

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The City of Merced has prepared the 2016 Action Plan, which covers the second year goals described in the 2015-2020 Consolidated Plan. The Action Plan identifies the activities to be funded with Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) funds to be received from the U.S. Department of Housing and Urban Development in 2015 during the program year.

In order to be eligible to receive Community Development Block Grant (CDBG) funds, the City of Merced must submit a Consolidated Plan to the Department of Housing and Urban Development (HUD) every five years, and is required to update that plan annually. The Consolidated Plan is an assessment and analysis of local conditions and issues related to housing, homelessness, community development, and economic development. Utilizing a comprehensive outreach and citizen participation process, the Consolidated Plan describes priority needs facing the community and develops strategies to address those needs. This 2016 Annual Action Plan is the second of five required annual updates to the 2015-2020 Consolidated Plan. The annual Plan also identifies funding priorities and details the projects proposed to receive Federal funds under the CDBG and HOME Investment Partnership (HOME) Programs. The 2016 Annual Action Plan also includes the HUD 108 Debt Service repayment program.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

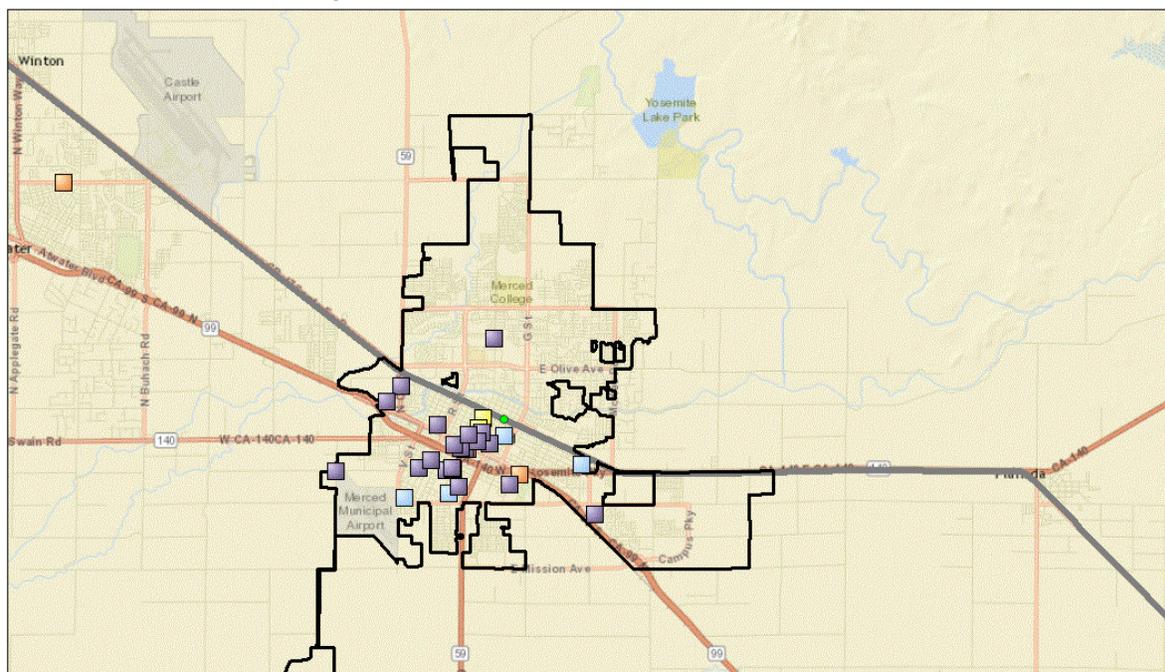
The Needs Assessment within the 2015-2020 Consolidated Plan identified several target populations:

- Extremely low-income and very low-income households;
- Seniors;
- Youth, primarily ages 6 – 17;
- Persons with disabilities;
- Foster youth;
- Public facilities (either new or upgrades/expansions to existing facilities), including community centers, youth facilities, community gardens and one-stop service centers;
- Affordable housing programs for new housing construction, the preservation and rehabilitation of existing rental housing, emergency housing repairs, down-payment assistance and tenant-based rental assistance;

- Crime prevention activities to provide resources to support law enforcement and crime prevention programming in designated neighborhoods;
- Public improvements, especially those focused on increasing accessibility, such as ADA curbs ramps and sidewalk infill, and storm drainage and flooding improvements;
- Public services for a wide range of populations, including seniors, youth, disabled persons, homeless households, foster youth, displaced workers, and households with fair housing issues;
- Employment development services to provide training and to support job creation.

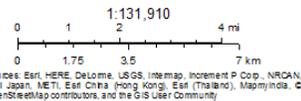
Through the full five year term of the Consolidated Plan, the City of Merced anticipates funding projects related to all of these needs, although available funding resources, community-based organization partnerships, and market conditions may ultimately limit the City's ability to fund some project types. Given the City's relatively small CDBG and HOME allocations, funds for affordable housing or other large capital improvement projects will need to come from other sources such as the State of California's Affordable Housing and Sustainable Communities program, the Department of Housing and Community Development (HCD), and the Department of Housing and Urban Development (HUD).

City of Merced - 2015 HUD Annual Action Plan



March 9, 2016

- | | | |
|---|--|--|
| CDBG A ctivity (Public Services) | CDBG A ctivity (Economic Development) | Metro Planning Organizations |
| CDBG A ctivity (Public Improvements) | Amtrak Stations | Amtrak Rail Lines |
| CDBG A ctivity (Housing) | Override 1 | |



City of Merced - 2015 HUD Annual Action Plan

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The City of Merced received \$_____ in CDBG and \$_____ in HOME entitlement funds in FY 2015/16. The City funded _____ public service programs. The funding for these programs encompassed a variety of services to benefit youth, needy families, seniors, homeless persons, and other special needs groups. Award amounts ranged from \$_____ to \$_____.

The City also supported community development projects based on clearly identified needs. Among these initiatives were programs that focused on handicap accessibility projects and public infrastructure improvements in low-income neighborhoods. Both the public service programs and the community development projects were based on priorities identified in the Consolidated Plan.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

Two of the formal objectives of the Plan are to: 1) promote citizen participation in the development of local priority needs and objectives; and 2) encourage consultation with public and private agencies to identify shared needs and solutions to persistent community problems. The Housing Division of the Economic Development Department invites the community to provide input on the way grant funds from the HUD are spent. This Citizen's Participation Plan outlines the way the City communicates with residents regarding the use and expenditure of HUD funds. Community and neighborhood meetings are organized by City staff and/or by local community-based organizations to seek community input and identify community needs. These meetings serve several purposes:

- Obtains community input about how funds should be spent;
- Solicits information about neighborhood needs;
- Builds a sense of community among neighborhood residents;
- Encourages community empowerment and greater community voice;
- Provides neighborhoods with information about city services.
- The Housing Division staff work with various City Departments to ensure that capital improvement projects are on schedule, and that invoices are paid in a timely manner.

- The Housing Program Supervisor participates in the following community/collaborative committees on a regular basis: (a) Serves as a board member for the Merced Continuum of Care, (b) Serves as the committee chair for the "Affordable Housing Group" through the Merced COC, (c) participates in the yearly homeless street count, (d) serves on the City of Merced ADA Committee/Citizen Advisory Panel.
- The Housing Program Supervisor is involved in the update of the City's Housing Element, particularly in the discussions surrounding multi-family and affordable housing, and a review of existing HUD-funded housing programs and an evaluation of their effectiveness.
- The Housing Program Supervisor ensured the Analysis of Impediments to Fair Housing Choice was completed and works with a vendor to ensure the document is implemented in the community.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

In order to get a broad range of communication between the City of Merced, its public citizens and its public agencies, the Housing Division has sponsored or participated in six separate functions. Housing division has participated in informing the citizens of Merced with an information table at three City of Merced Town Hall meetings. In addition, three HUD Annual Plans Meetings were held to address and inform of community assistance funds for FY 2016/17.

In order to reach and engage with the citizens, Housing Division set up an information table at each of the three City of Merced Town Hall budget meetings. At the Town Hall meetings, the citizens were able to informally address City Council with their requests for city budget funds. This gave the Housing Division the opportunity to directly engage with citizens before and after the meetings. For those citizens that left their contact information a telephone call was made to find out if there was anything additional information that Housing Division could provide after the initial meeting contact.

Public legal notices were published in the Merced Sun-Star and Merced County Times newspapers regarding providing information and application assistance to engage with public agencies and non-profits. Local public agency and non-profits were assisted and also given the opportunity to spend time to discuss their community goals and needs. Some goals included homeless continuum of care, affordable housing, existing home rehabilitation, and capital neighborhood improvement. In some instances, groups discussed sharing resources in order to expand connection to the community. Public notice was published on the City's web site and was mailed to approximately seventy-five local public agencies and non-profits.

A public City of Merced City Council hearing will be held on April 18, 2016, in which Housing Division will be included in order to present outreach requests from public agencies and non-profit application for CDBG and HOME funds. The needs of each organization project will be presented and addressed to the Council.

6. Summary of comments or views not accepted and the reasons for not accepting them

The City has not received any public comments that were not accepted.

7. Summary

City Council approved the Annual Action Plan... At the April 18, 2016 meeting, the City Council...
The City Housing Staff presented...

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	MERCED	Housing Division
HOME Administrator	MERCED	Housing Division

Table 1 – Responsible Agencies

Narrative (optional)

The Economic Development Department – Housing Division is responsible for overseeing the administration of the City’s Community Development Block Grant and HOME Investment Partnership Program

funding, including the preparation of the Annual Action Plan. The Housing Division Supervisor over-sees the day-to-day administration of these programs.

Consolidated Plan Public Contact Information

City of Merced	Attn: Mark Hamilton
Housing Division	Housing Program Supervisor
678 W. 18th Street	(209) 385-6863
Merced, CA 95340	hamiltonm@cityofmerced.org

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

In preparing the Action Plan, the City consulted with a variety of agencies, including local and regional community-based organizations, the Merced County Housing Authority, and many others. The goal of the consultation process was to provide detail of the priority needs identified in the Consolidated Plan and how those agencies best could focus their programs and activities to help address those priority needs and to explore opportunities for coordination to improve availability and access to services.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

City staff has been meeting with several local health, mental health and service agencies to explore opportunities to increase service delivery through fixed locations in or at least closer to the neighborhoods where the clientele reside.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City of Merced will continue to work as part of the Merced Continuum of Care (CoC) in 2016-17. The CoC is currently administered by the Merced County Association of Governments (MCAG), with several local agencies and organizations receiving funding. The City's efforts to address the needs of homeless persons have included participation and support of "Housing First" and working with both the United Way and the Merced County Rescue Mission. These organizations will be partnering with Urban Initiatives ensure the Continuum of Care is carried during the 2016-17 fiscal year.

The Continuum of care coordinates homeless services being offered within the City and County of Merced. The Continuum of Care members includes government and faith-based organizations, health services, private businesses and other community-based service providers. The CoC has a board and various committees that meet monthly to discuss homeless issues and effective ways of addressing current homeless issues.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City of Merced does not have sufficient population to receive Emergency Shelter Grant (ESG) funding directly. The Merced COC administers several federal grant programs that provide direct assistance to homeless individuals and families. They include several Supportive Housing Programs (SHP) and a Shelter Plus Care (SPC) Program. The SPC program provides rent assistance for disabled homeless individuals. Supportive Housing Programs provide rent assistance and supportive services to homeless families and individuals to assist them in making a successful transition from homelessness to independent living. Funds for these programs are received through HUD's Continuum of Care Homeless Assistance Grant Application process. Additionally, the Merced COC will be applying for ESG funds through the Department of Housing and Community Development (HCD) during the 2016-17 fiscal year.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	INSTITUTE FOR URBAN INITIATIVES
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization is the primary contact for the Merced COC.
2	Agency/Group/Organization	MERCED COUNTY ASSOCIATION OF GOVERNMENTS
	Agency/Group/Organization Type	Regional organization Planning organization
	What section of the Plan was addressed by Consultation?	Merced COC - Subrecipient
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	

Identify any Agency Types not consulted and provide rationale for not consulting

The City consulted a variety of agencies serving Merced residents and the region. No agency types were specifically left out of the consultation process.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Merced County Association of Governments	Both address issues pertaining to homelessness and special needs housing.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Housing Element	City of Merced - Planning Division	Both Include the goal of fostering affordable housing.
San Joaquin Valley Fair Housing Equity Assessment	California Coalition for Rural Housing	Both address issues impacting Fair Housing Choice, expanding economic opportunities, and building capacity and leadership in marginalized populations.

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

In order to get a broad range of communication between the City of Merced, its public citizens and its public agencies, the Housing Division has sponsored or participated in six separate functions. Housing division has participated in informing the citizens of Merced with an information table at three City of Merced Town Hall meetings. In addition, three HUD Annual Plans Meetings were held to address and inform of community assistance funds for FY 2016/17.

In order to reach and engage with the citizens, Housing Division set up an information table at each of the three City of Merced Town Hall budget meetings. At the Town Hall meetings, the citizens were able to informally address City Council with their requests for city budget funds. This gave the Housing Division the opportunity to directly engage with citizens before and after the meetings. For those citizens that left their contact information a telephone call was made to find out if there was anything additional information that Housing Division could provide after the initial meeting contact.

Public legal notices were published in the Merced Sun-Star and Merced County Times newspapers regarding providing information and application assistance to engage with public agencies and non-profits. Local public agency and non-profits were assisted and also given the opportunity to spend time to discuss their community goals and needs. Some goals included homeless continuum of care, affordable housing, existing home rehabilitation, and capital neighborhood improvement. In some instances, groups discussed sharing resources in order to expand connection to the community. Public notice was published on the City's web site and was mailed to approximately seventy-five local public agencies and non-profits.

A public City of Merced City Council hearing will be held on April 18, 2016, in which Housing Division will be included in order to present outreach requests from public agencies and non-profit application for CDBG and HOME funds. The needs of each organization project will be presented and addressed to the Council.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Internet Outreach	Non-targeted/ broad community Residents of Public and Assisted Housing	Various phone calls and emails requesting information.	Good to have source for Housing related questions.	None.	www.cityofmerced.org/depts/econdev/housing_division/
2	Mailed Letters to local organizations	Non-Profit Organizations currently performing services within in the City of Merced	Received 8 phone calls.	stating they would be interesting in obtaining more information and attending the one of the Housing Division's CDBG/HOME Meetings.	None.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Public Meeting	Non-targeted/ broad community Community Organizations	Two Community Organizations attended.	Request to apply for CDBG funding and if CDBG funds can pay for shared office space.	None.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Public Meeting	Non-targeted/ broad community Community Organizations	Five Community Organizations attended.	Organizations wanted to know more information regarding using CDBG funds for youth and homeless programs, Continuum of Care services, HOME program rehabilitation, and down-payment assistance for commercial property.	None.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
5	Public Meeting	Community Organizations	Eight Community Organizations attended.	Organizations questions were focused on funding youth and homeless programs, housing programs, and program expansion.	None.	
6	Public Hearing	Non-targeted/ broad community	Public Hearing before the City Council. Meeting was attended by various community members and televised to a broader viewing audience.	N/A - Insert after meeting occurs	None.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
14	Public Meeting with the Board of Realtors	Non-targeted/ broad community Real Estate and Lending Community	There were a total of 50 individuals in attendance.	The questions were focused on how the Homeowner Rehabilitation program and Down-Payment Assistance Program would benefit the community.	None.	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c) (1, 2)

Introduction

The City of Merced will have a total of \$1,287,818 in new CDBG funds for program year 2016-2017. Allocation of funds and assignment of priorities for funding are based upon the national goals set forth by HUD regulations, and local goals for housing and community development. Local goals, consistent with HUD regulations, focus on building up and improving the City’s residents and neighborhoods. The City intends on pursuing additional funding through the State Affordable Housing and Sustainable Communities Program, Cal-Home, and other state and federal resources as may be appropriate.

Additionally, with Assembly Bill (AB) 1335 – Building Homes and Jobs Act (Atkins) and AB 35 – Low-Income Housing Tax Credits (Chiu and Atkins). Through recording fees on real estate transactions, AB 1335 would generate on a yearly basis up to \$700 million for affordable rental or ownership housing, supportive housing, emergency shelters, transitional housing, and other housing needs. Funds under this bill would be distributed to local jurisdictions and provide more stable funding for housing programs. This bill will help to leverage additional federal and local funds, as well as, private investments. AB 35, if passed, would increase the state’s Low-Income Housing Tax Credit by \$300 million to build and rehabilitate affordable housing. Increasing the available tax credits for low-income housing will help leverage additional federal tax credits and tax bond authority. Should these bills pass, the City may apply for additional funds from these new state resources.

Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	959,615	251,500	0	1,211,115	2,733,413	
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	328,203	170,918	0	499,121	895,037	

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

City staff, in its funding applications, emphasizes to applicants the need to leverage federal, state and local resources. These efforts have been fruitful and projects funded under CDBG and HOME have substantially exceeded accomplishments that could be achieved from federal funds alone. Although there is no official match requirement in the CDBG program, in most cases, other funds, such as private funds received through donors or fund raising activities, commercial loans, Gas Tax funds, non-federal funds, are used to supplement and defray project costs. HOME funds require a 25% match and ESG funds require a dollar for dollar match.

Federal match requirements apply to the City's HOME funds. The HOME program requires that for every HOME dollar spent, the City must provide a 25 percent match with non-federal dollars. In the past, redevelopment Low and Moderate Income Housing funds were the City's primary source for leveraging or providing matching funds for the City's Housing programs. With the dissolution of redevelopment in California, the City no longer has access to this funding source. Currently, the City still maintains an excess in match requirement from previous fiscal years. This excess match will fulfill the City's HOME match requirements for many years.

The City utilizes additional Federal, State and Local funding sources leverage the HUD Community Planning and Development (CPD) funds that the City or its Subrecipients, further described below.

Federal Programs: Rental Assistance Program (Section 8 Housing Choice Voucher Program), Supportive Housing Program (SHP), National Housing Trust Fund, and Project Based Section 8.

State Programs: Low-Income Housing Tax Credits (LIHTC), Mental Health Services ACT (MHSA), Cal-Home Program, The California Housing Finance Agency (CalHFA), Multi-Family Housing Program (MHP), Emergency Housing Assistance Program (EHAP), Affordable Housing Program (AHP), and the Housing Related Parks Program (HRP).

Local Programs: City Density Bonus Program and loans from the Conventional Lending Industry.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City as Successor Housing Agency to the former Redevelopment Agency (RDA), has a number of vacant properties that may be used to support additional affordable housing projects over the next five to ten years. These properties must be used to further the goal of the City in the development of additional affordable housing units.

Discussion

In addition, the City's Housing Division oversees all housing assets and functions acquired or assisted with Low and Moderate Income Housing Funds in February 2012. Although no new Low and Moderate Income funds will be available, the City's Housing Division has accepted the responsibility for the physical housing assets and loan portfolio which may continue to generate income as loans are repaid. The City's Housing Division will have the responsibility for determining the direction and focus of any income generated from original Low and Moderate Income Housing Funds. These funds may be used to purchase property to meet the goals and objectives included in this Plan.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	rehabilitate and enhance existing neighborhoods	2015	2019	Affordable Housing Non-Housing Community Development housing rehab	City Wide		CDBG: \$100,000 HOME: \$100,000	Homeowner Housing Added: 20 Household Housing Unit Homeowner Housing Rehabilitated: 20 Household Housing Unit
2	Support Services	2015	2019	Non-Homeless Special Needs	City Wide	Homeless Services	CDBG: \$50,000 HOME: \$0	Homeless Person Overnight Shelter: 1000 Persons Assisted
3	Fair Housing	2015	2019	Non-Homeless Special Needs	City Wide	Fair Housing	CDBG: \$25,000	Other: 300 Other
4	Public and Infrastructure Improvements	2015	2019	Non-Housing Community Development	Eligible CDBG Areas	Public Infrastructure and Capital Improvements	CDBG: \$150,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 3000 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	NRSA Planning	2015	2020	Non-Housing Community Development		Public Infrastructure and Capital Improvements Job Creation Public Services Homeless Services	CDBG: \$50,000 HOME: \$50,000	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 3000 Households Assisted Facade treatment/business building rehabilitation: 2 Business Housing for Homeless added: 100 Household Housing Unit
6	Permanent Supportive Housing	2015	2020	Homeless	Eligible CDBG Areas	Public Infrastructure and Capital Improvements Job Creation Public Services Homeless Services	CDBG: \$500,000 HOME: \$100,000	Housing for Homeless added: 25 Household Housing Unit

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	rehabilitate and enhance existing neighborhoods
	Goal Description	N/A
2	Goal Name	Support Services
	Goal Description	Public Service activities.

3	Goal Name	Fair Housing
	Goal Description	Ensure that all housing programs are available without discrimination on any basis.
4	Goal Name	Public and Infrastructure Improvements
	Goal Description	To preserve, rehabilitate and enhance existing public facilities.
5	Goal Name	NRSA Planning
	Goal Description	Economic and Community Development in targeted area. The targeted area is the MArtin Luther King Jr. Way corridor.
6	Goal Name	Permanent Supportive Housing
	Goal Description	Facilitate the construction of Permanent Supportive Housing.

Table 7 – Goal Descriptions

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

The Fiscal Year 2016-17 goal for the total number of extremely low-, low-, and moderate- income households to be supported is _____. This includes _____ through permanent supportive housing projects, public facility infrastructure improvements, fair housing and other various public services offered in the community. Additionally, low and moderate-income households will continue to be supported through the Homeowner Rehabilitation Program as well as serving the Homeless population with a new permanent supportive housing project, currently in the eligibility stage.

In the 2016 program year, the City plans a developer partnerships to yield approximately _____ homeless permanent supportive housing projects.

AP-35 Projects – 91.220(d)

Introduction

N/A

#	Project Name
1	COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)
2	COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)
3	Rehabilitation of Foreclosed Property
4	SOUTH MERCED ADA RAMP PROJECT #116033
5	HUD 108 Loan Payment
6	Sidewalk Repair

Table 8 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Projects

AP-38 Projects Summary

Project Summary Information

Table 9 – Project Summary

1	Project Name	COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	DEVELOPMENT OF A SINGLE FAMILY RESIDENCE (CONSISTING OF 4 UNITS) FOR THE PURPOSE OF RENTAL HOUSING.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
2	Project Name	COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)
	Target Area	
	Goals Supported	
	Needs Addressed	

	Funding	:
	Description	DEVELOPMENT OF A SINGLE FAMILY RESIDENCE (CONSISTING OF 4 UNITS) FOR THE PURPOSE OF RENTAL HOUSING.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
3	Project Name	Rehabilitation of Foreclosed Property
	Target Area	Eligible CDBG Areas
	Goals Supported	rehabilitate and enhance existing neighborhoods
	Needs Addressed	
	Funding	CDBG: \$145,500
	Description	To fund the rehabilitation of a foreclosed property located at 241 E. Main Street. Once the rehabilitation is completed, the property will be resold to an income eligible household.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	One Low-Income Household.
	Location Description	The property is located at 241 E. Main Street.
	Planned Activities	Property rehabilitation to be resold to low income household.
4	Project Name	SOUTH MERCED ADA RAMP PROJECT #116033
	Target Area	Eligible CDBG Areas

	Goals Supported	Public and Infrastructure Improvements
	Needs Addressed	Public Infrastructure and Capital Improvements
	Funding	CDBG: \$115,000
	Description	THE CONSTRUCTION OF ADA HANDICAP RAMPS INCLUDING SIDEWALK MODIFICATIONS.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A
	Planned Activities	N/A
5	Project Name	HUD 108 Loan Payment
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	CDBG: \$282,350
	Description	Debt Service
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A
	Planned Activities	
6	Project Name	Sidewalk Repair
	Target Area	Eligible CDBG Areas

Goals Supported	Public and Infrastructure Improvements
Needs Addressed	Public Infrastructure and Capital Improvements
Funding	CDBG: \$107,000
Description	Sidewalk Repair
Target Date	6/30/2017
Estimate the number and type of families that will benefit from the proposed activities	N/A
Location Description	N/A
Planned Activities	

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Geographic Distribution

Target Area	Percentage of Funds
City Wide	
Eligible CDBG Areas	

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Discussion

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	0
Special-Needs	0
Total	0

Table 11 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	0

Table 12 - One Year Goals for Affordable Housing by Support Type

Discussion

AP-60 Public Housing – 91.220(h)

Introduction

Actions planned during the next year to address the needs to public housing

Actions to encourage public housing residents to become more involved in management and participate in homeownership

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Discussion

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Addressing the emergency shelter and transitional housing needs of homeless persons

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

Discussion

One year goals for the number of households to be provided housing through the use of HOPWA for:
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family
Tenant-based rental assistance
Units provided in housing facilities (transitional or permanent) that are being developed, leased, or operated
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds
Total

AP-75 Barriers to affordable housing – 91.220(j)

Introduction

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Discussion

AP-85 Other Actions – 91.220(k)

Introduction

Actions planned to address obstacles to meeting underserved needs

Actions planned to foster and maintain affordable housing

Actions planned to reduce lead-based paint hazards

Actions planned to reduce the number of poverty-level families

Actions planned to develop institutional structure

Actions planned to enhance coordination between public and private housing and social service agencies

Discussion

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction

The program-specific requirements that apply to the City are those for the CDBG and HOME programs.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	85.00%

**HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

Not applicable - No other forms of investment are anticipated during the fiscal year of 2016-17.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Not applicable - The City does not anticipate undertaking affordable homeownership projects with HOME funds during the Fiscal Year 2016-17.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Not applicable - The City does not anticipate undertaking affordable homeownership projects with HOME funds during the Fiscal Year 2016-17.

However, all HOME funded projects undertaken by the City require a Notice of Affordability be recorded and filed in the Merced County Clerk's Office as part of the contract to receive funds. The Notice of Affordability also serves as a lien on the property during the affordability period.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

Not applicable - The City does not intend to refinance debt.

Discussion

CDBG 70% Overall Low/Mod Benefit Period

The City uses a 5-year period to meet the 70% overall low mod benefit for its CDBG and HOME activities. Based on PR026 report in the City's 2015 CAPER, the City's 2016 Action Plan will cover the second year of its 5-year cycle, which extends from 2015 - 2020.

