethnic minority concentrations (Census tracts 4 and 5).

During the Analysis of Impediments, the City identified the absence of two family housing as a permitted use that provides ownership and rental opportunities. The City has since reintroduced the R-2 (two family zone) as a permitted use.

At the time of the Analysis, the Newburgh Housing Authority was designated as “troubled” by HUD. The City provided technical assistance and entered into a cooperative agreement with the Housing Authority. As of June 2008, the Newburgh Housing Authority was no longer designed as “troubled.”

There have been no significant changes in the minority population or housing patterns since the City conducted its Analysis of Impediments in 2006, therefore, no substantial revision to the AI has been undertaken since that time.

c) ***Disproportionate Need (91.205(b2))***

Data on the housing needs of racial/ethnic minorities, specifically Black/African-American and Latino populations according to the 2000 CHAS report, reveals the following:

Homeownership Rates: Within City of Newburgh households, approximately 70% are occupied by renters. Within Black/African-American and Latino communities rental rates rise to about 80% and 82% respectively.

Housing Problems Related to Household Income – Renters: An overview of reported housing problems by ethnic group reveals that nearly 70% of Latino households and nearly 60% of Black/African American household report housing problems (compared to 58% for renters as a whole). At the extremely-low and low income levels, these communities of color report somewhat comparable levels of housing problems as total renters, regardless of race or ethnicity, though Latino households have a higher percent of housing problems. At moderate- and middle-income levels the percent of Latino households reporting problems exceed the percent of Black//African American households and total households reporting problems. This difference indicates a need for enhanced support within the Latino community to improve housing conditions.

Housing Problems Related to Household Income – Owners: Amongst owners, reported problems by racial and ethnic groups include nearly 47% of Latino households and almost 38% of Black/African-American households (compared to 32% for the owners as a whole). At nearly every level of income Latino homeowners report a greater percent of housing problems. As with Latino

renter households, this data suggests a need for homeownership programs and home repair programs targeting the Latin o community.

**Table III-15
Disproportionate Renter Housing Problems**

Household Income/ Housing Problems	Households		
	Black/African American	Latino	Total Renters
<30% MFI	27%	17.1%	
% with any Housing Problem	82.9%	91.7%	85%
>30 to <50% MFI	23.5%	6.4%	
% with any Housing Problem	71.8%	68%	72.2%
>50 to <80% MFI	9.5%	18.1%	
% with any Housing Problem	26.8%	55.3%	38.6%
>80% MFI	29.3%	17.3%	
% with any Housing Problem	13.4%	50.7%	21.8%
Total % of Households with Housing Problems	57.8%	68.2%	58.1%

Source: Housing and Homeless Needs Assessment, City of Newburgh, September 2006.

**Table III-16
Disproportionate Owner Housing Problems**

Household Income/ Housing Problems	Households		
	Black/African American	Latino	Total Renters
<30% MFI	3.5%	3.7%	
% with any Housing Problem	74.4%	100%	70.3%
>30 to <50% MFI	9.5%	10.3%	
% with any Housing Problem	77.8%	52%	54.6%
>50 to <80% MFI	31.5%	19.2%	
% with any Housing Problem	44.6%	79%	51.1%
>80% MFI	40.5%	33%	
% with any Housing Problem	21.2%	28%	14.3%
Total % of Households with Housing Problems	37.9%	46.9%	32.3%

Source: Housing and Homeless Needs Assessment, City of Newburgh, September 2006.

Table III-17

Housing Affordability by Unit for Owner and Renter Households

Housing Units by Affordability	Renters Units by # of bedrooms				Owned or for sale units by # of bedrooms				
	0-1	2	3+	Total		0-1	2	3+	Total
Rent <= 30%					Value <=30%				
# occupied units	377	256	238	871		N/A	N/A	N/A	N/A
%occupants <=30%	77.7	46.5	56.3	62.7		N/A	N/A	N/A	N/A
%built before 1970	47.5	59.4	94.1	63.7		N/A	N/A	N/A	N/A
%some problem	43.2	32.8	52.5	42.7		N/A	N/A	N/A	N/A
#vacant for rent	10	0	44	54		N/A	N/A	N/A	N/A
Rent >30 to <=50%					Value <= 50%				
# occupied units	860	932	1,013	2,805		14	248	866	1,128
%occupants <=50%	69.2	57.9	50.7	58.8		71.4	34.3	21.8	25.2
%built before 1970	85.5	77.8	86.2	83.2		107.1	86.3	97.2	94.9
% some problem	69.2	46.1	55.7	56.6		0	5.6	1.8	2.7
#vacant for rent	95	179	75	349	#vacant for sale	10	65	35	110
Rent >50 to <=80%					Value >50 to <=80%				
# occupied units	1,138	817	567	2,522		86	359	855	1,300
%occupants <=80%	76.8	60.8	66.8	69.4		60.5	43.2	29.1	35.1
%built before 1970	69.2	76.4	81.7	74.3		66.3	83.3	97.4	91.5
%some problem	72.5	53.9	63.5	64.4		9.3	3.9	1.6	2.8
#vacant for rent	75	4	55	134	#vacant for sale	15	55	70	140
Rent >80%					Value >80%				
# occupied units	61	23	14	98		24	89	150	263
#vacant for rent	0	0	0	0	# vacant for sale	20	0	10	30

Source: HUD CHAS Tables, 2000 Newburgh CDBG, Census Data

Table III-18
Housing Problems, Newburgh CDBG

Household by Type, Income, & Housing Problem	Renter Households and (Size)					Owner Households and (Size)					Total Households
	Elderly (1 & 2)	Small Related (2 to 4)	Large Related (5 or more)	All Other	Total Renters	Elderly (1 & 2)	Small Related (2 to 4)	Large Related (5 or more)	All Other	Total Owners	
Household Income <=30% MFI	478	896	347	508	2,229	111	47	14	40	212	2,441
% with any housing problems	70.3	88.8	96	84.6	85	52.3	78.7	100	100	70.3	83.7
% Cost Burden >30%	70.3	87.3	93.1	82.7	83.5	52.3	78.7	100	100	70.3	82.3
% Cost Burden >50%	50.2	69.5	67.4	67.9	64.7	25.2	78.7	100	100	56.1	63.9
Household Income >30% to <=50% MFI	185	556	305	262	1,308	176	72	28	37	313	1,621
% with any housing problems	48.6	68.5	82	85.1	72.2	27.3	80.6	100	100	54.6	68.8
% Cost Burden >30%	48.6	57.9	39.3	85.1	57.7	27.3	80.6	85.7	73	50.2	56.3
% Cost Burden >50%	13.5	6.1	0	20.6	8.6	25	54.2	50	62.2	38.3	14.4
Household Income >50 to <=80% MFI	185	537	318	237	1,277	192	297	104	69	662	1,939
% with any housing problems	36.2	22.9	75.2	27	38.6	17.2	75.4	56.7	31.9	51.1	42.9
% Cost Burden >30%	36.2	5.2	4.7	18.6	12.1	15.1	75.4	45.2	31.9	48.6	24.5
% Cost Burden >50%	2.2	0.7	0	0	0.6	7.8	28.6	3.8	14.5	17.2	6.3
Household Income >80% MFI	178	560	354	389	1,481	251	754	280	237	1,522	3,003
% with any housing problems	2.2	13.4	66.1	2.6	21.8	0	13.9	26.4	16	14.3	18
%. Cost Burden >30%	2.2	0	0	0	0.3	0	11.3	8.9	14.3	9.5	4.9
% Cost Burden >50%	0	0	0	0	0	0	0	0	0	0	0
Total Households	1,026	2,549	1,324	1,396	6,295	730	1,170	426	383	2,709	9,004
% with any housing problems	48.4	53.9	79.8	52.1	58.1	19	36.2	41.1	35.8	32.3	50.3
Cost Burden >30	48.4	44.4	34.6	49.2	44.1	18.5	34.5	25.8	32.1	28.5	39.4
% Cost Burden >50	26.2	25.9	17.7	28.6	24.8	11.9	13.8	7.5	19.1	13	21.3

Source: CHAS Data Book, Current as of 2000

2. Homeless Needs (91.205(c))

The Orange County Housing Consortium completed a Point-in-Time Count in January 2008. The data for the County indicates that that there were:

- 139 households, including 17 households with children in emergency shelters (177 persons total)
- 15 households in transitional housing, all included children (40 persons total)
- 89 unsheltered households, including 3 households with children (94 persons total)

The County's summary of homeless persons by subpopulations included:

- 79 chronically homeless persons, including 55 persons who were sheltered
- 135 severely mentally ill persons, including 10 persons who were sheltered
- 187 chronic substance abusers, including 34 persons who were sheltered
- 24 veterans, of whom 22 were sheltered
- 20 persons with HIV/AIDS who were all sheltered
- 126 victims of domestic violence, including 118 persons in shelters
- 8 unaccompanied youth who were all sheltered

Within Orange County, there are 632 total year round beds (including 347 family beds), 19 seasonal beds and 60 overflow/voucher beds. Beds are available in a number of different programs designed to meet the particular needs of individual and families. These include – emergency shelter for families supportive housing for mixed populations, permanent supportive housing for single individuals, permanent housing for youth, emergency shelter for mixed populations and individuals, emergency shelter for youth, transitional housing for families and permanent supportive housing for families.

A February 2008 homeless survey was undertaken in Orange County in part to engage homeless consumers who have been outside the traditional delivery system. Data collected included:

- Of the 205 surveyed, there were 95 males, 107 females and three unknown.
- Race and ethnicity included 55 black persons, 82 white persons, 21 persons of Hispanic origin, six Native Americans, two "other" and 39 "unknown".
- The largest number of person were single (134) compared to 13 couples, 10 married persons and 48 unknown.
- 82 of the respondents had never been homeless before, 79 had been homeless before (including 16 who had been homeless more than three times) and 44 did not answer.
- Eviction was the primary reason stated for homelessness, followed by "other" and financial reasons.

- 66 individuals had a drug or alcohol abuse problem, 59 admitted to some mental issues and 83 had some type of disability.

Monthly homeless data for 2008 provides the following trend information:

- There were an average of 10 families and 29 individuals in Emergency Housing Shelter in 2008;
- There were an average of 17 families in transitional family shelters; and
- An average of 26 families and 75 individuals were in hotels/motels.

Data for 2009 County suggests that hotel/motel numbers have increased dramatically.

A January 2009 street count in Newburgh identified the following homeless persons:

- 50 men homeless living on the street
- 9 women homeless living on the street
- 19 men staying overnight at Newburgh Ministry

Data on the nature and extent of homelessness by racial and ethnic group is not readily available.

3. Non Homeless Special Needs (91.205(d))

The City has estimated to the extent practicable the number of persons in subpopulation that are not homeless but may require housing or support services.

Elderly and Frail Elderly

According to the City of Newburgh, Master Plan and based on 2000 US Census data, persons age 65 or older make up close to 10% of the population of the City (about 2,800 persons). Little, however, is known about the social, emotional and physical needs of the City's elderly population. The City's Department of Human Services plans to implement a broad-based planning process with stakeholders to identify the needs, locate the gaps and articulate a vision for serving seniors.

Substance Abuse

In 2007, the Orange County Department of Social Services had 2,473 open substance abuse cases in zip code 12550 (this include both the Town and City of Newburgh), of which 95 (4%) were considered unemployable due to substance abuse issues.¹⁶

Persons with Disabilities

People with special needs include people with physical, mental or emotional support requirements. Their living arrangements can range from independent living to supervised living arrangements. Approximately 7,000 persons with disabilities live in the

¹⁶ 2008 Master Plan

City of Newburgh.¹⁷ Information is not available about the numbers of persons with disabilities who are not served by existing housing options.

Persons with HIV/AIDS and Their Families

The Orange County Department of Health reported in 2003 that there were 568 persons living with HIV/AIDS in the county (including inmates). Newburgh with 8% of the County's population would have about 45 residents with HIV/AIDS. The City, however, in light of its socioeconomic conditions, estimates that the actual number is higher. The Orange County Community Health Assessment 2005-2010 indicates that Black/African American and Hispanic/Latino populations are overrepresented in AIDS cases in the county. The County Health Assessment identifies the City of Newburgh, in addition to the cities of Middletown and Port Jervis, as a primary community for prevention and education services.

The Steven Saunders Residence, which provides housing for persons with HIV/AIDS has reported that they do not have a waiting list for units. Staff indicated the facility has a no-tolerance policy.

The City of Poughkeepsie administers HOPWA funds for Orange and Dutchess Counties as a separate formula grant program. Through this funding, RECAP operates a rental assistance program for persons with HIV/AIDS. Currently (September 2009) 19 Newburgh households receive rental assistance. RECAP staff reported that there is a high need for additional housing services for persons with HIV/AIDS.

Public Housing Residents

The waiting list for public housing (as of August 2009) includes 169 household, of which 138 are extremely low income and 31 are low income. Wait list households consist of 97 households with children, two elderly households and 10 households that contain a person with a disability.

There are currently 309 households on the Section 8 waiting list, consisting of 237 very low income households and 72 low income households. The waiting list household composition is 145 households with children, 42 elderly households and 23 households that include a person with a disability. The racial/ethnic composition of the wait list is 38 Hispanic households, 150 Black/African American households and 153 White, non-Hispanic households.

Persons with Mental Illness

The Cornerstone Residence wait list generally includes 75 to 100 names. This is one indicator of additional needs. Orange County Single Point of Access program staff stated that there is a general need across the County for additional housing to serve persons with mental illness. Recommendations for housing placements are based on

¹⁷ Ibid.

client needs and appropriate levels of care offered at facilities rather than facility location.

4. Lead Based Paint (91.205(e))

In the City of Newburgh, approximately 17% of the housing stock has been built since 1960 when lead in paint was banned, meaning that approximately 83% of the housing stock were constructed when lead based paint was commonly used.

From 1996 to 1999, Newburgh was one of the top 15 cities in New York State for identified incidences of elevated levels of lead in children’s blood, of those tested, 10.6% had more than 10 micrograms per deciliter. In 2000, approximately 53% of children in Newburgh (age six and under) were screened for elevated lead levels. Of those screened, approximately 6.8% showed elevated levels. In 2001, approximately 60% of children were screened with 5.6% identified with elevated levels of lead higher than 10 micrograms per deciliter. The percent of children identified with elevated lead levels placed Newburgh within the top 36 locations in the state based on incidents of elevated lead levels in children.¹⁸ The 2004-2005 Surveillance Report issued by the New York State Department of Health identified 103 newly identified ≥10 mcg/dL cases in the 12250 zip code, the highest number identified in any individual zip code area.

According to the Orange County Department of Health, from 1999 to 2004 a total of 6,796 children from the 12550 zip code (this includes both the City and Town of Newburgh) were tested for lead. During that time period, somewhat elevated blood level were found in 694 children in the City. Seriously elevated blood levels were found in 281 children.¹⁹ In 2008, 9,062 lead tests were conducted for children in Orange County. This included repeat tests. During 2008, 91 new cases of lead poisoned children (with levels greater than 10 mcg/dL) were identified in Orange County. During 2008, within the 12250 zip code, 96 addresses were identified as having elevated lead levels. The lead levels associated with these addresses are provided in Table III-19.

**Table III-19
Elevated Blood Lead Levels in 12550 zip code, 2008**

Number	Blood Lead Level
49	10-14 mcg/dL
21	15-19 mcg/dL
20	20+ mcg/dL

Source: telephone interview with Orange County Health Dept.

The scale of lead mitigation needed, compared to available resources, has resulted in the City focusing on selective mitigation where health risks are highest and where

¹⁸ Plan It Newburgh, Sustainable Master Plan, 2008, information obtained from New York State Department of Health.

¹⁹ Housing and Homeless Needs Assessment, City of Newburgh, September 2006.

enforcement opportunities are greatest. Lead paint mitigation is required by the City whenever buildings are renovated. Neighborhood based outreach is used to educate residents about lead paint hazards.

The City has calculated, based on national statistics provided by HUD, the number of units with lead based paint that are occupied by low and moderate income household. It is estimated that low- and moderate-income households occupy 3,433 rental units and 979 ownership units that contain lead paint.²⁰

The Orange County Community Health Assessment 2005-2010 states that Newburgh consistently has the highest lead testing ratings compared to the County's other cities. For example, in the fourth quarter of 2003, 26% of the children tested in the county were from Newburgh, compared to 9% from Middletown.²¹

Orange County operates the Lead Safe Orange Program which has the goals of having more children tested for lead poisoning and marketing and executing grant/loan programs to secure lead safe housing for children in Orange County. The Lead Safe Orange Program is a collaboration of several different lead poisoning related programs, these include:

- The Primary Prevention Program: works within Census tracts 3, 4 and 5 in the City of Newburgh to identify housing at greatest risk of lead-paint hazards and taking actions to make them lead safe;
- The Childhood Lead Poisoning Prevention Program: which provides poisoning case management for children and families, including tracking and education; and
- The Healthy Neighborhoods Program: a primary prevention program that provides public health services to targeted geographic areas in Newburgh that have unmet environmental health needs.
- Lead Safe Orange/HUD (LSO): goals are to have more children tested for lead poisoning throughout the county and to market and execute loan/grant programs that aim to secure lead safe children in Orange County²²

²⁰ Ibid.

²¹ Orange County Community Health Assessment 2005-2010 Section II, p 16.

²² "Lead Safe Orange" (brochure), Orange County Department of Health.

D. Community Development

The City adopted its *Plan-It Newburgh Sustainable Master Plan* in December 2008. The three year planning process that culminated in the written document included a stakeholder group, community input, visioning workshops and public forums. Several of the community development needs identified through that process (which are incorporated into economic development and other goals in the Master Plan) have been incorporated into the CDBG needs identified through the Consolidated Plan process, including the need to:

1. Develop a transportation plan that supports easy access to employment with an emphasis on connecting the region to New York City, by providing a variety of options regarding modes of transportation.
2. Encourage entrepreneurship through diversified programs providing training, incubation, capital and long-term capital assistance.
3. Formalize technical support guidelines and processes for all CDBG supported programs.
4. Focus efforts on strengthening business clusters in priority industries, including the building trades, historic preservation, locally owned businesses, clean energy technologies, arts, culture and communities, health care, fitness and wellness and tourism and recreation
5. Continue neighborhood-scale clean-up, façade and streetscape improvements and public safety efforts.
6. Utilize creative and innovative zoning techniques to achieve an arts and cultural development district and to maximize home based business opportunities.
7. Foster economic development opportunities within the New York State Empire Zone as part of downtown development programs where public transportation is readily available.
8. Improve pedestrian connections from existing parking lots to commercial/business corridors.
9. Foster redevelopment of vacant and underutilized sites through City auctions and other means.
10. Incorporate traffic calming measures to control speed on City streets.
11. Develop safe and attractive bike and pedestrian paths along connector routes within the city.

Needs identified through community participation:

- A. Parks and community facilities in the Lander Street area;
- B. Provide literacy and job training;
- C. Explore rental opportunities and rent-to-own opportunities for low and very-low income households;
- D. Better coordinate services to develop a continuum that can be easily accessed;

E. Cultural Affairs

Additional identified community development needs:

- Public transportation systems could improve access to health care systems.²³
- Capital needs in the City are identified in the City of Newburgh Five Year Infrastructure Improvement Plan (dated 8/27/2008). Infrastructure needs include water infrastructure improvements and repairs, street paving and reconstruction projects, sewer projects, sanitary and storm sewer separation and underground utility projects. In December 2008, in response to the potential to receive stimulus funds, the City identified priority and shovel ready projects. The Public works priority projects list is provided below.

**Table III-20
Public Works Priority Projects List**

Project	Potential Job Impact
Short Term	
Robinson Avenue Reconstruction	100
Washington Street Neighborhood Reconstruction	75
Browns Pond Dam	20-30
Sanitary Sewer Upgrades – Pump Stations	18
Sewer Treatment Plan Gravity/Sludge Belt Replacement	20
Long Term	
Broadway Reconstruction	300
Liberty Street Reconstruction	65
Waterfront Infrastructure Reconstruction	600
Broadway Corridor Bus Rapid Transit System	50

Source: City of Newburgh Five Year Infrastructure Improvement Plan (dated 8/27/2008)

E. Recovery Act Funding

1. CDBG-R

The City of Newburgh received a total of \$225,632 through the American Recovery and Reinvestment Act of 2009 (the Recovery Act). These funds are earmarked to the City as a CDBG entitlement grantee and are referred to as CDBG-R. On June 4, 2009, the City submitted to HUD a substantial amendment to its FY 2008 Action Plan for use of its CDBG-R funds. The City identified use of the CDBG-R Funds for a Sealed Bid Financing Program and a Home Rehabilitation Loan Program. Sealed bids for this program were due September 8, 2009. The City also held a live auction, selling 48 additional properties on Wednesday, September 23, 2009.

²³ The Orange County Community Health Assessment

The Sealed Bid Financing Program was created to support the City's disposition of in rem properties during the fall of 2009. Properties sold via sealed bid must be improved and secure a Certificate of Occupancy within 18 months. Successful bidders must agree to purchase the property subject to a five year owner occupancy restriction, agreeing that within 18 month of delivery of the deed, the purchaser will establish their principal residence at said premises for a period of at least five years. However, within that five year period, the purchaser may convey the premises to another owner who will main the property as their principal residence. Other terms of the program require that prospective homebuyers earn less than 80% AMI. Loans, not to exceed \$15,000, are available for the purchase of energy efficient equipment and materials. Rental units in structures must be occupied by a tenant earning less than 80% County AMI.

The homeowner rehabilitation loan program will provide forgivable or low interest loans for owner occupied units. For very low and extremely low income applications (earning less than 50% AMI) a one time, five year term, forgivable loan, up to \$20,000 for an owner unit and up to \$15,000 for a rental unit, is available for owners of one and two family dwellings (tenants must earn less than 80% AMI).

Low income applicants (between 50% and 80% AMI) of owner occupied one and two family dwellings area eligible for a one time 0%, 10 year term, loan, up to \$20,000 for an owner unit and up to \$15,000 for a rental unit, is available for owners of one and two family dwellings (tenants must earn less than 80% AMI). Monthly payments are due throughout the term of the loan.

2. Neighborhood Stabilization Program (NSP)

The City participates in the Orange County Neighborhood Stabilization Program (NSP) which was developed in 2008 as part of the Housing and Economic Recovery Act of 2008. The purpose of the NSP program is to assist in the redevelopment of abandoned or foreclosed homes. Strategies and actions, as they apply to the City of Newburgh, which is a target area for the program, are contained in an Amendment to the Orange County Fiscal Year 2008 CDBG Annual Action Plan Neighborhood Stabilization Program (NSP), dated January 30, 2009.

The City identified four areas in which to focus neighborhood redevelopment efforts and has requested NSP funds from the County to support revitalization efforts. Specifically, the City has requested a total of \$5,000,000 in grant funds targeted to the Lander Street area. The City distributed a request for developer qualifications in an effort to select a master developer for each target area.

F. Survey Results

1. Service Providers

A community needs survey (a copy is included in the Appendix) was distributed to the City's program partners and City and County departments and agencies that provide direct services. Separate questionnaires were sent to the Newburgh Housing Authority (NHA) to gather information about both the Housing Authority and the Section 8 program that is administered by the Housing Authority. Information from the NHA questionnaires is incorporated in this plan.

Five community needs surveys were completed and returned by non-profit and public service providers. The clientele served by respondents ranged from youth services, English as a Second Language, persons of all ages, seniors and low income families, persons with mental illness, victims of domestic violence, persons with HIV/AIDS and low income workers.

The types of services offered by respondents include housing and housing services, employment/training, youth services, senior recreation services, mental health, HIV/AIDS, substance abuse treatment, primary care health services, access to health care, economic support/development, technical training and childcare.

Combined, the respondents annually serve over 16,000 persons from Newburgh who may or may not be low income, depending on the program and funding sources.

Respondents were asked to rank community needs. Not all respondents answered all questions. Responses (60% or greater) reflecting identified high and critical community needs are presented below. Other community needs were identified as being more moderate to low.

2. Community Needs Assessment

Infrastructure Needs

- 60% indicated a high to critical need for water/sewer improvements and for sidewalk improvements
- 80% indicated a critical need for street improvements

Public Facility Needs

- 60% indicated a critical need for youth centers
- 60% indicated a critical need for childcare centers
- 60% indicated a critical need for mental health facilities
- 80% indicated a critical to high need for parks and and/or recreation facilities
- 80% indicated a critical to high need for facilities for abused/neglected children

Public Service Needs

- 60% indicated a critical need for childcare services
- 60% indicated a critical to high need for transportation services
- 80% indicated a critical to high need for facilities for employment/training services

Economic Development Needs

- 60% indicated a critical to high need for infrastructure development
- 80% indicated a critical to high need for building acquisition/construction rehab

Other Community Development Needs

- 60% indicated a critical to high need for energy efficiency improvements
- 60% indicated a critical to high need for lead based pain hazard mitigation
- 60% indicated a critical to high need for code enforcement

3. Housing and Homeless Needs

Homeless Needs

Respondents were asked to provide their opinions about housing and homeless needs. Generally, needs of families and persons with special needs were identified as having greater needs than individuals. The need for assessment and outreach, emergency shelter and permanent housing received the highest rankings.

Non-Homeless Needs- Housing for Persons with Special Needs

Respondents identified assisted living as having the greatest need. Housing for persons with developmental disabilities, housing for persons with HIV/AIDS and housing for persons with mental illness we identified as having the same level of need in the City.

Non-Homeless Housing Needs – Rental and Homeownership Issues

More than half of respondents did not complete this section, or partially completed this section. Therefore, response trends have not been identified.

4. Barriers

Barriers to Services

Respondents were asked to identify barriers that community members face in obtaining services. Responses included:

- Lack of information and communication
- Fear of system
- Lack of services, lack of well run services
- Access issues including long waits and paperwork
- Transportation

- Disrespectful treatment from provider staff

Unmet Needs

Respondents were asked to provide their opinions regarding unmet needs or gaps. Responses included:

- Housing (better, affordable)
- Education
- Jobs/employment
- Living wage employment
- Youth activities

G. Canvassing of Lander Street Area

On August 31, 2009 and September 1, 2009, City staff and volunteers (accessed through the Newburgh Green: A Strong Neighborhood/Strong Family Initiative) canvassed the Lander Street neighborhood asking residents to respond to two questions. A total of 48 residents, both English speaking and Spanish speaking, participated in this outreach effort.

All responses were noted by staff and volunteers and then tallied. Responses were then grouped according to topic. These sub-groups were identified through analysis of opinions provided by residents. Certain types of responses, such as those related to infrastructure, traffic and parking improvements were included as responses to both questions.

A summary of responses is provided below.

1. What type of upgrades or programs would make your neighborhood a better place to live?

Twenty-eight responses identified a need for youth activities and programs and/or recreation centers, including parks. Seventeen responses identified public safety and crime prevention needs. Traffic, infrastructure and parking needs were identified 16 times, and 14 responses identified education, job training and employment needs. Street cleaning, garbage removal and property maintenance needs were identified nine times. Six responses addressed abandoned building and homes, with recommendations ranging from rehabilitation to tearing them down. Other response topics included additional funding needs, parenting, rental issues and some responses that did not fit into other categories that were identified as "other".

2. How can the City of Newburgh help the quality of housing for your family?

Twenty-three responses addressed property maintenance, public services (e.g., garbage pick up) and code enforcement. Housing needs and housing assistance needs were identified 16 times. The need to fix and/or maintain abandon buildings was identified

15 times. Infrastructure, traffic and parking improvements needs were mentioned nine times, and crime and public safety was mentioned six times. Two responses addressed local worker and business assistance needs and several comments were included in “other”.

General topics that were identified in both questions include:

- Public and Private Property Maintenance and Services
- Infrastructure, Traffic and Parking Improvements
- Crime/Public Safety
- Abandoned Buildings
- Education, Job Training, Employment Creation and Retention

IV. Funding Sources and Basic Program Requirements

The City of Newburgh receives approximately \$830,000 in Community Development Block Grant Funds each year, which it can utilize for eligible CDBG projects. Some additional funds may also be available as program income, such as repayments of economic development loans*.

Other HUD funding sources that have historically been available to the City include the HOME funds administered by Orange County and HOPWA Program (Housing Opportunities for Persons with AIDS), which is administered by Poughkeepsie for both Dutchess and Orange Counties. The annual allocation of HOPWA funds is approximately \$947,000 (based on Federal Fiscal Year 2008 HOPWA funding formula for both Dutchess and Orange Counties). Section 108 funds are another available HUD funding source. For the past few years, however, the City has been paying back Section 108 funds to HUD from its annual allocation.

In 2009, the American Recovery and Reinvestment Act provided an additional \$225,632 in CDBG-R dollars and the City was eligible to apply to Orange County for Neighborhood Stabilization Program (NSP) and NSP2 program funds.

The Consolidated Plan addresses needs associated with each of these programs. Its primary focus is the CDBG programs, where applications for funding of sub-recipients is competitive. Orange County is responsible for consolidated planning with respect to HOME and NSP funds. The City of Poughkeepsie undertakes the consolidated planning for HOPWA funds.

A. Needs Must be Addressed Within the Context of HUD Regulations

As previously noted, Community Development Block Grant-funded activities must meet the program's statutory national objectives, primarily benefiting low and moderate income persons and/or eliminating and preventing blight. Additionally, there are other program requirements that provide basic criteria for an acceptable project or activity.

For example, not more than 20 percent of the funds can go for overall program administration and planning. While the preparation of local comprehensive plans, area studies, economic development plans or zoning amendments would theoretically be eligible for funding, and might be a local priority, the 20 percent cap on overall administration precludes CDBG funding for local planning studies.

In contrast, public service program funding can be funded on an annual basis up to the HUD maximum of 15 percent of the grant amount. However, public service funding cannot just be a

* Allocation of funds from HUD vary each year, based on comprehensive allocations, nationwide participation in the programs and changes in HUD criteria.

repeat or continuation of an annual allocation of CDBG funds to an agency budget; the CDBG funds should be allocated for new program initiatives and/or allocated to different recipients each year. Public service programs that meet other Community Development Block Grant needs, e.g., housing or job creation, would receive priority for funding given the overwhelming demands for public service grants and the 15 percent limitation imposed by HUD.

Public services funded through CDBG must principally benefit low and moderate income populations. Often documentation needs to be provided documenting that a majority of the actual recipients have incomes less than 80 percent of the County median.

In contrast, most public infrastructure improvements need to be located in lower income Census designated areas to be eligible for CDBG funding. This applies to water and sewer facilities, roads and sidewalks, recreation and other similar public facilities and improvements. Even if a project has significant local support, the low-mod benefit requirement must still exist for it to be an eligible activity. An exception is a senior center or a handicapped access project, which generally is presumed to benefit a low and moderate income population, absent evidence to the contrary.

A large scale or small scale commercial area revitalization project located in a low and moderate income area is typically eligible for CDBG funding, unless the trade area or types of stores clearly serve a much broader population base that is predominantly non-lower income.

Similarly, an economic development loan program must also document low and moderate income benefit, typically related to the salaries for jobs provided, as well as location in a low and moderate income area.

Outside designated low and moderate income areas, communities may undertake their own income surveys to document low and moderate incomes, or they may document project eligibility based on elimination of slums and blight, as defined by HUD and Article 15 of New York State law. This typically requires a study of building conditions, obsolescence, underutilization and other blighting factors. It may relate to a single building or a large urban renewal area. In either case, the CDBG funded activity must be part of a specific program to eliminate the stated blight.

Historic preservation activities are often limited to the elimination of blighted conditions, given HUD requirements that focus on low and moderate income benefit or blight elimination. The City of Newburgh has a large Historic District and historic preservation activities are a community need.

Housing activities funded with CDBG funds are also limited by program regulations; typically, communities use CDBG funds for housing rehabilitation programs, acquisition of property and brownfield remediation, with HOME and other funds utilized to support new construction, down payment assistance, etc. Any CDBG housing assistance, however, must benefit households with incomes that are less than 80% of the area median.

B. How to Utilize This Consolidated Plan

Agencies and non-profits seeking funding from the City should examine their individual needs within the context of the overall needs described in this Consolidated Plan. The strategies that follow should be a further guide for individual applications for the various categories of activities. Individual projects that follow these strategies and help to implement City initiatives will stand the best chance for funding.

C. Outcomes

The City aims to achieve an outcome of improved opportunities, adequate housing and infrastructure, and the provision of job training services for the areas of the City that have the greatest needs, which have been identified as target areas.

V. Objectives and Strategies

A. Strategic Plan

1. Basis and Assignment of Priorities

The strategies that follow for the City of Newburgh outline priorities and objectives for each major category of potential funding. They also cite obstacles that need to be addressed to help meet the stated objectives. Actions towards the strategies list could occur during the FY2010-2014 period, however, funding limitations may impact the City's ability to address all strategies.

In the City, major initiatives are geographically defined. Past progress has occurred throughout the City without geographic focus due to the magnitude of the City's needs overall. In an effort to create a substantial impact with limited funds, a target area and secondary target areas have been established in this plan. Hence, new projects in the Lander Street primary target area (which is located in Census tract 4) and Census tracts 4 and 5 will be given priority treatment. It is estimated that 70% or more of the City's CDBG funds will be directed to the primary and secondary target areas through programs and projects aimed towards the provision of decent housing, the provision of a suitable living environment and expansion of economic opportunities. Census tracts 4 and 5 have been identified as having the greatest needs, they suffer from high poverty levels, a high number of foreclosed, vacant and City-owned properties and high crime rates.

The analysis of the housing market and housing problems and needs of extremely low-income, low-income, and moderate-income renters and homeowners provides the basis of the assignment of relative priorities given to each priority need in the housing needs tables located in the Appendix.

Priorities for public services in the City include job training, education and literacy, and community building activities. Public safety, youth services and recreation programs are necessary in the community, but often are eligible for other sources of funds.

Infrastructure projects can also be funded on a multi-year basis as part of leveraging of potential funds.

Following the section that outlines the City's strategies are a number of additional strategies required by HUD to be articulated as part of the Consolidated Plan they provide focus on:

- Homeless Housing and Services
- Anti Poverty
- Lead Paint

- Housing Opportunities for Persons with HIV/AIDS
- Special Needs
- Barriers to Affordable Housing

2. Housing and Community Development Priorities and Objectives

Priority: Provide suitable affordable housing for owners and renters of mixed incomes

The housing stock in the City includes a significant amount of substandard housing as well as several vacant structures that have reverted to the City. The City intends to create additional housing opportunities, including rehabilitation of underused structures and infill housing as part of its targeted revitalization initiatives in the Lander Street area. The City has identified three areas, including Lander Street, where it seeks to address entire neighborhoods through a comprehensive approach. Requests for developer qualifications are being sought for these areas. The City is seeking developers with a broad background in urban redevelopment with a particular focus on low income housing rehabilitation and rental property management. The City aims to work with developers to develop a comprehensive three to five year revitalization plan for the defined neighborhoods.

The City has also created sealed bid and auction opportunities for redevelopers to purchase and rehabilitate City-owned residential and commercial properties throughout the City, other than in the identified neighborhood stabilization areas. The City has set a requirement that purchasers of City-owned properties must finish rehabilitation of the structures within 18 months.

The City has worked closely with the Orange County Office of Community Development as a member of the County's Home Investment Partnership (HOME) Program. The City has historically solicited applications for owner-occupied rehabilitation projects for referral to the County program.

In an effort to maximize limited resources, the City of Newburgh and Orange County, starting in FY 2010, will conduct joint application reviews for the City's rehabilitation programs, the County HOME program and Lead Safe Orange.

The City is acutely aware of the importance of providing housing opportunities for households of all income levels. Community members, through the citizen participation process and the CDBG Advisory Committee overwhelmingly identified the importance of providing adequate housing opportunities to low and extremely low-income households.

Objectives: Provide rehabilitation assistance to property owners and future purchasers of City-owned properties to encourage revitalization of neighborhoods impacted by vacancies and foreclosures.

Provide opportunities for additional ownership and rental housing utilizing CDBG funds (and HOME funds, as available, based on the City's historic participation in the County HOME Consortium) to leverage private investments.

Expand the supply of affordable housing in good condition, available for rental or sale that meets the needs of the City's diverse households and family structures. Expand homeownership opportunities for low and very low income households.

Obstacles:

- Cost of site improvements, remediation and rehabilitation given the age of housing and infrastructure in the City
- Cost of rehabilitation and new construction
- Availability of land
- Historic district regulations

Strategies:

- Continue efforts to collaborate with private developers and non-profit partners to create additional rental and ownership opportunities through rehabilitation and infill housing for persons of all income levels, including low and extremely low income citizens.
- Using HOME funds (accessed through participation in the County HOME Consortium), low-income tax credits and other applicable programs, stimulate rehabilitation of housing that is currently in poor or fair condition.
- Explore effective and innovative approaches to assist first time homebuyers with down payment and closing costs.
- Provide rehabilitation assistance to property owners and purchasers of City-owned properties.
- Provide loans to income eligible residents for labor and material costs to make necessary home repairs.
- Provide technical assistance to homeowners in the removal of architectural barriers for the physically challenged.
- Establish a housing loan committee to assist with implementation of a residential loan program.
- Encourage the provision of housing counseling. As appropriate, partner with non-profits and banks working in homebuyer education and housing

rehabilitation for first-time homeowners and identify

- Identify opportunities to expand the capacity of key non-profits working in the City.
- Explore implementation of a rent-to-own program.
- Explore financing mechanisms and other, non-federal, sources of revenue to provide financial and technical support for the renovation of rental and owner-occupied housing units.
- Explore long term approaches to stabilizing the supply of affordable housing, like Land Trusts, that are tools to maintain both ownership and rental affordable units.
- Information about homeownership activities and possible future rent-to-own programs will be provided to the Public Housing Authority for posting and/or dissemination to public housing residents to encourage them to participate in homeownership opportunities. Fund clearance activities as appropriate to address blighted and/or hazardous conditions.
- Fund clearance activities as appropriate to address blighted and/or hazardous conditions.

Priority: Economic Development

The City has experienced substantial flight of industry and commerce into the surrounding suburban towns and the Stewart Airport industrial/commercial zone which is located outside the city. Disinvestment in the City's core and neighborhoods over a generation has taken a visible toll, with high levels of vacancy and disrepair on the major commercial streets as well as in residential neighborhoods. As a result, there are limited employment opportunities within the City.

The City has defined a Mid-Broadway Business District area for which the City is looking for developers of commercial property and market rate housing.

Objective: Upgrade the physical condition of targeted areas (short-term) and City as a whole (long-term), including the Lander Street area and Census tracts 4 and 5, reduce and prevent blight, create and retain jobs, and provide housing opportunities close to employment opportunities.

Obstacles:

- Cost of site remediation, demolition, adaptive reuse and construction
- Many buildings are vacant, underutilized and blighted
- Many buildings are within the City's Historic District and revitalization must comply with architectural review requirements of the Historic District
- Aging infrastructure

Strategies:

- Combine CDBG funds with other program funds and private sector commitments as public/private partnerships for redevelopment of blighted areas.
- Utilize CDBG funds for facade grants and provide economic development loans geared to new or expanding businesses that will leverage public and private sector funds to further enhance commercial rehabilitation, business expansion and create jobs.
- Encourage recruitment of businesses that pay living wages, offer benefits to employees, and provide opportunities for job and technology training. This includes a program that provides rental assistance for start-up businesses and an entrepreneurial program for residents who are establishing a business.
- Support and fund building rehabilitation projects that:
 - Reuse vacant, substandard and/or historic buildings
 - Encourage private investment
 - Create jobs for residents
- Provide funds to upgrade infrastructure, including street, sidewalk, recreation and utility systems.
- Provide rehabilitation specialists to work with homeowners, for example, to help home owners identify rehabilitation project components.
- Encourage the development of supports in the City's neighborhoods for workforce and economic development, including but not limited to enhanced child care, business services, transportation to neighborhood and city centers, and amenities that support business development such as neighborhood parks, well maintained streets, community gardens, arts and culture.

Priority: Public Facilities and Infrastructure Improvements

The Department of Public Works and City Administration are acutely aware of the importance of maintaining, repairing and upgrading the City's infrastructure to preserve the community's general well-being in order to maintain and preserve commercial and residential areas and attract development. The City will strive to meet the needs of the community through the upkeep of its roads, sidewalks, sewers, bridges, parks and public buildings. Priority will be given to infrastructure projects along Lander Street and within Census tracts 4 and 5.

Objective: Maintain, repair and upgrade infrastructure and facilities in order to support revitalization and rehabilitation of blighted areas.

Obstacles:

- Cost of improvements
- Aging infrastructure and facilities

Strategies:

- Provide CDBG funding to leverage capital improvement program funds.
- Remove architectural and sidewalk barriers to enable handicapped and senior accessibility where eligible.
- Continue to support streetscape improvement projects, including planting of street trees, street lighting and related amenities.
- Support rehabilitation or construction of eligible public and quasi- public buildings and facilities, such as youth, senior, and child care centers as part of targeted revitalization efforts.

Priority: **Public Services**

Objectives: Provide limited resources to public and non-profit organizations that provide services to low income households, as many service providers are eligible to seek funding from a number of public, private and non-profit sources. Services may include basic needs such as food shelter, access to medical care, and utility assistance, and domestic violence and child abuse services, and crime awareness and enforcement. Other important human services areas include youth, day care, chemical dependency, seniors and people with disabilities, job training/employment opportunities and literacy, health care, and mental health services.

Obstacles:

- Limited availability of funds
- Limited capacity
- Limitations on the use of CDBG funds (e.g., 15% cap)

Strategies:

- Support and fund programs that provide education and literacy skills, and job training, to support the development of a well trained workforce, to assist low and moderate income persons to gain employment and financial stability.
- Support community building efforts that enable low and moderate income families, including those for whom English is not their first language, to

improve their neighborhoods, build relationships with local government, service providers and the faith based community, and create a sense of place and pride in their community.

- Provide targeted crime awareness and enforcement to support revitalization and community building efforts.

3. Other Consolidated Plan Strategies

Priority: Homeless Housing/Services

Objective: End chronic homelessness and move families and individuals to permanent housing and eliminate homelessness due to housing market conditions and short-term financial crises of Newburgh's households by stabilizing housing tenure through financial and policy supports.

Expand crisis supports to meet the needs of homeless households and those potentially facing homelessness. The new County One-Stop Center will serve as a vital resource for homeless persons and persons at risk of homelessness, including outreach to such persons.

Obstacles:

- Limited supply of affordable housing
- Limited supply of rental assistance
- Limited supply of housing for homeless persons
- Limited availability of funds

Strategies:

- Prevent homelessness and enable the formerly homeless to sustain housing by promoting access to prevention, outreach and support resources that are available in the community.
- Support programs and facilities, including emergency and transitional housing, that serve homeless and non-homeless individuals with chemical and or alcohol dependencies, domestic violence victims, youth, veterans, and the general population homeless.
- Encourage efforts of existing services that aid the homeless.
- Continue participation in the Orange County Housing Consortium

Priority: Anti-Poverty Strategy

Objective: Reduce the number of families living in poverty.

Obstacles:

- Limited non-profit capacity
- Limited availability of funds

Strategies:

- Target public services to low income families, including literacy, education and job training services.
- Encourage the efforts of the Newburgh Housing Authority, which administers the City's Section 8 rental assistance program, the Section 8 Family Self Sufficiency (FSS) program (which teaches self-help skill to low income families with children) and maintains public housing.
- Provide assistance to homeless facilities and individuals, utilizing HOME funds.
- Support youth training and employment programs that will lead to job opportunities for area residents.

Priority: Lead-Based Paint

Given the age of the housing stock in the City, lead based paint hazards are a significant problem. The City requires lead abatement for rehabilitation projects.

Objective: To reduce lead based paint hazards in the City.

Obstacles:

- Prevalence of older housing stock likely to contain lead based pain hazards.
- Relatively few local firms are EPA certified to do assessments, testing or abatement.
- Cost of assessments, testing and abatement.

Strategies:

- Inspectors will continue to identify lead based paint issues in any units that are part of federally subsidized rehabilitation projects.
- Continue on-going coordination with the Orange County Health Department to determine the incidence of lead poisoning in children and cases where abatement is required.

- Keep abreast of EPA certified training sessions on lead based paint so that appropriate staff and outside contractors may maintain the necessary certifications.
- Make certain that lead abatement programs are included in any adaptive re-use project, even those not utilizing program funds.

Priority: Housing Opportunities for Persons with AIDS

Objective: Subsidize rental assistance through non-profit agencies for the HIV/AIDS population in Orange County.

Obstacles:

- Limited capacity of agencies providing supportive services
- Insufficient funding for housing subsidies
- Limited availability of adequate rental units

Strategies:

- Continue providing information about HOPWA needs to the City of Poughkeepsie for inclusion in HOPWA needs analysis.
- Maintain a community-wide approach to forming partnerships with non-profits and social services providers.
- Provide linkages to health care and other services through coordination with the Orange County Departments of Health, Mental Health, and Social Services and other related health service agencies.

Priority: Special Needs

For purposes of this Consolidated Plan, special needs are defined as senior citizens, persons with alcohol and drug addictions, and the physically disabled. Needs that can be addressed with CDBG, and other HUD funds include rental assistance, housing rehabilitation, barrier removal in private homes and at public buildings and facilities and the provision of public services and transportation services designed to specifically address issues such as limited mobility. Utilize HUD resources to augment other programs that are designed to assist persons with special needs.

The County recently opened a one-stop center in the City of Newburgh to expand access to available services.

Objective: Enhance opportunities for housing and support services for the special needs population including the elderly, persons with disabilities, persons with addictions, and households at risk of chronic homelessness or housing instability,

resulting from special needs including handicapping conditions, physical and mental health issues, or status as an ex-offender.

Obstacles:

- Limited availability of funds and limitations on the use of funds (e.g., 15% cap) for public service.

Strategies:

- Advocate for expansion of case management and supportive services provided by Orange County for individuals with special needs, including persons at risk of homelessness.
- Remove architectural barriers at public facilities, on sidewalks, and within homes of persons with physical disabilities. The accessibility needs of the physically handicapped include barrier free design in entryways, doorways and hallways, and accessible fixtures and appliances.

Priority: Foster and Maintain Affordable Housing

This Consolidated Plan describes a number of barriers to affordable housing, including the aging infrastructure, historic district architectural requirements, a low and extremely low income population, lack of employment opportunities and limitations on the part of the public and/or private sector to aggressively pursue affordable housing.

Based on FY 2010 estimates, the City anticipates the following will be accomplished during the 2010 to 2014 Consolidated Plan period:

- assisting approximately 30 income qualified homeowners with rehabilitation; and
- providing loans to assist with rehabilitation of approximately 65 rental units.

Objective: To continue to identify and address major impediments to the creation of affordable housing at the local level and to provide creative solutions that resolves obstacles and assist in the production of affordable units.

Obstacles:

- Limited subsidies for development of affordable housing
- Lack of incomes to afford housing, especially ownership units
- Inadequate infrastructure and transportation services
- High numbers of vacant and foreclosed properties and properties in disrepair that may discourage new private investment in certain neighborhoods
- Architectural review requirements must be met in the City's Historic District which includes areas of Census tracts 4 and 5.

Strategies:

- Utilize CDBG and other HUD funds to support housing efforts that encourage socially diverse and economically integrated neighborhoods.
- Promote affordable housing components, including components for extremely low- and low-income households as part of redevelopment and revitalization projects that also include moderate income and market rate housing to develop a balanced approach to affordable housing development.

4. Institutional Structure and Coordination

The institutional structure involved carrying out the City's housing, homeless, and community development plan includes, in addition to the Lead Agency, the public, municipal officials, private non-profit organizations, faith-based and community organizations, public housing agencies and other public institutions. The strength of this structure is that these organizations make up the City's service delivery system and the public often serves as an informal outreach mechanism that helps link residents with services.

The City will continue to work closely with Orange County in several areas including social services, lead abatement and mental health services. The City anticipates continued participation in the Orange County Housing Consortium and will provide information to the City of Poughkeepsie regarding HOPWA. Previously identified gaps in the delivery system, such as the need for Newburgh-based access points to County services have been addressed.

The City will seek to establish new relationships with the private sector to accomplish economic and community development activities. The proposed loan committee will enhance relationships with local banks and the City seeks to accomplish neighborhood revitalization activities in partnership with private developers.

As stated elsewhere in this document, in an effort to maximize limited resources, the City of Newburgh and Orange County, starting in FY 2010, will conduct joint application reviews for the City's rehabilitation programs, the County HOME program and Lead Safe Orange.

Table 2A and Table 2C in the Appendix provide additional details about five year goals.

VI. Annual Action Plan

A. Introduction / Executive Summary

The City of Newburgh One Year Action Plan outlines the proposed use of approximately \$830,000 in CDBG funds and approximately \$10,000 in program income. Funds will be spent on housing and community development activities including rehabilitation of owner occupied and rental units, clearance, workforce development, historic preservation/façade improvement activities, street tree planting, and public services. Most activities will be carried out in the Lander Street primary target area and the Census tracts 4 and 5 secondary target area. Census tracts 4 and 5 have been identified as having the greatest needs, they suffer from high poverty levels, a high number of foreclosed, vacant and City-owned properties and high crime rates. It is estimated that 70% or more of the City's CDBG funds will be directed to the primary and secondary target areas through programs and projects aimed towards the provision of decent housing, the provision of a suitable living environment and expansion of economic opportunities. Some activities may serve residents City-wide.

B. Evaluation of Past Performance

The City of Newburgh has encountered a number of challenges to meeting the underserved needs of residents. The greatest obstacle, lack of financial resources, is met by continuing and on-going efforts to seek funding from private and public sources. Specific efforts have included:

Affordable Housing: The City's 2005-2009 primary housing priority was rehabilitation of sub-standard housing. The City placed emphasis on the redevelopment of deteriorated property for owner-occupancy. The City conveyed properties to non-profit partners, funded a Historic Preservation Program to provide support to residential property owners and funded down-payment assistance.

Public Housing: The Newburgh Housing Authority, which had been designated as "troubled" received technical assistance from the City on funding, administration and physical management. The "troubled" designation was removed from the authority in 2008.

Anti Poverty Strategies: The City has supported economic development programs, including a Business Loan Program, with the goal of increasing employment opportunities for poverty level families.

Upgrading the Living Environment: The City has made substantial investments in infrastructure and park improvements in low and moderate-income neighborhoods. Projects include the Renwick Street Infrastructure Project, the First Street Fishing Pier and improvements to Tyrone Crabb Park.

C. Sources of Funds

The following identifies resources from public and private sources, including those amounts allocated under HUD formula grant programs and program income that are reasonably expected to be made available to the City of Newburgh to carry out the Consolidated Plan.

The City of Newburgh anticipates the following funds to be available to carry out activities during the FY 2010 Program Year:

CDBG Entitlement	\$830,000
Program Income	\$10,000
TOTAL	\$840,000

1. Federal Funding Sources

The following are funds expected to be provided to the City of Newburgh through the U.S. Department of Housing and Urban Development:

a) Community Development Block Grant Program (CDBG)

The CDBG Program is a Federal entitlement program with the objective of assisting low and moderate income persons, eliminating slums and blight and/or addressing urgent community development needs. In Federal fiscal year 2010, it is estimated that \$830,000 in CDBG funds will be provided to the City of Newburgh and allocated to eligible entities. At least 70% of these funds will be used to benefit extremely low, low and moderate income persons.

The use of past CDBG funds for loan activities results in the City of Newburgh earning program income, primarily from loan repayments. Program income will be reviewed during the first quarter of FY 2010. As program income is identified the City would have the opportunity to use these funds to enhance programs, or amend its annual action plan to otherwise utilize these funds as appropriate. Based on information currently available, the City projects program income will be approximately \$10,000 during FY 2010.

CDBG funds, and program income, can be used for a wide range of activities related to housing, economic development, commercial revitalization, public services, infrastructure, and public facilities.

b) HOME Investment Partnerships Program (HOME)

The City of Newburgh participates in the Orange HOME Program Consortium. Orange County is the grantee for these funds and is responsible for reporting HOME activities to HUD.

c) Housing Opportunities for Persons with AIDS (HOPWA)

The City of Poughkeepsie has been designated by HUD as the administrator of HOPWA funds for Dutchess and Orange Counties and is responsible for distributing the funds to eligible entities within these counties.

d) CDBG-R

The U.S. Department of Housing and Urban Development has awarded the City of Newburgh a total of \$225,632 through the American Recovery and Reinvestment Act of 2009. These funds are earmarked to the City as a CDBG entitlement grantee. HUD anticipates these funds to be managed through the CDBG administrative process and the majority of regulations which govern the use of CDBG funds will apply to the use of these additional funds - referred to as "CDBG-R" funds. The City of Newburgh will be utilizing anticipated CDBG-R funds to support the City's Housing Affordability Program. Under this proposed program, the City anticipates carrying out the following activities:

- Sealed Bid Financing Program: The City of Newburgh will be instituting a Sealed Bid Financing Program which will support and target the City's anticipated disposition of In Rem Properties in the fall. Subject to all of the income limitations of the CDBG-R funding program, participating developers will be required to tenant properties with families earning less than 80% of the County AMI and documentation confirming the family income will be required.
- Home Rehabilitation Program: This program would provide forgivable loans or low interest loans to owner occupied applicants

e) Neighborhood Stabilization Program (NSP)

The City participates in the Orange County Neighborhood Stabilization Program (NSP) which was developed in 2008 as part of the Housing and Economic Recovery Act of 2008. The purpose of the NSP program is to assist in the redevelopment of abandoned or foreclosed homes. Strategies and actions, as they apply to the City of Newburgh, which is a target area for the program, are contained in an Amendment to the Orange County Fiscal Year 2008 CDBG Annual Action Plan Neighborhood Stabilization Program (NSP), dated January 30, 2009.

The City identified four areas in which to focus neighborhood redevelopment efforts and has requested NSP funds from the County to support revitalization

efforts. Specifically, the City has requested a total of \$5,000,000 in grant funds targeted to the Lander Street area. The City distributed a request for developer qualifications in an effort to select a master developer for each target area.

The following are programs expected to be carried out by housing authorities and other housing offices in the City of Newburgh:

a) **Section 8 Rental Voucher and Certificate Program**

The Section 8 Rental Assistance Program provides rental assistance payments to private owners who lease their units to assisted families. In the City of Newburgh, the Newburgh Housing Authority administers this program on behalf of the City. Eligible applicants must be low and very-low income (i.e., less than 50% of median) and meet citizenship/eligible immigrant criteria and screening and documentation criteria set for in the Procedures for Participation Selection PHA and Section 8. In addition, Pathstone, a non-profit, administers certificates and vouchers from the County for households within the in the City.

b) **Comprehensive Improvement Assistance Program (CIAP)**

The CIAP is a competitive Federal funding program to assist smaller housing authorities to finance capital improvements in public housing development, to upgrade living conditions, correct physical deficiencies, and achieve operating efficiency and economy.

The Newburgh Housing Authority has utilized CIAP funds in the past and may do so in the future.

c) **Low Income Housing Tax Credit Program**

The Low Income Housing Tax Credit Program involves the allocation of federal tax credits which provide a dollar-for-dollar reduction in Federal income tax liability for eligible applicants who invest in qualified low income rental housing projects. Qualified owners must acquire, improve, develop, or rehabilitate rent restricted units that must be occupied by low income households. Tenants may not be charged rent that is greater than 30% of the area median income, based on unit size.

Eligible applicants/owners include individuals, partnerships, limited partnership corporations and Chapter S corporations. Priority for funding is given to applicants experienced in development and operation of low income housing.

The City has not been made aware of any plans for use of these funds in 2010.

2. Non-Federal Public Sources

a) NYS Affordable Homeownership Development Program (AHC)

The AHC program is a competitive state program that provides financial assistance and development incentives for the new construction, acquisition/rehabilitation, or improvement of one-to-four family owner-occupied dwellings. Grants of up to \$40,000 (due to identification of Orange County as a high cost area) per unit are available. Eligible applicants include local governments and non-profit housing organizations. Eligible households are generally those with incomes not exceeding area median. It is anticipated that projects carried out in the City may take advantage of the program if applicable.

b) NYS Housing Trust Fund (HTF)

The HTF Program is a competitive state program that can provide up to \$125,000 per unit in the form of a grant or loan for new housing. The Trust Fund gives priority to units targeted to extremely low income households. Eligible applicants include local governments, housing non-profits, private developers, housing development fund companies, and housing authorities. HTF funds can be used for construction, rehabilitation or conversion of property into a cooperative, condominium, homesteading or rental project

c) SONYMA

The State of New York Mortgage Association provides below market rate interest mortgages to low and moderate income families in eligible areas. SONYMA is able to give special incentives to prospective homebuyers interested in purchasing a home in a Federally designed target areas, which are considered to be economically distressed areas. Census tracts 3, 4 and 5 in the City of Newburgh are identified as target areas.

d) New York State Preservation Tax Credit

The NYS Historic Residential Properties Tax Credit Program will cover 20% of qualified rehabilitation costs of owner-occupied historic houses, up to a credit value of \$25,000. The large historic district in the City suggests that this program may be utilized during the 2010-2014 period. The City will assist owners with accessing these funds.

e) Other New York State Funds

New York State provides several sources of funds that may be accessed for local projects. Some projects may provide an opportunity for the City to leverage CDBG funds.

In 2010, the City anticipates receiving funds from the New York State Department of Environmental Conservation for street trees. The proposed workforce development program, which includes rehabilitation of structures for affordable housing as part of job skills training, will leverage a special

appropriation of \$210,000 through the Department of Justice (made available through a special appropriation from Congressman Hinchey) and \$100,000 from the Orange County HOME program. The City's community policing program will also leverage these funds.

A New York State grant for the VISTA program (AmeriCorp) will be leveraged by the Strong community Strong Neighborhood program.

3. Local Resources

Local resources are those provided by the City. The City has written down the cost of land for affordable housing development and provides technical assistance to non-profit housing sponsors, helping to facilitate housing projects. The City has, in the past, provided Section 108 loans to private developers which are currently being repaid.

4. Private Resources

a) Local Banks

Local financial institutions will provide construction and permanent financing for the development of affordable housing and may coordinate with local municipalities in the screening of first time homebuyers for participation in affordable housing developments.

b) Federal Home Loan Bank (FHLB)

The FHLB operates an affordable housing program that provides subsidies in the form of low interest loan or grants to finance the purchase, construction and/or rehabilitation of owner occupied homes for extremely low, low, and moderate income households. The FHLB funds projects through its members bank and may provide assistance to the City during the FY 2010-2014 period.

c) Mid-Hudson Revolving Loan Trust

This program is designed to assist small businesses grow and create jobs. The program offers low-interest, fixed-rate, revolving line of credit, guaranteed loan amounts between \$10,000-\$75,000 or up to 50% of total project cost. Start-up businesses need to submit the following documents to pre-qualify: a description of the business, market analysis and projections, marketing plan, description of the uses of loan funds, two years of financial statements, and summary of business plan with details on current operation and need for the loan.

d) Minority & Women Business Loan Fund

The Minority & Women Business Loan Fund was created by the Orange County Chamber of Commerce and is administered through the Orange County Business Development Corporation. Guaranteed loan amounts between \$2,500-\$20,000

may be available to minority and women owned businesses during the FY 2010-2014 period.

D. Statement of Objectives and Activities

During the FY 2010 Action Year, activities will be undertaken to meet the following objectives outlined in this five year strategic plan, which are summarized below.

Homeowner Rehabilitation	\$178,150
Rental Rehabilitation Program	\$235,023
Clearance	\$70,000
Rehabilitation: Historic Preservation Activities/Façade Improvement	\$75,427
Public Services: Workforce Development/Job Training	\$75,000
Public Services: Strong Neighborhoods/Strong Families Initiatives	\$33,816
PFI: Street Tree Planting	\$5,000
Public Services: Neighborhood Policing	\$12,000
Administration and Planning	\$149,401
TOTAL	\$833,817

Objectives: Provide opportunities for additional ownership and rental housing leveraging private investments.
 Expand the supply of affordable housing in good condition.
 Expand homeownership opportunities.
 Provide rehabilitation assistance to property owners and future purchasers of City-owned properties.

- Activities:**
- Provide rehabilitation assistance to property owners and purchasers of City-owned properties.
 - Provide loans to income eligible residents for labor and material costs to make necessary home repairs, including the removal of architectural barriers for the physically challenged. The City estimates that approximately six homeowner loans will be made and 13 rental rehabilitation loans will be made for units that house low and moderate income tenants.
 - Establish a housing loan committee to assist with implementation of a residential loan program.
 - Provide information about homeownership activities to the Public Housing Authority for posting and/or dissemination to public housing residents to encourage them to participate in homeownership opportunities.

- Fund clearance activities as appropriate to address blighted and/or hazardous conditions.

Objective: Upgrade the physical condition of targeted areas and City as a whole, including the Lander Street area, reduce and prevent blight, create and retain jobs, and provide housing opportunities close to employment opportunities.

Activities:

- Provide rehabilitation specialists to provide technical assistance and to assist low and moderate income property owners with rehabilitation projects.
- Support workforce development through funding a youth training and employment program that will lead to job opportunities for area residents and accomplish rehabilitation of existing structures. Approximately 12 low and moderate income youth will be served.
- Administer and provide loans for residential historic preservation/façade improvement activities. Approximately five low property owners will be assisted.
- Provide historic preservation technical assistance to property owners within the Historic District. The City's Historic District is located in Census tracts 4 and 5, which have the greatest low and moderate income populations in the City. Recipients of technical assistance will be asked to provide household income information for owners and/or tenant.
- Fund clearance activities as appropriate to address blighted and/or hazardous conditions. Approximately two projects will be supported.
- Provide targeted crime awareness and enforcement to support revitalization and community building efforts.

Objective: Maintain, repair and upgrade infrastructure and facilities in order to support revitalization and rehabilitation of blighted areas.

Activities:

- Support the planting of street trees, which leverages other funding sources, such as funds received from the New York State Department of Environmental Conservation. It is anticipated that approximately 100 trees will be planted.

Objective: Provide resources that provide services to low income households.

Activities:

- Provide targeted crime awareness and enforcement to support revitalization and community building efforts. Approximately 13,400 persons will benefit from community policing and targeted crime awareness.
- Engage residents in targeted low and moderate income neighborhoods through implementing an asset based community planning model program and undertaking community strengthening activities such as neighborhood beautification. It is estimated that 40 persons will be served directly through community strengthening activities.

Objective: Support for Homeless and Transitional Housing Services

Activities:

- Continue active participation in the Orange County Housing Consortium.
- Support applications submitted by the Orange County Housing Consortium and its participating agencies to HUD under the Super NOFA.

HUD Table 3, which presents detailed information for each project has been completed.

E. Geographic Distribution

Activities will be targeted to the Lander Street area primarily and Census tracts 4 and 5 secondarily. Lander Street and Census tracts 4 and 5 have been identified as having the greatest need, they suffer from high poverty levels, a high number of foreclosed, vacant and City-owned properties and high crime rates.

F. Affordable Housing

County HOME Funds (received by Orange County as the grantee), low-income housing tax credits and private investment have historically contributed to the rehabilitation of low-income rental housing. It is anticipated that these, or similar investments, will continue to occur in the City. A number of activities are aimed at increasing homeownership opportunities for Newburgh residents. The City has sold several properties to Habitat for Humanity over the past several years and a City auction of vacant and foreclosed properties may increase affordable homeownership opportunities city-wide.

G. Anti-Poverty Strategy

The primary focus of Newburgh's actions to reduce the number of poverty level families will be Strong Neighborhoods/Strong Families Initiatives. These initiatives are designed to engage neighborhood residents in a strategic planning and implementation process that identifies strengths and applies comprehensive and integrated strategies to solve long standing problems. These neighborhood groups will also include the faith-based leaders and city/county department representatives.

H. Other Actions

Other actions the City of Newburgh will carry out during Federal fiscal year 2010 are outlined below:

1. Institutional Structure/Service Delivery

The City of Newburgh created a Department of Planning and Development in 2004. This effort allowed the City to strengthen the delivery of housing and community development services and improve accountability and service delivery. The City continues to administer the CDBG program through its Department of Planning and Development. The City historically implemented CDBG activities itself and has collaborated with community partners and with other governments to deliver services. This service delivery structure will continue.

2. Foster and Maintain Affordable Housing

The primary barrier to affordable housing is the lack of income on the part of Newburgh households to afford housing in the marketplace. This problem is compounded by the level of physical deterioration of the housing stock with the resultant high costs of rehabilitation. The homeowner and rental rehabilitation programs will provide opportunities for re-use of vacant and foreclosed properties, among others, for affordable housing purposes. Areas of Census Tracts 4 and 5 area located in the City's historic district. Historic preservation and façade improvement activities will provide assistance to property owners who are seeking to improve properties within the historic district. The City's workforce development program will combine job skills training with the rehabilitation of three residential structures containing a total of five units that, when complete, will be added to the City's affordable housing stock

3. Evaluate and Reduce Lead Based Paint Hazards

As indicated in the Strategic Plan, the City will continue to work with the Orange County Health Department and its Childhood Lead Poisoning Prevention Program to reduce the number of housing units containing lead-based paint. All units rehabilitated with CDBG or HOME assistance must be abated in accordance with applicable regulations. The City is working with the Orange County Office of Community Development to improve capacity by providing training to contractors on all phases of lead abatement.

4. Coordination

The City of Newburgh Department of Planning and Development coordinates the resources available through the CDBG, HOME and other programs. The Department and its staff also work closely in a cooperative fashion with various city departments and agencies to maximize positive impacts through efficient use of resources.

The City plans to continue its participation in the Orange County HOME consortium which will help to coordinate public efforts to create affordable housing. The City will also continue to work with the county and local housing and social service agencies on Continuum of Care efforts.

In an effort to maximize limited resources, the City of Newburgh and Orange County, starting in FY 2010, will conduct joint application reviews for the City's rehabilitation programs, the County HOME program and Lead Safe Orange.

5. Public Housing Improvement and Resident Initiatives

The Newburgh Housing Authority was consulted during this consolidated planning process. It is the intention of the Newburgh Housing Authority (NHA) will continue to make improvements to the assisted housing units under its management. The Authority does not qualify for Comprehensive grant funds since it does not meet the minimum unit threshold (250 units). However, the Authority has received CIAP funds for a variety of improvements in the past. The Authority intends to continue this improvement program during the coming year. The City of Newburgh will continue to provide technical assistance to NHA as appropriate. "

Over recent years, the City has provided technical assistance to the Housing Authority and will continue to do so as appropriate. On-site programs for residents are provided.

6. Leveraging Funds

The City of Newburgh has made a determination to target its CDBG funds towards Lander Street primarily and Census tract 4 and 5 secondarily. The City has applied for Neighborhood Stabilization grant funds and CDBG-R funds to be used on projects, including the auctioning of in rem prosperities for rehabilitation, in these same target areas. It is a goal of the City that CDBG and other public dollars will leverage the necessary private resources to effect physical change in the most challenged areas of the city.

I. Analysis of Impediments to Fair Housing

The City of Newburgh conducted an Impediments to Fair Housing Analysis (AI) in 2006. This analysis included demographics; information on fair housing complaints; identification of impediments in the public and private sectors; and an assessment of the City's fair housing

programs and activities. The analysis found that there were existing conditions related to housing availability, which were considered in relation to the ability of low-income communities and communities of color to secure safe and affordable housing. The primary barrier to affordable housing was found to be the lack of income on the part of Newburgh households to afford housing in the marketplace. This problem was found to be compounded by the level of physical deterioration of the housing stock and the resultant high costs of rehabilitation. Other existing conditions related to housing availability identified in the AI were: (1) the high level of residents reporting a disability; (2) language barriers; (3) the highest concentration of vacant and abandoned housing is in the lowest income, and most ethnically diverse neighborhoods, such as Census tract 4; (4) the City's most challenged neighborhoods occur along with the highest concentration of both poverty and racial/ethnic minority concentrations.

The analysis recommended a review of lending institutions underwriting practices and an analysis of approaches to improving transportation to increase access to employment opportunities outside the City.

There is no indication that conditions have substantially changed. The City has taken actions to address existing conditions:

During the Analysis of Impediments, the City identified the absence of two family housing as a permitted use that provides ownership and rental opportunities. The Analysis indicated that, at the time of writing, the City was exploring reintroduction of a strategic R-2 (two family) zone was part of a significant re-zoning process expected to follow adoption of the City's Master Plan in 2007. The City has reintroduced the R-2 (two family zone) as a permitted use.

At the time of the Analysis, the Newburgh Housing Authority was designated as "troubled" by HUD. The City provided technical assistance and entered into a cooperative agreement with the Housing Authority. As of June 2008, the Newburgh Housing Authority was no longer designated as "troubled."

There have been no significant changes in the minority population or housing patterns since the City conducted its Analysis of Impediments in 2006, therefore, no substantial revision to the AI has been undertaken since that time.

J. Monitoring

The City of Newburgh Department of Planning and Development will monitor use of CDBG funds and the achievement of established goals. The Department will gather performance data from implementing agencies as well as monitor activities carried out directly by the City itself. The Department will prepare a status report which assess progress and recommend programmatic revisions and/or amendments as appropriate.

HUD routinely monitors and audits grantees. A HUD audit report was issued for the City of Newburgh on February 24, 2009. The HUD audit identified administrative improvements needed on the part of the City to effectively, efficiently and economically carry out activities in compliance with HUD regulations. In response, the City has developed a timesheet and has implemented procedures and controls to ensure that all transactions charged to the CDBG program are in compliance with HUD regulations.

HUD identified other specific expenditures that required clarification or additional documents. The City is continuing to work with HUD to address issues raised during the audit. The City will enhance its document collection process for all activities, to ensure that adequate and sufficient documentation is available to demonstrate that expenditures meet a national objective, and the City aims to expend funds in a timelier manner.