

Washington, DC - Less than two weeks after passing a major economic recovery bill, Congressman Maurice Hinchey (D-NY) today announced the release of \$2.5 million in Community Development Block Grants from the measure for local communities that are designated by U.S. Department of Housing as entitlement communities to pay for affordable housing and economic development projects. The funds, which are in addition to the annual allocation of funding to municipalities for such projects, will go to Binghamton (\$624,800), Dutchess County (\$428,038), Union (\$378,254) Poughkeepsie (\$274,499), Newburgh (\$225,632), Ithaca (\$218,743), Kingston (\$217,864), and Middletown (\$153,945).

"The economic recovery measure that Congress passed less than two weeks ago is already working," Hinchey said. "These additional federal funds will enable the leaders of Binghamton, Dutchess County, Union, Poughkeepsie, Newburgh, Ithaca, Kingston, and Middletown to make much-needed investment in affordable housing and other economic development projects. As a result, we will help create jobs and improve the quality of life for residents."

The Community Development Block Grant program enables local governments to undertake a wide range of activities intended to create suitable living environments, provide decent affordable housing, and create economic opportunities, primarily for person of low and moderate income. Municipalities receiving the funding will have to prepare an amended local action plan document that details how the funds will be used and submit it to HUD for approval.

In order to help quickly spur economic growth, Hinchey and his colleagues included a provision in the economic recovery bill that require the money to be used within 120 days of being awarded. As a result, Binghamton, Dutchess County, Union, Poughkeepsie, Newburgh, Ithaca, Kingston, and Middletown are required to give priority to projects that can begin within that quick timeframe.

The funds released today are just one portion of Community Development Block Grant funding from the economic recovery bill. Additional funding will go directly to the state, which will then accept applications from municipalities who want a portion of those funds.