



**ADMINISTRATIVE REPORT**

**File #:** 24-700

**Meeting Date:** 7/15/2024

*Report Prepared by: Kimberly Nutt, Housing Program Supervisor, Housing Division/Development Services Department*

**SUBJECT:** Request for Continuance of Second Public Hearing Regarding the U.S. Department of Housing and Urban Development (HUD) 2024 Annual Action Plan to the Council Meeting of August 5, 2024

**REPORT IN BRIEF**

Requests Council to continue the scheduled Second Public Hearing to the August 5, 2024, Council meeting, to allow staff additional time to finalize the plan to an approval-ready status.

**RECOMMENDATION**

**City Council -**

- A. Open the scheduled Public Hearing, receive any new public comment; and,
- B. Adopt a motion continuing the Public Hearing to the Council Meeting of August 5, 2024

**ALTERNATIVES**

- 1. Open the public hearing, accept any new public comment, and continue the public hearing to August 5, 2024, as recommended by staff.

**AUTHORITY**

HUD requires, per Title 24 Part 91 of the Code of Federal Regulations (24 CFR Part 91), that participating local government jurisdictions involve citizens in the development of the Annual Action Plan and any subsequent substantial amendments; the City of Merced HUD Citizen Participation Plan, as amended; and, the Charter of the City of Merced, Sections 405., 409, and 411 et seq.

**CITY COUNCIL PRIORITIES**

As provided for in the 2024-25 Adopted Budget; and Council Priorities under Housing and Homelessness and other priorities which HUD funds can help address.

**DISCUSSION**

Background - Review from First Public Hearing

At the First Public Hearing held on June 3, 2024, the City Council and the Public were presented with the initial CDBG and HOME 2024-25 project list, developed from all the formal applications for project

funding received from local nonprofit organizations in response to the Housing Division's Notice of Funding Opportunity. The monetary total of the requests received balanced with the available funding, with the exception of an over-request for Public Service program funding requests. Council provided subsequent direction as to the projects and preliminary award amounts that may become actual upon approval of the Annual Plan after the final public hearing is completed and the plan is approved.

Please see Attachment 1 for the Revised 2024 Annual Action Plan budget that reflects Council's direction and these amended public service project amounts.

Additionally, Council also requested that staff come up with additional projects to present at the final public hearing that would provide alternative project choice options in two other areas: CDBG-funded Housing/Infrastructure Activities and HOME-funded housing projects. The direction to prepare these options would potentially replace the following initial projects: 1) CDBG/Sierra Saving Grace Homeless Project - Acquisition of Existing 1-4 Unit Residential Property for Rehabilitation and Conversion to Affordable Rental/Permanent Supportive Housing; 2) HOME/Central Valley Coalition for Affordable Housing (CVCAH) - Community Housing Development Organization (CHDO) rehabilitate a CVCAH-owned duplex in need of ADA upgrades; and, 3) A holding project for HOME funds for a future affordable rental housing or rehabilitation project that is yet to be determined.

The funding amounts associated with these initial projects involved a total of \$614,325 of CDBG and \$1,313,621 of HOME funding. Accordingly, to best meet Council's request with a revised balanced 2024 Annual Plan budget, staff's assignment involved finding alternative projects that matched these amounts.

#### Time Constraint Factors of Alternative Project Options

Following the June 3<sup>rd</sup> Council meeting, staff held multiple meetings to discuss and develop several alternative options, per Council direction.

Several options for the use of the subject CDBG funds that initially appear to meet HUD eligibility requirements were identified, but for which it should be noted that National Environmental Policy Act (NEPA) reviews still need to be completed to determine if they are truly viable. These alternative CDBG projects are provided at Attachment 2 for information only at this time (see "HUD Guidance Received" below).

No viable alternative project options for the use of HOME funds were able to be identified within the given time. Within recent months, staff has met with at least one rental housing developer that could potentially use HOME funds towards the provision of affordable units in their development. As such, staff's recommendation at the final public hearing will be for the initial HOME projects to remain in the plan.

Serious factors that must be considered when considering any of the identified CDBG options is whether any of them can receive proper NEPA clearance, be designed, bidded-out, and completed by Engineering Department staff and associated contractors, and perform final invoicing and draw down of HUD funds - all before the City's annual "timeliness" deadline of May 2, 2025.

### HUD Guidance Received

The list of CDBG project alternatives was posted on the Housing Division’s website on June 27, 2024, as part of the concurrent 32-day Public Review and Comment Period that ends July 15, 2024. This timing is extremely important when considering the City’s compliance with HUD and our adopted Citizen Participation Plan (CPP) requirements to provide a minimum of 30 days for the Public to review and comment on expenditure of HUD funds.

The public notice for Public Review and Comment Period was published in the Merced Sun-Star and the Merced County Times on May 30, 2024, and stated that the review and comment period would be held from Friday, June 14, 2024, to Monday, July 15, 2024, for a total of 32 days. The 32 days took into consideration that there were two weekday holidays during that timeframe when City offices were closed, Juneteenth and Independence Day.

HUD regulations require that residents must have 30 days to review and comment on any available funding, and all proposed expenditures of those funds. As the alternative project options and list was not developed and posted until June 27<sup>th</sup>, this means that the public will not have had 30 days to review the new list of projects before the end of the comment period.

Under this unique situation, Housing staff consulted with our assigned Community Planning and Development (CPD) Representative at HUD for guidance. HUD’s recommended action, given that there is no time to restart a new 30-day public comment period, is:

1. For staff to work with Council to accept and approve the current 2024 Annual Action Plan in its initial format that is currently out for public comment; then,
2. Start a new substantial amendment process to reflect Council’s new direction for non-public service projects.

Given this guidance, Council should not choose, at this time, any of the alternative project options that have been identified. Upon HUD approval of the plan following its submittal to them, we can then proceed with starting a substantial amendment process, if Council so desires.

Additionally, a large amount of additional 2023-24 program income has been received since the June 3, 2024, initial budget was presented. HUD’s additional recommendation as to how to also handle this separate matter is to create a “contingency funding” project for the initial HUD submittal. Then, this contingency project could then be allocated to the alternative project option of Council’s choice with the subsequent substantial amendment.

As a final point, HUD’s recommendation to process a later amendment would also potentially provide staff enough time to complete any NEPA environmental reviews for the options, given that NEPA work should be done at the point of contemplation of a project, not the award (the latter is considered a “choice limiting action” under NEPA regulations).

### Staff Request for Continuance of Final Public Hearing

Given all of the above, work on the actual Annual Plan document has fallen behind schedule. Staff needs additional time to prepare the plan for final approval, and requests the final public hearing, approval, and award of funding be continued to the soonest available meeting.

HUD's last day to submit its Annual Action Plan, or risk loss of 2024 funding, is August 16, 2024. Staff will be able to finalize and submit the plan to HUD following the August 5<sup>th</sup> meeting prior to the HUD deadline.

### **IMPACT ON CITY RESOURCES**

There is no impact to City resources at this time.

### **ATTACHMENTS**

1. Revised - 2024 AAP CDBG and HOME preliminary budget
2. CDBG Alternative Infrastructure / Parks Projects (for amendment consideration)
3. Public Comment

## 2024 Annual Plan Project Applications & Preliminary Budget

**Funding Source: CDBG**

**Funds Available: \$ 1,211,923**

Organization/Agency	Description	Project Type	Funding Resource	Activity Delivery [Admin Revenue]	REQUESTED Project Costs	Council direction 6/3/24
<b>2024 CDBG Allocation = \$1,056,567 Prior Year Program Income = \$ 174,670 Prior Year Carryover = \$47,356</b>						
<b>Public Service Activities – Maximum Available for Public Services = \$184,385</b>						
<b>%15 Cap Calculation = CDBG Allocation \$1,056,567 + Unallocated Prior Year PI \$174,670 (as of 5/8/24) x 15%</b>						
Sierra Saving Grace Homeless Project	Short-term rental assistance	Homelessness prevention	CDBG	--	\$ 106,500	<b>\$ 40,000</b>
Harvest Time	Food distribution to LMI/homeless	LMI/homeless services	CDBG	--	\$ 66,720	<b>\$ 30,000</b>
Healthy House Within A MATCH Coalition	Senior services-homeless prevention/support services and elder abuse prevention	Senior services	CDBG	--	\$ 37,000	<b>\$ 25,000</b>
Project Sentinel, Inc	Tenant/landlord counseling service for city residents	Housing Counseling	CDBG	--	\$ 55,000	<b>\$ 25,000</b>
LifeLine CDC	Afterschool support/job training for Loughborough area LMI families	Employment training	CDBG	--	\$ 25,000	<b>\$ 30,000</b>
Merced Calvary Assembly of God	Independent living skills, homeless prevention/support services and elder abuse prevention	Employment training	CDBG	--	\$ 27,597	<b>\$ 10,000</b>
Walking by Faith Ministries International, dba SERENITY	Afterschool support/gang prevention for LMI youth	Youth services	CDBG	--	\$ 50,000	<b>\$ 24,685</b>
<b>Total proposed public service funding:</b>					<b>\$ 367,817</b>	<b>\$ 184,685</b>
<b>Over/under public service cap:</b>					<b>\$ 183,132</b>	<b>0</b>
<b>Housing &amp; Infrastructure Activities</b>						
Sierra Saving Grace	Acquisition/rehab of existing residential unit(s) for conversion to LMI affordable and/or permanent supportive housing (< 20% ADC)	Housing	CDBG	\$ 102,387	\$ 511,938	Find alternative project for \$614,325
Habitat for Humanity Merced/Stanislaus	Re-instate project after deletion from 2023 AAP to enable completion: 241 E Main St project (20% ADC)	Housing	CDBG	\$ 30,000	\$ 150,000	\$ 180,000
<b>Total Housing &amp; Infrastructure ADC &amp; Project Costs – CDBG:</b>				<b>\$ 132,387</b>	<b>\$ 661,938</b>	<b>\$ 180,000</b>
<b>Administrative Activities</b>						
Housing Division	Direct Administration costs	Admin	CDBG	\$ 10,957	N/A	\$10,957
Housing Division	Indirect Administration costs	Admin	CDBG	\$ 108,956	N/A	\$ 108,956
Consultant (tbd)	2025-29 Con Plan/2025 AAP/AI	Admin	CDBG	N/A	75,000	\$ 75,000
Merced County HSA	Continuum of Care	Admin	CDBG	N/A	38,000	\$38,000
<b>Total Admin Projects - CDBG:</b>				<b>\$ 119,913</b>	<b>\$ 113,000</b>	<b>\$ 232,913</b>
<b>Total accepted projects – CDBG Of available funds \$ 1,211,923</b>						<b>\$ 597,598</b>
<b>Amount still needed to balance alternative projects to available funds - CDBG:</b>						<b>\$ 614,325</b>

## 2024 Annual Plan Project Applications & Preliminary Budget

**Funding Source: HOME**

**Funds Available: \$ 1,542,954.61**

Organization/Agency	Description	Project Type	Funding Resource	Expected Activity Delivery [Admin Revenue]	Project Costs	Council Direction 6/3/24
<b>2024 HOME Allocation = \$ 450,563.61 Estimated Program Income = \$ 60,000 Prior Year Carryover = \$1,032,391</b>						
<b>Housing Activities</b>						
Certified Community Housing Development Organization (CVCAH)	Required CHDO 15% Reserves (2023: \$85,980; 2024: \$67,585)	Eligible Single-/Multi-family rental rehab or new affordable rental housing projects	CHDO HOME	\$ 30,713	\$ 153,565	<b>\$ 184,278</b>
Certified Community Housing Development Organization (CVCAH)	Additional requested funds for proposed CHDO HOME project: Rehabilitation of existing duplex LMI rental units	Multi-family affordable rental rehab	CHDO HOME	\$ 58,191	\$290,958	Find alternative project for \$349,149
To Be Determined	TBD project for new rental housing construction, rehab of existing rental units, and/or acquisition of property for rental housing	Multi-family affordable rental housing	HOME	\$ 160,744	\$ 803,728	Find alternative project for \$964,472
<b>Total Housing ADC &amp; Project Costs – HOME:</b>				<b>\$ 249,648</b>	<b>\$ 1,248,251</b>	<b>\$ 184,278</b>
<b>Administrative Activities</b>						
Project Sentinel, Inc	Fair Housing Services for city residents	Admin Fair Housing	HOME	--	\$ 33,552	\$ 33,552
Housing Division	Direct Administration costs	Admin	HOME	\$ 11,504	N/A	\$ 11,504
<b>Total Admin Projects - HOME:</b>				<b>\$ 11,504</b>	<b>\$ 33,552</b>	<b>\$ 45,056</b>
<b>Total Accepted Projects - HOME Of available funds \$ 1,542,954.61</b>						<b>\$ 229,334</b>
<b>Amount still needed to balance alternative projects to available funds - HOME:</b>						<b>\$ 1,313,621</b>

**CDBG Alternative Infrastructure / Parks Projects**

At the direction of the City Council at the First Public Hearing on 6/3/24, all projects listed below are viable, eligible single alternatives to the use of \$614,325.00 of the available CDBG funds for the acquisition/rehabilitation housing project by the nonprofit organization of Sierra Saving Grace that was presented at June 3, 2024, public hearing. Council also requested alternative projects for \$1,313,621 of HOME funds, but staff was unable to identify any other viable alternative projects within the short timeframe; therefore there are no HOME projects listed as alternatives.

Recomm'd Ranking/ Option #	Project Title	Project Description and Details / Scope of Work	CDBG Funding = \$614,325	Location / Address	2024 Eligible Census Tract?	Council District
1	<b>Applegate Park - Rossoti Ed-Zoo-Cation Center ADA, Parking, and Safety Improvements</b>	Improves ADA, pedestrian, and service vehicle access to the Rossoti Center and Applegate Zoo by relocating parking for the Center and Kiddieland to the north side of W. 25th Street with new angled parking from P to R Streets, to include ADA spaces and bicycle parking. The project would also install new ADA accessible sidewalk to the Zoo, Kiddieland, and the Rossoti Center and along the entire north side of W. 25th Street, where there is none currently existing. The existing rear driveway would be gated, restricting its use to service/emergency access only, improving safety for bike path users and preserving the existing embankments of Bear Creek. The existing rear parking lot would then be available to the Zoo for any future habitat improvements/footprint expansion. Local Transportation Fund (LTF) funds would be available to install on-street parking improvements.	Uses all avail CDBG; needs additional funding to complete	1045 W 25th St.	Yes (Tract 13.01)	3 Perez
2	<b>Fahrens Park - Disc Golf Course ADA Improvements</b>	Under an existing planned project that uses separate funding, additional parking is already planned to be added to the existing disc golf parking area by the Parks Dept. With CDBG funds, expand the project to include installation of a new ADA accessible self-cleaning bathroom and drinking fountain adjacent to the parking area, where currently there are neither. Install an ADA accessible walking path from the parking area that follows the north bank of Black Rascal Creek westward along the south side of the disc golf course, then northward to connect to existing sidewalk on Buena Vista Drive. If enough funds, install an ADA accessible mini/kids disc golf course near the parking area.	Expands an existing Parks project; Uses all avail CDBG funds	945 Buena Vista Dr.	Yes (Tract 10.03)	5 Boyle
3	<b>Steven Leonard Park ADA Improvements</b>	Installs new ADA accessible self-cleaning restrooms; ADA access improvements for Splash Pad and existing playground; upgraded safety lighting throughout the park; and a new ADA accessible shade structure. With supplemental funding or with a separate future CDBG project, a new ADA accessible futsal ball court could also be included or be combined with the basketball court.	Uses all avail CDBG	W. 6th & T Streets	Yes (Tract 15.03)	2 DeAnda
4	<b>Joe Herb Park ADA improvements</b>	Rehab existing restroom facility to include ADA accessibility and other improvements; improve existing walkways to include ADA accessibility and upgrade safety lighting; install ADA access to the baseball fields.	Uses all avail CDBG	2200 Yosemite Parkway	Yes (Tract 17.00)	1 Ornelas
5	<b>South Merced ADA Sidewalk Improvements for School/Park connections</b>	Install ADA ramp and crosswalk upgrades and/or new sidewalks to improve disabled access to schools (Charles Wright Elementary), neighborhood/mini parks, and general pedestrian access throughout the 14.01 Census Tract, including Circle Drive Park. This Census Tract has been often overlooked for these types of improvements. Ramp installation costs for one block are approximately \$100,000 per block; therefore, this project could be planned as a longer-term, year-to-year improvement project, to complete improvements in the Census Tract over multiple years of funding.	Uses all avail CDBG; could be a multi-year CDBG project	Census Tract 14.01 in East Central Merced (South of Santa Fe RR, East of G Street, North of Yosemite Pkwy)	Yes (Tract 14.01)	3 Perez
6	<b>Merced City Fire Dept - HEART and EAV EMS Vehicles</b>	(Reinstate previous 2023 project that was eliminated with the Second Substantial Amendment to the 2023 Annual Action Plan). Project involves the purchase and equipping of up to two Emergency Medical Services (EMS) Health Education Assessment/Referral Team (HEART) vehicles for supplemental transport and community services, including pop-up health clinics in low- to moderate-income areas of the City. If enough funding, the project would also purchase and equip one off-road Emergency Assessment Vehicle (EAV) for provision of emergency services to homeless encampments. All vehicles would help address the existing and ongoing service response gaps for Code 2 non-emergent calls. Vehicles would be permanently stationed at City-owned Fire Stations and staffed by EMS-trained and certified City of Merced firefighters.	Uses all avail CDBG; may need funding source for long-term staffing	Selected Fire Stations located in HUD Income Eligible Census Tracts	City-wide as LMA qualified area (> 51% LMI citywide)	All
7	<b>McNamara Park Memorial Plunge Pool ADA Improvements</b>	(Reinstate previous 2023 project that was eliminated with the First Substantial Amendment to the 2023 Annual Action Plan). Project involves installing ADA improvements to the existing bathrooms; wheelchair lift for pool; possible expansion of pool footprint to accommodate ADA ramp into the pool; and upgrade/resurfacing of pool plaster to a slip resistant material(s); replacement of pool heating equipment to expand pool use into winter season and to extend use to the senior community. New security fencing is also needed.	Uses all avail CDBG; may need other funds to complete full scope	1040 Canal St.	Yes (Tract 16.01)	2 DeAnda

## Levesque, Jennifer

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**From:** Harvest Time Merced <harvesttimemerced@gmail.com>  
**Sent:** Sunday, June 23, 2024 5:48 PM  
**To:** Housing  
**Subject:** 2024 AAP Comment  
**Attachments:** Suggestion to City Council.xlsx

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Greetings Mayor and Councilmembers,

My comments are specifically regarding the direction you provided on the CDBG funds for the Public Service Projects.

If I understand Kim Nutt's explanation correctly, she and her staff presented Option 1 & 2 as they best aligned with the results of the Community needs survey and the City's Five-year plan. While all appear to be worthy projects & programs, if the results of the Public Survey is not fully considered - it seems to beg the question "why then spend time and money on the survey in the first place?" While I know that either of the recommended options would benefit Harvest Time more than the Council's decision, it is not for that reason alone that I present my thoughts.

Since the funds come from HUD and are intended to meet their objectives, I understand that whatever the Council decides must also receive HUD's approval. Herein lies an additional obstacle for the organizations - Delay of reimbursement. It is already a financial challenge as the projects are to begin on July 1, 2024 while reimbursement is usually not available until February or March 2025. There has already been a two month delay this year in the public hearing process which will no doubt further delay the rest of the process for the 2024/2025 funding period. **Please do not make any decisions that potentially could delay it even further.**

In the event that all projects meet HUD's goals & objectives, I would then ask you to consider this suggestion:

Since the amount of available funding is roughly half of the amount requested, approve each organization to receive half of what they requested (with the exception of Calvary Assembly for the reason Kim stated in the June 3rd meeting). I've attached a spreadsheet showing my recommendation.

This action would treat each organization fairly rather than the appearance of bias towards Lifeline Community when the Council approved **\$5,000 more** than they requested - while cutting all of the rest of the projects.

In the event that an organization could not proceed with the reduced amount of funding and therefore recinds their request, the available funds could then be distributed among the remaining organizations.

Thank you for your consideration,

Sheila Garcia  
Chairman  
Harvest Time

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	Program Name	Requested Amount	Council Approved:	Difference from Amount Requested	% of Total Request	51.19% of Requested Amount
1	Sierra Saving Grace	\$106,500.00	\$40,000.00	-\$66,500.00	51.19%	\$54,517.35
2	Harvest Time	\$67,720.00	\$30,000.00	-\$37,720.00	51.19%	\$34,665.87 *
3	Healthy House	\$37,000.00	\$25,000.00	-\$12,000.00	51.19%	\$18,940.30
4	Project Sentinel	\$55,000.00	\$25,000.00	-\$30,000.00	51.19%	\$28,176.50
5	LifeLine Community	\$25,000.00	\$30,000.00	\$5,000.00	51.19%	\$12,797.50
6	Walking by Faith	\$50,000.00	\$24,685.00	-\$25,315.00	51.19%	\$25,595.00
7	Calvary Assembly	\$27,597.00	\$10,000.00	n/a	flat amt	\$10,000.00
	<b>TOTALS</b>	<b>\$368,817.00</b>	<b>\$184,685.00</b>			<b>\$184,692.52</b>
						-\$7.52 *
						<b>\$184,685.00</b>

*deduct from Harvest Time*

## Levesque, Jennifer

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**From:** John [REDACTED]  
**Sent:** Tuesday, July 9, 2024 4:12 PM  
**To:** cityclerk

Dear Merced City Council,

I am writing on behalf of Sierra Saving Grace to endorse and encourage their effort to obtain a CDBG Loan from the City of Merced. Sierra Saving Grace uses this money to buy and renovate older unoccupied houses which are then rented at a very low rate, depending on the occupant's income. Tenants are homeless or at risk for homelessness. Please consider awarding Sierra Saving Grace Homeless Project so they can continue their good work in our community.

Sierra Saving Grace Homeless Project

1 OVER 42 PEOPLE HOUSED

SOG has been awarded this loan 9 different years and now manages 16 units, some being duplexes or triplexes, currently housing 42 individuals. The city has put a lot of effort into seeking to renovate or build large apartment complexes to house many people, but the loan/grant approach has been very successful, too.

2 PROVEN TRACK RECORD

SOG has a proven track record over nearly 10 years of being able to change older, dilapidated properties into up-graded houses enhancing neighborhoods. SOG's portion of the work met every deadline and every requirement.

3 HOUSING THE MOST VULNERABLE

Some Merced's most vulnerable homeless and some who have been on the street the longest have been able to be housed under this program because of the very low rent requirement and because SOG's case workers follow up to be sure needs are met.

4 SCATTERED SITES

Under this program, people who were once living on the street are scattered throughout the city rather than being housed all together in one large building. This makes for a more peaceful transition for the newly-housed and for the neighborhood. HUD considers it a "best practice".

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## Levesque, Jennifer

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**From:** Adrienne Lopes [REDACTED]  
**Sent:** Tuesday, July 9, 2024 3:29 PM  
**To:** Housing  
**Subject:** Attention: Annual Plan

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

My name is Adrienne Lopes and I am writing to you regarding Merced Community Development Block Grant. In previous years this Block Grant has been used to support the efforts of Sierra Saving Grace Homeless Project. Last year SSG did not receive the grant. I am writing to you asking for your support in considering SSG as a recipient for this year's grant.

Homelessness is a consistent topic and concern in the city of Merced. SSG has been very successful in housing and monitoring homeless individuals. This organization uses the money from the grant to renovate apartment complexes to house the homeless. What more can we ask of an organization than to be actively involved in supporting our homeless brothers and sisters?

Please consider naming Sierra Saving Grace as a recipient of the Grant.

Thank you for your consideration. You may contact me if you have any questions.

Sincerely,  
Adrienne Lopes  
[REDACTED] Merced, CA 95348

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## Levesque, Jennifer

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**From:** Joanne [REDACTED]  
**Sent:** Tuesday, July 9, 2024 2:39 PM  
**To:** Housing  
**Subject:** Annual Plan 24/25

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Merced City Council  
Annual Plan 24/25

I have been a resident of Merced for almost 50 years. Over the years I have seen an increase of the homeless. I am very familiar with Sierra Saving Grace and all of the good work they have done in buying properties to renovate in order to house those that are homeless. They have been able to purchase these properties by receiving money in the form of a loan or loan/grant from the City of Merced. Sierra Saving Grace's ability to find properties in various neighborhoods to house the homeless has been incredible. It is also so important that these properties are scattered throughout Merced and not just lumped together in one particular area. I am so hoping the City of Merced will once again see that it is only the right thing to do in supporting Sierra Saving Grace once again by giving them Merced's Community Development Block Grant to continue all of their outstanding work and by giving hope to those that are homeless.

Sincerely,  
Joanne Mills

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## Levesque, Jennifer

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**From:** Rachel Rodriguez [REDACTED]  
**Sent:** Tuesday, July 9, 2024 4:00 PM  
**To:** cityclerk

Dear Merced City Council,

I am writing on behalf of Sierra Saving Grace to endorse and encourage their effort to obtain a CDBG Loan from the City of Merced. Sierra Saving Grace uses this money to buy and renovate older unoccupied houses which are then rented at a very low rate, depending on the occupant's income. Tenants are homeless or at risk for homelessness. Please consider awarding Sierra Saving Grace Homeless Project so they can continue their good work in our community.

Sierra Saving Grace Homeless Project

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**2 PROVEN TRACK RECORD**

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**3 HOUSING THE MOST VULNERABLE**

Some Merced's most vulnerable homeless and some who have been on the street the longest have been able to be housed under this program because of the very low rent requirement and because SSG's case workers follow up to be sure needs are met.

**4 SCATTERED SITES**

Under this program, people who were once living on the street are scattered throughout the city rather than being housed all together in one large building. This makes for a more peaceful transition for the newly-housed and for the neighborhood. HUD considers it a "best practice".

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