



CITY OF MERCED
GENERAL PLAN ANNUAL PROGRESS REPORT
(January 1, 2022, to December 31, 2022)

INTRODUCTION

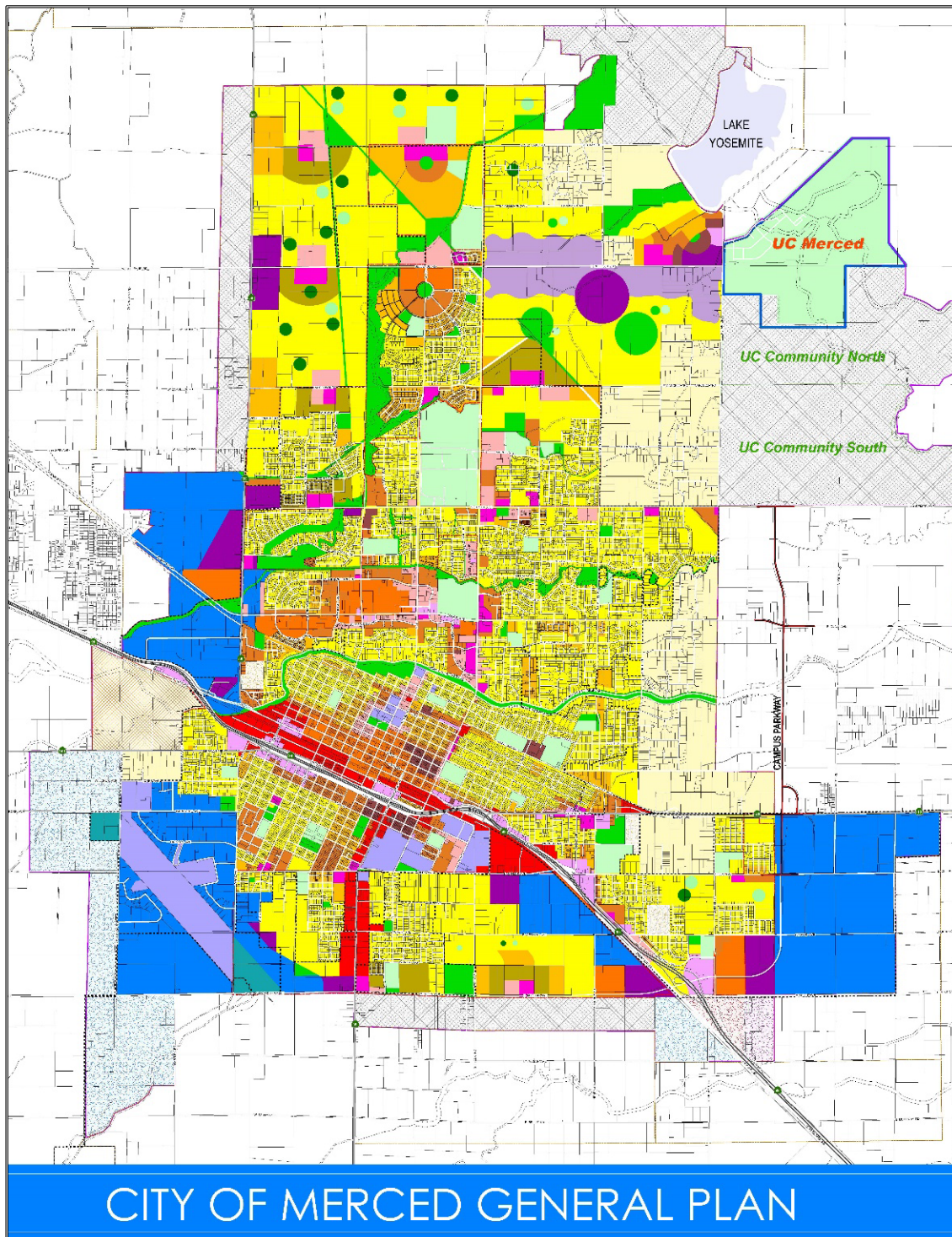
Government Code Section 65400 and 65700 requires that all cities and counties submit an annual report on the status of the General Plan and progress on its implementation to their legislative bodies, known as a General Plan Annual Progress Report (APR). The State does not have a standardized form or format/content guidance for General Plan APR's.

State law also requires that all cities and counties create an annual progress report that describes the community's progress toward implementing their Housing Element. This Housing Element Annual Progress Report (HPR) has detailed data requirements and the State has developed a standardized spreadsheet format for submitting the required data. The HPR also fulfills certain statutory requirements to report other housing information, such as the City's progress toward meeting its share of regional housing needs, certain rezoning activities, actions taken towards completion of Housing Element programs, and local efforts to remove governmental constraints to the development of housing per Government Code Sections 65584.3(c) and 65584.5(b)(5).

Both reports are to be provided to the California Office of Planning Research (OPR) and the Department of Housing and Community Development (HCD) by April 1 of each year.

This General Plan Annual Progress Report has been prepared to summarize the status of the *Merced Vision 2030 General Plan*, adopted in January 2012, and steps that have been taken to implement General Plan policies and implementing actions. This report also includes a summary of General Plan and Specific/Community Plan Amendments that were approved from January 1, 2022, through December 31, 2022. Highlights of the HPR are also provided at Section II of this report.

The APR and HPR were presented to the Merced City Council at its regularly scheduled meeting of March 20, 2023. After City Council review, both reports will be forwarded to the State by the April 1st deadline.



I. STATUS OF GENERAL PLAN AND IMPLEMENTATION PROGRESS

A) General Plan Elements and Implementation Progress

Each of the seven mandatory general plan elements were prepared and/or updated in full compliance with the General Plan Guidelines established by the Office of Planning and Research, which were in effect at the time of the most recent update. This section contains a summary of actions taken to implement each of the General Plan elements. The table below indicates the date that each of the required elements were last updated along with the same information for the four optional elements included in the *Merced Vision 2030 General Plan*:

General Plan Element	Last Update
<i>Mandatory Elements:</i>	
Land Use	2015
Circulation	2015
Open Space	2016
Conservation	2016
Housing	2016
Noise	2012
Safety	2016
Air Quality (included in Sustainable Development)	2012
<i>Optional Elements:</i>	
Urban Expansion	2015
Public Facilities & Services	2017
Urban Design	2012
Sustainable Development	2012

Comprehensive General Plan Update: The City currently working on a Request for Proposals (RFP) to initiate consultant work on a comprehensive update to the General Plan and to complete Downtown Rail Station Area Planning. The RFP is expected to be released in March/April 2023 with contract award by Summer 2023.

The City's current Housing Element is an 8-year plan covering 2015 through 2023, and must be updated by April 1, 2024, per the deadlines established by the State. Under a REAP grant awarded to the Merced County Association of Governments (MCAG), the City of Merced and other local jurisdictions are working on a Multi-Jurisdictional Housing Element Update, which began work in February 2023. This regional approach is becoming more common with neighboring counties having completed them or currently undertaking them.

Land Use Element: The Land Use Element was comprehensively updated and adopted in January 2012 as part of the *Merced Vision 2030 General Plan*. Since that time, one (1) amendment to the Land Use Element text has been approved involving the adoption of the Bellevue Community Plan in 2015, and 25 amendments to the Land Use Diagram involving a total of approximately 207 acres (out of the 28,575 acres within the Sphere of Influence) have been approved (see Appendix A for details). After annexing over 2,200 acres of residential, commercial, and industrial land to the City's inventory from 2000-2009, due to the economic downturn, only one annexation has been completed since then, 15 acres of commercial/industrial land in 2019. Staff is working on the annexation of the UC Merced campus (involving approximately 1,026 acres) to the City of Merced along the Bellevue Road corridor per the Annexation Agreement and the provisions of AB 3312 as directed by the City Council in February 2021 as well as the annexation of 390 acres adjacent to the City's Wastewater Treatment Plant. In addition, Staff is currently working on four annexation requests from private developers totaling 504 acres in North Merced, including the 290-acre University Vista Annexation adjacent to the UC campus per the provisions of AB3312. Staff is also working with the Virginia Smith Trust (VST) and Merced County on processing a Specific Plan for 654 acres in anticipation of a future annexation request. In 2021, the City established a new Annexation Pre-application process which allows early City Council review. The City has received eight such pre-applications with six receiving support for moving forward (University Vista, VST, Rogina, Branford Point, UC Villages, and Yosemite Lakes) and two more are pending. Since 2012, the City has approved several new commercial developments which will add over 1.2 million square feet of new commercial facilities when completed. Since 2012, the City of Merced has issued permits for 3,448 new single-family homes and 1,106 multi-family units with many pending in 2023. In addition, the City has approved several large multi-family projects, which will add over 1,200 new apartment units when completed. Several affordable housing projects involving over 488 units have also been entitled and some have received funding to complete construction. On a continuing basis, City staff applies the General Plan land use policies regarding the promotion of a variety of housing types, the appropriate locations of new commercial and industrial land uses, and the protection of residential neighborhoods through code enforcement, interface overlay, and other tools.

Circulation Element: The Transportation and Circulation Element was comprehensively updated and adopted in January 2012 as part of the *Merced Vision 2030 General Plan*. The Element was amended in 2013 to reflect the changes required for the 2013 Bicycle Transportation Plan, in 2015 to reflect the changes required for the Bellevue Community Plan, and an amendment is pending in 2023

involving the use of Vehicle Miles Traveled for the evaluation of transportation impacts under CEQA. Since 2012, three (3) other amendments to the Circulation Element have been approved, two involving the spacing of curb cuts on arterials and the other regarding abandonment of a short segment of Mission Avenue adjacent to Highway 99, and one more is pending in 2023 involving another portion of Mission Avenue, west of Coffee Street. The City's Public Facilities Impact Fee program (revised in March 2022) will help fund needed transportation improvements throughout the Merced Area. In 2019, the City adopted the Alternative Transportation Plan/Safe Routes to School Plan, which replaced the 2013 Bicycle Transportation Plan. In 2020, the City's Bicycle Advisory Commission was expanded to include pedestrian issues and is now known as the Bicycle and Pedestrian Advisory Commission. City staff continues to work with MCAG, the County, and Caltrans staff on Regional Transportation Plan and Measure V projects. City staff also continues to implement policies relating to circulation/access and bicycle/pedestrian facilities to all new development projects.

Open Space/Conservation Elements: The Open Space and Conservation Elements were combined into one element, which was comprehensively updated and adopted in January 2012 as part of the *Merced Vision 2030 General Plan* and was amended in 2016 to address changes required by the adoption of the Local Hazard Mitigation Plan. Unfortunately, since 2012, due to funding issues and the slowdown in residential construction until 2017, no new City parks have been built although the City has been actively applying for grants. The City Parks and Open Space Master Plan was last updated in 2004 and needs to be updated to reflect the current Sphere of Influence. The City continues to implement policies regarding the preservation/conservation of the creeks, wildlife habitat, Scenic Corridors, agricultural land adjacent to the Sphere of Influence, soil, and water resources as they apply to individual development projects.

Housing Element: The City's Housing Element was adopted in 2016, per the deadline established under state law, and found to be in compliance with State law by the Department of Housing and Community Development (HCD). The Housing Element includes a discussion of Disadvantaged Urban Communities. The federal government requires that each jurisdiction also have a "Consolidated Plan" in order to receive Community Development Block Grant (CDBG) funds. Housing Elements and Consolidated Plans have many similar requirements and features. The City of Merced adopted Consolidated Plans in 2010, 2015, and 2020. Since 2012, the City of Merced has issued permits for 3,726 new single-family homes and 1,542 multi-family units, with many others pending issuance in 2023. From 2020-23, the City was awarded over \$62.8 Million by the State to fund several affordable housing

projects involving approximately 488 new units (108 apartments on Parsons Ave, 67 permanent supportive housing units on Park Ave, 96 transitional/permanent supportive units on V St, 20 transitional/permanent supportive units on R St, 156 apartments on Devonwood Dr, and 41 transitional units on 18th St). Several housing related issues were addressed in the 2016 adoption of the Zoning Ordinance Update, including updates to conform to State law regarding density bonuses, by-right housing, homeless shelters, and transitional/supportive housing. Amendments to the Zoning Ordinance regarding Accessory Dwelling Units were adopted in 2019 and 2021, and additional amendments to the Zoning Ordinance were adopted in 2022 relating to allowing by-right duplexes in single-family zones, adding residential densities to commercial zones, reducing the size of Residential Planned Developments, modifying the Interface Regulations, and allowing exceptions to residential design standards. In September 2021, the City Council authorized a series of actions to promote more housing (affordable and market rate) production in the City and staff has begun work on implementing this Pro-Housing Strategy. A separate Housing Element Annual Progress Report (HPR) has been prepared and will be submitted to the State by April 1, 2023. Highlights of the HPR are discussed in Section II of this report. The next update of the City's Housing Element must be completed by April 1, 2024, and the City is working with MCAG to provide a more regional and comprehensive approach to the Housing Element through a Multi-Jurisdictional Housing Element which began work in February 2023.

Noise Element: The Noise Element was comprehensively updated and adopted in January 2012 as part of the *Merced Vision 2030 General Plan*. Noise policies are enforced on an ongoing basis by City staff for individual development projects.

Safety Element: The Safety Element was comprehensively updated and adopted in January 2012 as part of the *Merced Vision 2030 General Plan* and amended in 2016 to reflect changes required by the adoption of the Local Hazard Mitigation Plan. Since 2012, City staff has applied policies regarding disaster preparedness, seismic safety, flooding, fires, airport safety, crime, and hazardous waste to various development projects as they undergo City review. City programs continue to implement the policies that relate to fire prevention (weed abatement, etc.), community policing, building and fire codes, flood prevention, and annual review and "dress rehearsals" of the City's Emergency Plan.

Urban Expansion Element: The Urban Expansion Element was comprehensively updated and adopted in January 2012 as part of the *Merced Vision 2030 General Plan*. In 2014, the Local Agency Formation Commission (LAFCO) adopted the City's revised Sphere of Influence as outlined in the General Plan. After annexing over 2,200 acres of residential, commercial, and industrial land to the

City's inventory from 2000-2009, due to the economic downturn, only one annexation has been completed since then, 15 acres of commercial/industrial land in 2019. Staff is working on the annexation of the UC Merced campus (involving approximately 1,026 acres) to the City of Merced along the Bellevue Road corridor per the Annexation Agreement and the provisions of AB 3312 as directed by the City Council in February 2021 as well as the annexation of 390 acres adjacent to the City's Wastewater Treatment Plant. In addition, Staff is currently working on four annexation requests from private developers totaling 504 acres in North Merced, including the 290-acre University Vista Annexation adjacent to the UC campus per the provisions of AB3312. Staff is also working with the Virginia Smith Trust (VST) and Merced County on processing a Specific Plan for 654 acres in anticipation of a future annexation request. In 2021, the City established a new Annexation Pre-application process which allows early City Council review. The City has received eight such pre-applications with six receiving support for moving forward (University Vista, VST, Rogina, Branford Point, UC Villages, and Yosemite Lakes) and two more are pending.

Public Facilities & Services Element: The Public Facilities and Services Element was comprehensively updated and adopted in January 2012 as part of the *Merced Vision 2030 General Plan* and was amended in 2017 to reflect the change in location for a new Central Police Station. In 2012, the City adopted a revised Public Facilities Financing Plan along with the Public Facilities Impact Fee program to help fund the over \$300 million in transportation, public safety, and open space/parks projects needed to implement the *Merced Vision 2030 General Plan* over the next 20 years. (The fee program itself will raise approximately \$84 million with developer construction, grants, Measure V, and other sources funding the other portions.) An update of the Public Facilities Financing Plan and impact fee program began in 2019 and was completed in March 2022. Several master planning efforts for meeting the City's infrastructure needs associated with growth have been completed or are in progress, including working with the County and neighboring jurisdictions on Sustainable Groundwater Management Act (SGMA) plans and implementation, updates to the Wastewater Master Plan for collection (expected to be completed in 2023), preparations for future expansion of the Wastewater Treatment Plant, and others. The City continues to work with the local school districts on the location of future schools.

Urban Design Element: The Urban Design Element was comprehensively updated and adopted in January 2012 as part of the *Merced Vision 2030 General Plan*. Since 2012, several implementing actions of the Urban Design Element were completed, including the comprehensive Zoning Ordinance Update in 2016, the first

comprehensive update to the Zoning Code since its adoption in the early 1960's. The Zoning Ordinance Update completely updated, reorganized, and modernized the Code to be more user friendly and included the addition of several new zoning districts to match General Plan land use designations. From 2017 through 2022, further Zoning Code revisions were completed to add commercial cannabis business permits (2017, 2019, and 2021); to add land uses to the Commercial Shopping Center zone (2018, 2020, and 2022); to update the provisions for accessory dwelling units (ADU's) per State law (2019 and 2021); to expand various commercial uses in the Downtown area and other commercial zones (2020); to clarify Planning Commission procedures (2021); to modify procedures for tobacco uses near schools (2021); and to allow duplexes by-right in R-1 zones, changed the level of approval for commercial land uses, added residential densities to commercial zones, reduced the size of Planned Developments, modified the Interface Regulations, updated parking standards per State law, allowed exceptions to design standards, and clarified some definitions (2022). Several more amendments are anticipated to implement the City Council's Pro-Housing Strategy in 2023. In 2019, City staff completed a minor revision to the sign ordinance to address some pressing issues regarding shopping center signs and hired a consultant to begin the long-awaited comprehensive update of the City's Sign Ordinance, which should be completed in 2023. Aesthetic policies involving the undergrounding of new utilities, minimum landscape standards for new developments, and design review within Planned Developments and the Downtown area are also carried out on an ongoing basis.

Sustainable Development Element: The Sustainable Development Element was comprehensively updated and adopted in January 2012 as part of the *Merced Vision 2030 General Plan*. In 2012, the City adopted the Climate Action Plan in response to one of the implementing actions in this element. This chapter includes the City's policies on air quality which are mandatory for jurisdictions within the San Joaquin Valley Air Pollution Control District. City staff applies its policies regarding air quality, cultural resources, historic preservation, health, and energy conservation on new developments within the City of Merced on an ongoing basis. Mitigation measures for air quality impacts are now routinely adopted for many large development projects.

B) Summary of General Plan and Specific Plan Amendments

General Plan Amendments (Approved—January 1, 2022 to December 31, 2022)

Three (3) General Plan Amendment(s) were approved for the period of January 1, 2022, to December 31, 2022 (see table below) and none were denied. Seven (7) amendments are currently pending.

Reference No.	APN# and Parcel Size	Location	General Plan Amendment Approved	City Council Approval Date & Resolution #
GPA #21-03	170-010-001 to -039; 170-021-001 to -034; 170-022-001 to -003; 170-023-001 to -008; 170-024-001 to -012; 170-030-001 to -028; 170-041-001 to -003; 170-042-001 to -007; 170-043-001 to -007; 170-044-001 to -037 (8.5 acres)	Northeast Corner of Bellevue Road and Barclay Way	Neighborhood Commercial (CN) to Low Medium Density Residential (LMD)	April 18, 2022 (CC Res. #2022-19)
GPA #22-02	061-390-027 (4.59 acres)	East Side of Parsons Avenue, South of Highway 140	Thoroughfare Commercial (CT) to High Medium Density Residential (HMD)	May 2, 2022 (CC Res. #2022-21)
GPA #21-02	058-030-028 (6.95 acres)	Southeast Corner of Loughborough Dr and Meadows Ave	Regional/Community Commercial (RC) to High Medium Density Residential (HMD)	June 21, 2022 (CC Res. #2022-32)

A total of 33 General Plan Amendments have been approved since the January 2012 adoption of the General Plan (refer to Appendix A of this report). Three (3) amendments were approved in 2012, 5 in 2013, 3 in 2014, 5 in 2015, 2 in 2016, 3 in 2017, 2 in 2018, 3 in 2019, 1 in 2020, 3 in 2021, and 3 in 2022.

Specific and Community Plan Amendments (2022)

No amendments were approved within the City's seven adopted Specific or Community Plans in 2022. The seven adopted Specific or Community Plans include the Campus North Specific Plan (originally adopted in 1985 and amended in 1990, 1997, and 2000), the Northeast Yosemite Specific Plan (adopted in 1989 and amended in 1993, 1994, 1997, 1998, 1999, 2002, 2004, 2006, 2009, 2013, 2016, 2017, and 2020), the Fahrens Creek Specific Plan (adopted in 2001 and amended in 2006, 2015, and 2019), the Fahrens Park Specific Plan (adopted in 1978 and amended in 1984, 1990, 1999, and 2013), the Bellevue Ranch Master Development Plan (adopted in 1995 and amended in 2008, 2012, and 2018), the South Merced Community Plan (adopted in 2008), and the Bellevue Community Plan (adopted in 2015).

C) Other Development Applications Considered

In 2022, the Planning Commission and City Council also considered other development applications which did not involve any amendments to the General Plan. In 2022, the Planning staff considered administrative applications and the Planning Commission and/or City Council held public hearings and considered many applications as shown in the Table below.

DEVELOPMENT APPLICATION STATISTICS (2022)

Development Applications	# Processed	# Approved	# Denied or Withdrawn	# Pending
Abandonments (Streets or Easements)	4	2	0	2
Annexations/Pre-Zoning	6	0	0	6
City-Owned Real Property Requests	18	18	0	0
Commercial Cannabis Business Permits (NEW)	7	4	0	3
Comm. Cannabis Permits (Renewals)	15	15	0	0
Conditional Use Permits (CUP)	6	5	1 (Withdrawn)	0
Design Review (<i>Planning Commission & Staff</i>)	4	4	0	0
Environmental Reviews (<i>i.e. Cat Ex, Neg. Dec., Mit. Neg. Dec.</i>)	52	40	0	12
Final Subdivision Maps	13	3	0	10
Land Use Determinations (<i>Public Convenience & Necessity</i>)	1	1	0	1
Minor Subdivisions (<i>Lot Splits, Mergers, Lot Line Adjustments</i>)	10	6	0	4
Minor Use Permits & Minor Modifications	15	14	0	1
Preliminary Applications	22	n/a	0	1
Restaurant Encroachment Permits	3	3	0	0
Sewer/Water Requests	1	1	0	0
Site Plan Review	20	20	0	0
Street Closures (City Council & Staff)	13	13	0	0
Tentative Subdivision Maps	8	3	0	5
Zone Changes	3	2	0	1
Zoning Ordinance Amendments	1	1	0	0

II. HOUSING ELEMENT ANNUAL PROGRESS REPORT

As noted previously, a separate Housing Element Annual Progress Report (HPR) has been prepared will be submitted to the State by April 1, 2023. The HPR is submitted to the State in a series of tables in spreadsheet format as per State guidelines. Highlights of the 2022 HPR are presented below.

A) Housing Development Applications and Annual Building Activity

Table A of the 2022 HPR contains all the housing development applications (413 applications for a total of 1,541 units) submitted to the City in 2022, including applications for entitlements (i.e. conditional use permits and tentative maps) as well as applications for building permits for all housing units. Table A2 is somewhat duplicative of Table A in that it lists all the building permits issued and certificates of occupancy. This included permits issued for a total of 628 dwelling units - 272 building permits issued for single-family dwellings, 7 permits issued for ADU's, 1 permit issued for a duplex, and 18 permits issued for a total of 348 multi-family units as well as certificates of occupancy for 490 single-family dwellings, 1 ADU, 1 Duplex, and 316 multi-family dwellings. Since the entitlement, permit, and construction process of housing units often spans multiple years, many units are reported in several HPR's as they move through the entitlement process in one year, building permits in the next year, and perhaps construction and certificate of occupancy in the next year. Due to the length of and amount of detail in these Tables, a summary only of the data in Tables A and A2 is shown below.

Table A: Housing Applications Summary	
Total Housing Applications Submitted:	413
Number of Proposed Units in All Applications Received:	2,059
Total Housing Units Approved:	1,541
Total Housing Units Disapproved:	0
Total Housing Units Pending Approval	518

Table A2: Building Permits Issued by Affordability Summary		
Income Level		2022
Very Low and Extremely Low	Deed Restricted	
	Non-Deed Restricted	
Low	Deed Restricted	
	Non-Deed Restricted	
Moderate	Deed Restricted	
	Non-Deed Restricted	
Above Moderate		628
Total Units		628

Table A reported 9 housing entitlements (Conditional Use Permit #1264, Site Plan Review Permits #492, #496, and #505, and Tentative Subdivision Maps #1316, #1319, #1321, #1322, #1323, and #1326), which involved a total of 492 multi-family units and 621 single-family subdivision lots.

B) Regional Housing Needs (2016-2024)

As part of the Housing Element process, the City of Merced's share of the regional housing needs for an 8-year period, as defined by the State and then distributed at the regional level by the Merced County Association of Governments (MCAG), is established. Table B of the 2020 reflects the City of Merced's Share of the Regional Housing Needs (RHNA) from 2016 to 2024 as well as the progress in meeting those needs.

Table B: Regional Housing Needs Allocation Progress											
Permitted Units Issued by Affordability											
Income Level		RHNA Allocation by Income Level	2016	2017	2018	2019	2020	2021	2022	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Very Low	Deed Restricted	1351					58			58	1,293
	Non-Deed Restricted										
Low	Deed Restricted	966					61			61	905
	Non-Deed Restricted										
Moderate	Deed Restricted	886								733	153
	Non-Deed Restricted			145		18	492	78			
Above Moderate		2348	n/a	82	629	650	499	656	628	3,970	0
Total RHNA		5551									
Total Units			n/a	227	629	668	1,110	734	0	3,342	2,351

Note: Units serving extremely low-income households are included in the very low-income totals

C) Sites Identified or Rezoned to Meet Housing Shortfall

Table C of the HPR shows any sites that have been identified or rezoned in order to meet any shortfall of housing sites to meet the City's share of regional housing needs. The City's Housing Element identified adequate sites to meet the City's share of regional housing needs, but additional sites have been identified recently. Table C identifies 2 additional parcels that would be appropriate to provide housing to meet

the very low and low-income obligation of the RHNA. These sites could realistically provide an additional 269 units. The following sites were identified in Table C.

APN	Units by Income Level		Parcel Size	General Plan	Zoning	Realistic Capacity	Use
	Very Low Income	Low Income					
061-390-027		108	4.59	HMD	R-3-1.5	108	Vacant
058-030-028		161	6.93	HD	P-D #8	161	Vacant

In addition to the sites identified above, the City has approved the Mercy Village project at 3015 Park Avenue which would construct 65 very low and low-income apartments. No zone change was needed, but a Density Bonus was approved. A Density Bonus was also approved for the Bella Vista project on Parsons Avenue to allow concessions and waivers to allow the construction of 108 multi-family dwellings. A Density Bonus was also approved for a project at 73 South R Street that will provide housing for 20 unsheltered veterans. Once constructed, these units would count towards the City's RHNA obligation for very low and low-income housing units.

D) Housing Element Programs Implementation

Table D of the HPR describes progress of all Housing Element programs, including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the Housing Element.

Table D: Housing Element Program Implementation Status			
Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H1.1.a - Evaluate for Multi-Family Housing Development	The City will complete evaluation of vacant and underutilized parcels throughout the City to determine suitability and feasibility for potential multi-family development, considering at least, but not limited to, location, size, circulation, and available infrastructure. Staff will monitor and evaluate whether the higher density sites are providing realistic development opportunities for low-income households through the general plan annual review process (Government Code 65400). In addition, staff will work to educate the public and decision-makers about affordable housing, especially multi-family developments, to help alleviate "NIMBYism" when developments are proposed and to ensure decisions regarding developments are made based on adopted plans and policies. The City will encourage developments devoted exclusively to Senior housing.	Ongoing	The City maintains a listing of vacant sites for residential development. The City strives to update the list on an annual basis. The City recently reviewed Table 9.4.4 and 9.4.8 of the Housing Element and concluded that the City still has sufficient land designated for multi-family development to meet the RHNA requirement for Extremely-Low, Very-Low, and Low-income households. However, if any of the sites are developed at market rate, the City would need to look to zone additional land for multi-family development in the near future to ensure the City could meet its RHNA allocation. The City advises developers of multi-family projects to host neighborhood meetings to help educate the neighborhood on their project. The City participates in these meetings by answering questions and helping to provide education about multi-family projects. The Planning Department provides information at the front counter and on our website to educate the public about NIMBYism. The City also provides a Tentative Subdivision Activity List and Development Activity List on the Planning Department website. Additionally, the City has streamlined the approval process for many projects requiring a discretionary review; rather than requiring a Conditional Use Permit before the Planning Commission or a Site Plan Review Permit, a staff level approval, is required.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H1.1.b - Promote the use of Residential Planned Development Zoning	Expedite processing of Residential Planned Development (RPD) permits to encourage innovative site planning, multi-level developments, clustered housing design and planned open space. Evaluate the use of incentives, such as allowing higher densities, or other incentives determined to be appropriate, to developers providing childcare centers within their development. Provide more education to the public and decision-makers regarding the benefits of small lot developments.	Ongoing	The City's building permit review process has been streamlined to allow for master plan reviews. This allows the developer to submit specific house plans or in the case of multi-family development, specific building plans for review, then pull subsequent building permits with only a site plan and any other required documents for an expedited review. This process is used within all zones in the City. The City encourages higher density developments and the inclusion of childcare centers within multi-family developments, but has not yet developed an incentive program for such. The City is receptive to small lot developments and has included a section in the Zoning Ordinance (updated in 2016) to address small lot single-family homes. Recent updates to the Zoning Ordinance allow duplexes to be constructed on a single-family lot within an R-1 zone "by right" (only building permit review required). The City has continued to update the Zoning Ordinance to be in compliance with state law regarding ADU's and JADU's.

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Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H1.1.c - Encourage Mixed Use Development	Expand the use of mixed-use residential/office/retail developments in the City's core downtown and other appropriate commercial centers to support both affordable housing and economic development goals through priority permit processing. Proposed amendments to the City's Zoning Ordinance would allow residential uses as a principally permitted use in Central Commercial (C-C) zone which encompasses most of the downtown area and would be consistent with the City's Downtown Strategy. The City will promote development consistent with the "Downtown Strategy." In addition, proposed changes in the Zoning Ordinance update would reduce the parking requirements for residential developments near approved transit stops. The use of other incentives will be reviewed.	Adoption of Zoning Ordinance update in 2016 / Development consistent with the "Downtown Strategy" - Ongoing	In 2016, the City adopted a comprehensive update to the City's Zoning Ordinance. This update included allowing multi-family development as a permitted use in the Central Commercial Zone (most of the downtown area). The update also included parking reductions for mixed-use developments and developments near transit stops. The City continues to promote development in the downtown area to include more housing and mixed-use developments. In 2020, the former Tioga Hotel, Tioga Apartments, opened its doors as an apartment complex in the downtown area providing approximately 79 units. Also, in 2020, a mixed-use development (The Hub) that included 200 market rate units was approved in the northeast section of the City and is currently under construction. A mixed-use project was approved in 2020 at the Northeast corner of G & Yosemite Avenue. This project consists of approximately 21 acres with a mixture of retail commercial, restaurants, a car wash, and hotel. In addition, 96 multi-family units are proposed. The retail portion of the project is currently under construction with several of the buildings completed. Another mixed-use development on Yosemite Avenue between Compass Pointe Dr. and El Redondo Ave. was approved in recent years, but has not been constructed. This development would include a gas station, car wash, and 220 multi-family units.

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Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H1.1.d - Review and Update the City's Zoning Ordinance to Assure Compliance with State Law	Review Zoning Ordinance at least annually to assure compliance with state law. Complete comprehensive Zoning Ordinance update.	Completion of Zoning Ordinance Update by 2016 and annually thereafter.	The City completed the comprehensive Zoning Ordinance Update and the new Zoning Ordinance became effective October 19, 2016. The City does an annual review to ensure compliance with state laws and would make any amendments necessary to implement any new laws. In 2019 the City updated the ADU Ordinance and made updates in 2020 and 2021 to comply with changes to state law. The City was awarded SB2 Grant Funds which will be used to update the Zoning Ordinance to provide provisions for tiny home development, expand the development of duplexes in single-family zones as a "by-right" development, streamline small-lot development, and update the tentative subdivision map process. The City also implemented a procedure for reviewing SB 35 applications in 2020, and has updated the Zoning Ordinance to allow duplexes in R-1 (single-family) zones, and updated design standards for residential to remove certain barriers to construction.

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Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H1.1.e - Encourage Alternate Housing Types	Through priority permit processing, encourage the development of alternate housing designs that can be built on smaller footprints. The Planning Division will inform potential developers of the benefits/cost savings of alternate housing designs and smaller footprints fostering a larger return on investment (ROI) with more units per acre, thus providing more affordable housing. Priority processing saves developers time and money to help keep development affordable and is also important for them to meet State and Federal tax credit deadlines. The City's "Small Lot Design Guidelines" have been incorporated in the comprehensive Zoning Ordinance update and setback requirements have been increased providing more open space to encourage the public to be more accepting of the small lot design concept. Additionally, staff will encourage developments to build 2 and 3-story houses to provide more floor area on a smaller lot.	Priority Processing - ongoing / Adoption of Zoning Ordinance 2016 Ongoing	The updated Zoning Ordinance included a section on small lots to make the development of these lots easier for developers. This section provides development standards and guidelines for small lot developments. Small lot developments require Conditional Use Permit approval which can typically be obtained within 60 to 90 days, as opposed to a zone change process which could take up to 4 to 6 months. The City has also added a section to the Zoning Ordinance for Accessory Dwelling Units (ADU's) in compliance with state requirements. The City continues to update this ordinance in compliance with state law. Additionally, the City has plans to add a section to provide for the development of tiny homes. Although the Tiny Homes Ordinance has not been completed to date, the City has been working on an "off the shelf" design for ADU's, Duplexes, and Triplexes. This would allow property owners to use a design already approved by the City making the development of an ADU much quicker and easier. Additionally, beginning Jan. 1, 2023, Public Facilities Impact Fees (PFIF) for homes smaller than the average size of 1,920 s.f. would be charged a reduced fee proportional to the percent below the average single-family home size. There is also no PFIF required for ADU's smaller than 750 s.f. An ADU larger than 750 s.f. is charged proportionally.

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Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H1.1.f - Encourage the Use of the Density Bonus Provision to allow a 50% increase in the number of units allowed in medium and high density zones dedicated exclusively for Senior Housing, if at least 50% of the units are affordable to very low-income households.	Complete the adoption of the Draft Zoning Ordinance which includes a provision to allow a reduction in the number of parking spaces for "low demand" uses. Senior housing could be considered "low demand," and be eligible for such a reduction.	Adoption of Zoning Ordinance update in 2016	The updated Zoning Ordinance brought the City's Density Bonus requirements into compliance with state law. The City continues to monitor changes to the Density Bonus law and make updates as needed. The updated Zoning Ordinance also has provisions for parking reductions when there is a low-demand use such as senior housing or when located near a transit stop. In 2022, the City approved 3 Density Bonus applications for a total of 193 units.
H1.1.g - Work with UC Merced to Develop a Student Housing Plan	Encourage developers of affordable housing to consider subdividing large lots into smaller lots more suitable for affordable housing. This process is done through a staff-level approval with no public hearings before the City Council or Planning Commission. The process takes approximately 3 weeks.	Ongoing	The City has coordinated discussions with developers to provide multi-family student housing developments. The City will work to with the developers to provide housing for make contact with the UC to discuss the issues related to student housing in residential neighborhoods. In 2021, the City Council directed staff to begin the process to annex the UC Merced Campus using the provisions of AB 3312, which should lead to more coordination between the City and UC on many issues. The City is currently working on that annexation and is expecting the annexation to be completed within the next 6-9 months (+/-).
H1.1.h - Encourage the use of the City's Lot Split Process (Parcel Map) to subdivide large parcels into smaller parcels that would be more likely to be developed for affordable housing.	Encourage developers of affordable housing to consider subdividing large lots into smaller lots more suitable for affordable housing. This process is done through a staff-level approval with no public hearings before the City Council or Planning Commission. The process takes approximately 3 weeks.	Ongoing	The City's Lot Split process continues to be available to all property owners to create smaller parcels for development. Lot Split applications are reviewed by the Minor Subdivision Committee, a staff level committee, which helps to expedite the process. The City is also familiar with the lot split process enacted by SB 9. Although the City has not processed any lot splits in accordance with SB 9, we continue to review projects to determine if such a lot split would be beneficial.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H1.2.a - Review Design Standards, Update for Affordability	Deviations to improvement standards contained in the Subdivision Ordinance may currently be granted by the Planning Commission through the Tentative Subdivision Map process. To reduce the need for multiple case-by-case considerations, continue periodic review of infrastructure and road requirements. Identify potential revisions to reduce construction/improvement costs for new development without negative impact to quality or capacity.	Annually	The City's Engineering Department does an annual review of the City Standards. The City is currently working on a comprehensive update of all the City Standards. It is anticipated that the revised City Standards would be adopted in 2023.

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Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H1.2.b - Continue City Housing Program	Provide incentives to encourage affordable housing development through the use of grant funds such as CDBG and HOME funds.	Ongoing	The City continues to receive CDBG and HOME funds to be used to help develop new affordable housing and maintain existing affordable housing units. The Housing Program works with Habitat for Humanity, Stanislaus County and the Fuller Center to perform rehabilitation projects on owner-occupied single-family homes and works with developers to provide new affordable housing projects (both single-family and multi-family). Currently, the City is working several developers on multifamily affordable housing projects, funded by various State grants, such as, the Homekey Grant. Homekey funds a 20 unit - container home project for homeless veterans, slated to open this summer. Homekey also funds a hotel conversion project of 96 units of permanent supportive housing for homeless at 13th & V St which is under construction. PLHA funds were dedicated to two multifamily affordable housing projects, Mercy at 65 units is in building permit stage and Linc housing is in pre-development for a 54-unit complex. Devonwood Village is multifamily project awarded HOME and ARPA funding by the City and it is in predevelopment, expected to start construction in late 2023. The City continues to work with the Central Valley Coalition for Affordable Housing in pre-development for a 68-unit affordable housing apartment complex (Gateway Terrace II). The City also works with the Merced Rescue Mission, Habitat for Humanity, Merced, and Sierra Saving Grace to provide housing assistance. The City has used HOME & CDBG funds to help fund a 119-unit affordable apartment complex at Childs & B Street (The Retreat) and is working to help fund the Mercy Village project on Park Avenue. The City is working with a developer on a Home Key project to provide 96 transitional housing units.

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Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H1.2.c - Conduct studies to identify the needs of disadvantaged communities per Senate Bill 244	As annexations occur, conduct studies to determine the needs of disadvantaged communities within the City Sphere of Influence in proximity to the proposed annexation. Identify the areas lacking sewer and/or water availability and those areas in need of other revitalization efforts and other infrastructure upgrades (sidewalks, fire hydrants, etc.). Ensure that land annexed into the City for development can be supplied by the City's sewer and water facilities.	As funds are available and as annexations occur	The City is currently working on 6 active annexations, and has preliminary applications for 6 additional annexations. As part of the annexation process, the City will evaluate each area for disadvantaged communities. As part of the annexation process, an evaluation is conducted to ensure the City can supply adequate sewer and water to the annexation area. Additionally, the City is working with the Merced County Association of Governments (MCAG) on a regional Multi-Jurisdictional Housing Element. Additionally, we will be working on a comprehensive General Plan Update in 2023. As part of the update process or with the Housing Element and SB 244 Analysis would be completed. We are currently working on a contract for a consultant to prepare the analysis which is expected to be completed in late 2023.
H1.2.d - Pursue funding strategies to assist disadvantaged communities	Apply for funding such as the Community Revitalization and Investment Authority (AB 2) that focus on addressing distressed	Annually	The City applied for the ongoing Permanent Local Housing Allocation (PLHA) funding for the available years of 2019-2021, and will continue to monitor all available funding and apply when appropriate to do so. The City is also applying for a Pro-Housing designation through the state and working to develop a housing trust fund.

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Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H1.3.a - Participate in Joint Development Agreements	Continue City staff exploration and pursuit of feasible development agreements for joint public/private development of affordable rental and ownership housing, including senior housing, "special needs" housing, farmworkers, supportive and transitional housing, or emergency shelters for the homeless within the City. Said development agreements shall ensure affordable housing mix, appropriate covenants of affordability terms, and conditional recapture provisions. Specifically, the City will invite developers of affordable housing to participate in Joint Development Agreements. Special focus will be placed on agreements for the development of housing for extremely-low income households. The City's goal is to execute one agreement annually to achieve 50 units of low-mod housing. Use development agreements to encourage the construction of childcare centers within affordable housing developments.	Ongoing	The City continues to work with the Central Valley Coalition for Affordable Housing and enter into joint development agreements to provide affordable housing. Such agreements were used for the development of the 119-unit affordable apartment project at Childs & B Street (The Retreat), completed in 2022. This development will provide units for extremely-low and very-low income households as well as permanent supportive housing units. The City recently went out for an RFP to find qualified affordable housing developers. Based upon this effort, the City entered into Exclusive Negotiating agreements with Linc Housing, CC915, and Fuller Center for properties owned by the Housing Successor Agency to sell 10 parcels at \$1 each for the development of extremely low to low income housing. The City granted \$6.5 million in ARPA funds for the development of affordable housing at Devonwood Village, Bella Vista, and 1213 V St. On April 4, 2022, the City Council adopted Resolution No. 2022-15, which implements the City's Regional Housing Needs Allocation Unit Production Plan. This plan requires private developers to provide 12.5% of the total units within a project affordable. This requirement would be executed through the use of a Development Agreement.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H1.3.b - Encourage the construction of childcare centers within new housing developments through the use of Joint Development Agreements.	The City recognizes the need for quality childcare. In addition, the City recognizes the large amount of traffic and emissions produced by the numerous trips families make throughout the City in going to and from childcare centers. The City also recognizes that many families who need affordable housing, especially female-headed households, need childcare on-site (within apartment complexes) or within close proximity to their home or transit services.	December 2019/Ongoing	The City encourages development of child care centers within all housing developments. However, an incentive program has not been developed. The Bella Vista project on Parsons Avenue is slated to have a Head-start Classroom on site. This project is expected to be constructed in 2024.
H1.4 - One-Stop Permit Center Fast Tracked Processing	Continue the City's current procedures for processing development proposals and approving permits; accelerating the approval process for affordable and senior housing developments.	Every 2 years	Procedures remain in place to expedite the approval process for affordable and senior housing. City staff reviews these procedures every 2 years to determine if changes or updates to the current procedures need to be made. The City has implemented a review process in compliance with SB 35. The City was awarded over \$600,000 in SB2 and LEAP funding for various projects to promote housing. The City started projects to develop an "off-the-shelf" plan for ADU's and pre-designed duplex and triplex units to help expedite the development process and reduce development costs.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H1.5.a - Encourage Homeowners to Construct Second Units	Continue to publicize the Second Unit Ordinance and the income benefits of second unit construction to homeowners in the City. Link this promotion with information on the availability of low-interest rehabilitation loans and other funding programs to support second unit development and provide technical support as necessary to interested homeowners. Provide information on second units and their benefits via the City's website, monthly newsletter, and brochures at the front counter.	Ongoing	The City provides information to customers when they inquire about building second units, now known as Accessory Dwelling Units (ADUs). The City's Zoning Ordinance which includes the regulations for ADUs is available on the City's website. The City adopted an updated ADU ordinance in 2019 and continues to update the ordinance to be in compliance with state law. The most recent update being in 2021. During 2022, the City began work on an "off-the-shelf" ADU and cottage home project which will be done in early 2023. The project will result in free pre-approved building plans for homeowners to save while encourage building secondary units.
H1.6.a - Apply for Funding to Support New Housing Construction	Continue to seek potential funding sources and actively pursue funding for affordable housing.	Ongoing	The City continues to actively seek different funding opportunities to help support the development of affordable housing. The City currently receives CDBG and HOME Funds, as well as Cal-Home First Time Home Buyer funds. The City received funds from the Affordable Housing Sustainable Communities (AHSC) program through HCD for the Childs & B Street project. The City has also received ARPA funds of which a \$6.5 million was designated for affordable housing developments. The City received over \$29 million in Homekey funds with project development partners for extremely low income permanent supporting multifamily housing. Additionally the City has a PLHA award committed to two affordable housing projects. The City is working on submitting it's HOME-ARP plan for an additional \$1.9 million in HUD funding for affordable housing.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H1.6.b - Provide Assistance for Private and Nonprofit Applicants to State and Federal Programs	Assist private individuals and nonprofit organizations in applying for State and Federal funds at least once each year. Assistance may take the form of information referral, consultation regarding program applications, and/or lobbying by local officials on behalf of the applicant. Special focus will be given to applicants applying for funding to assist in the development of extremely-low income housing.	Annually	The City has assisted in assembling the funding for the Childs and B Street project, Homekey projects, at 13th & V, and South R st. as well as providing letters of support and commitment to assist affordable housing developers in various grant application.. The City has also consulted other developers on possible funding opportunities and assists with completing form needed for developers to received Federal and State tax credits. The City is working on completing it's State application for a Pro-housing Designation and to establish a Housing Trust Fund. In 2022, the City published an RFQ to select affordable housing developers. Through this RFQ, the City has found several partners to work with on affordable housing development.
H1.7.a - Continue Continuum of Care Development and Participation	The City will continue to work with Merced County and the Merced County Association of Governments to implement the Continuum of Care to address the homeless issues in Merced. The City will continue to research funding opportunities for homeless and transitional shelters and will work with other agencies to ensure the needs of the homeless community are met.	FY 2015-2016, annually thereafter as funds become available	The City continues to participate in the Continuum of Care through the Housing Department. Typically, City employees have participated in the annual Homeless Count, but due to COVID-19, that count was not performed in 2020 or 2021. The count resumed in 2022 with efforts from the City, County, and community volunteers.

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Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H1.7.b - Promote and Develop Housing to Meet Special Needs	Assist private and nonprofit developers, such as the Central Valley Coalition for Affordable Housing, by identifying potential sites and financial resources for the construction of housing to meet special needs. Such projects might include, but are not limited to: senior housing, including congregate care facilities; housing for people with physical and mental disabilities; transitional housing for the homeless; an emergency shelter for the homeless; and housing for large families, extremely-low-income families, and farmworkers. The City will provide further assistance to the identified need of additional emergency shelter facilities by applying for Proposition 46 funding to provide for such facilities or by supporting other agency applications.	Annually	The Housing Program works with the City's Community Housing Development Organization (CHDO) to complete at least one project annually to provide housing to those with special needs. The City will continue to work with the CHDO and any other agencies in an effort to provide more affordable housing for extremely-low, very-low, low-income and special needs households. The Childs & B Street Project was completed in 2022, in conjunction with a private developer and the Central Valley Coalition for Affordable Housing. This project provides 119 units for affordable housing, including 30 permanent supportive housing units for a special needs population. Additionally, the City has been working with UP Holdings to develop a Home-Key project for 96 transitional housing units and 66 permanent supportive housing units. A homeless veterans project located at South R St is underway with the aid of another Homekey grant and City contributions.
H1.7.c - Assist in Obtaining Funding for Farmworker Housing	The City shall apply for or support applications for funding for farm worker housing. The City shall periodically review available funding programs to identify additional funding sources for farmworker housing.	Annually	In 2022, the City assisted Visionary Homes on a grant opportunity for a 108-unit apartment complex on Parsons Avenue. The project includes Farmworker Housing and received \$ in funds through the Joe Serna Farmworker Housing Grant Program. To show added support, the City committed \$3.5 million in ARPA funding to the Parsons Ave project. The City will continue to monitor funding opportunities and will apply when appropriate.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H1.7.d - Assess the need for Farmworker Housing	Work with farm owners and central labor providers to determine the number of farmworkers who may need housing. The resulting report should address: permanent workers, seasonal resident workers, and migrant workers.	December 2019	The City has not met with farm owners and central labor providers to date. This is still a goal, but the City has focused its efforts on addressing the homeless issue within the City and providing additional housing through the development of affordable housing projects.
H1.7.e - Provide incentives for the development of farmworker housing	Provide fast-track permit processing: offer a reduction in the number of parking spaces required based on the number of vehicles used for transportation; Explore the use of modified site development standards, e.g. - street widths, paving, curbs/gutters, placement of public works improvements, or landscaping.	Ongoing	The City has not received any applications for farmworker housing to apply any of these processes.
H1.7.f - Consider amending the Zoning Ordinance to allow a reduction in parking requirements for persons with disabilities.	Complete the adoption of the Draft Zoning Ordinance which includes a section to allow the reduction in required parking spaces for uses considered to be "low demand." This could include parking requirements for developments for persons with disabilities.	December 2016	Completed with the adoption of the Zoning Ordinance Update in 2016.
H1.8.a - In-fill and Multi-family Lot Inventory	Develop an inventory of available infill and multi-family lots. The inventory will include location, parcel sizes, amenities, and available infrastructure. The City will keep said inventory current and information will be made available to developers.	Ongoing	This inventory is updated as needed and is made available to the public.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H1.8.b-Prioritize City efforts to encourage residential development by focusing on in-fill development and densification within the existing City Limits.	City staff will encourage development within the existing City Limits and especially within the City's Core Area. Staff will analyze vacant and underutilized land to identify constraints to in-fill development. Using the information found in the analysis, staff will develop an "In-fill Strategy." Staff will work with neighborhood and business groups, as well as with other interested organizations, to identify and address their concerns and preferences related to in-fill development. In addition, staff shall consider providing incentives such as reduced fees or priority permitting for in-fill developments, especially within the City's Core Area.	Ongoing	Staff continues to work with developers to develop in-fill sites. The City provides a Tentative Subdivision Map Activity list and a Development Activity list on the Planning Department website to provide information on current developments and future subdivisions. The City updated its policy on infill development by expanding areas of opportunity for reduced Public Facilities Impact Fees to encourage in-fill development and development in underutilized areas.
H1.8.c - Provide Ample Land Through Planned Annexations	The City will continue to monitor residential land availability and encourage and pursue annexations as necessary to maintain a 10-year supply of zoned vacant residential property.	Ongoing	The City is currently working on 5 annexation applications that would add over 7,000 housing units, plus more than 2,000,000 square feet of commercial uses. Additionally, the City is processing 8 preliminary annexation applications, all of which would include land for housing.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
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H2.1.a - Continue the Housing Rehabilitation Loan Program	Continue to allocate monies from the City's Affordable Housing Program and expand the City's Housing Rehabilitation Grant Program.	Ongoing	The City continues to receive CDBG and HOME funds to be used to help develop new affordable housing and maintain existing affordable housing units. The Housing Program works with Habitat for Humanity, Stanislaus County to perform rehabilitation projects on owner-occupied single-family homes and works with developers to provide new affordable housing projects (both single-family and multi-family). The City also works with Sierra Saving Grace and the Merced Rescue Mission to provide funding for housing assistance. The City was awarded a CAL-HOME grant for rehabilitation of homes, ADU construction and first-time home buyer assistance. The City also works with Self-Help Enterprises for down-payment assistance and rehabilitation assistance.
H2.1.b - Identify and Notify Owners of Substandard Units	Notify property owners regarding available rehabilitation programs to remedy code violations.	Continuous	The City's Code Enforcement Officers work with the Inspection Services Department to identify substandard housing. Property owners are given an opportunity to correct violations and may be eligible for funding through the Housing Department. The City's Building and Housing Board of Appeals hears appeals regarding citations issued by the Code Enforcement officers related to substandard housing.
H2.1.c - Provide Public Information on Preventative Maintenance and Energy Conservation	Utilize information dissemination programs such as the City's website and monthly newsletter to educate the public on low-cost preventative maintenance, as well as energy conservation measures they can take to prolong the life and quality of their home and reduce their long-term utility and maintenance costs.	Ongoing	The City continues to provide information on homeowner maintenance through the dissemination of brochures and information on the City's website.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H2.1.d - Conservation of At-Risk Units	The City will continue to contact owners and operators of such units at least annually to monitor when/if the units are being considered for conversion. The City will, as needed, assist potential non-profit buyers to apply for California Housing Finance Agency funding to purchase and operate "At-Risk" facilities for continued affordability. The City will investigate possible incentive programs to encourage property owners to keep their properties affordable. Staff will work with the Housing Authority to determine if they offer programs that will assist property owners in maintaining their property as affordable units.	Annually	The City continues to monitor units that have a covenant for affordability and make contact with property owners as needed when units are considered to be "at-risk" of losing their affordability. An annual review is done to ensure existing affordable units are maintained as affordable.
H2.1.e - Energy Conservation	The City shall continue to assist low-income homeowners and renters in securing energy audits through local utility companies. Informational flyers should be provided at City offices and other public buildings to advertise funding sources for making any necessary changes such as energy conservation fixtures and devices. All projects funded through the Housing Program shall be designed to meet all state energy efficiency standards. The City will also continue to promote its participation in the HERO program.	Ongoing	The City Housing Department continues to provide information on energy efficiency and to ensure that all projects undertaken through the Housing Department meet the minimum energy standards required by the California Energy Code.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H2.1.f - Encourage Energy Conservation and Weatherization	The City will continue to assist low/moderate income families in obtaining information and participating in the Community Action Agency's weatherization program.	Ongoing	The City Housing Program continues to refer homeowners to the Community Action Agency for assistance with energy conservation and weatherization. Additionally, any new projects constructed through the Housing Program are constructed to meet current energy conservation standards.
H2.2 - Apply for State and Federal Funds to Support Housing Conservation and Rehabilitation	Identify and apply for funding at the State and Federal levels to help finance housing conservation and rehabilitation in the City.	Annually	The City Housing Program Supervisor and Development Services Director review funding opportunities and applies for those funds when appropriate. The City currently received CDBG & HOME funds to assist in the rehabilitation and conservation of existing housing units for income eligible households. The City has a CAL HOME grant to aid in rehabilitation of housing and first time home buyer assistance.

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Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H3.1.a - Pursue State and Federal Funds for Down Payment Assistance	Continue the City's revolving loan fund and grant fund programs to provide low-interest loans to first-time low and moderate-income homebuyers. Expand utilization of the loan program to provide an "affordability gap" between housing prices and household incomes to sustain a live/work environment. The loan program is funded through state, CDBG, and HOME funds. There are established guidelines setting forth terms and conditions for loans. Annually review loan amount caps, need for requirement changes, etc., to meet changing housing markets. The City will continue to apply annually, or as available, for CalHOME and BEGIN, and NSP funds. The City will explore and pursue all other available funding as it becomes available. The City will strive to assist at least one developer annually to apply for state and/or federal tax credits. Funding assistance is identified at the beginning of each fiscal year through the Housing Program's Annual Action Plan.	FY 2015-2016, annually thereafter	In 2022, the City was awarded \$2.5 Million in CalHome funds for down payment assistance, owner occupied rehabilitation, ADUs and JADUs, and mobile home owner occupied rehabilitation.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H3.1.b - Coordinate with Local Agencies to Provide Housing Assistance to Extremely-Low, Very-Low, and Low Income Households	Work with other agencies to assist in identifying and procuring funding for extremely-low, very-low, and low-income rental programs. Examples of other agencies include, but are not limited to, Housing Authority (Housing Choice/Section 8), Community Action and Salvation Army (displaced person's temporary assistance and limited financial grants), and Continuum of Care partners (transitional housing and homeless shelters).	Ongoing	The City continues to work with the Merced County Housing Authority, the Community Action Agency, the Salvation Army, and other Continuum of Care partners to provide funding for income-eligible households. Recently the City implemented a program in conjunction with the Merced Rescue Mission and Sierra Saving Grace to provide deposit assistance for income-eligible households to obtain permanent rental housing and assistance with utilities.
H3.1.c - Minimize Governmental Constraints on Housing Development, Improvements, and Maintenance	Review governmental processes and regulations to identify any potential constraints to the development, improvement, or maintenance to housing.	2016, annually thereafter	The City continues to review our development processes and regulations to identify any potential constraints. The adoption of the new Zoning Ordinance in October 2016, eliminated some of the previous constraints by bringing the City's Zoning Ordinance into compliance with state requirements. The Housing Department completed an update of the City's Analysis to Impediments to Housing in 2020. The City is reviewing that document and working on addressing any areas that may need to be improved as a result of the analysis. Through City Council and staff efforts, the City has enacted a Pro-housing Policy to aid in development of affordable housing to meet RHNA requirements.

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Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H4.1.a - Provide Ongoing Public Information on Affordable Housing Issues and Programs	Establish a community notification list including, but not limited to, Housing Authority, Chamber of Commerce, schools, grocery and drug stores, PSAs, Community Resource Counsel, civic and service organizations, and community centers. Distribute information flyers and give public presentations on affordable housing issues and programs in the City of Merced to such groups, in addition to City residents, developers, and local lenders, by placing program brochures, copies of City documents, and other pertinent information in the City libraries and at the Merced Civic Center. In addition, make this information available to community-based groups serving lower income residents, such as the Lao Family Community Center, and add information to the City website. Consider a program for builders' and developers' informational meetings to explain available programs and designations, as well as a program to educate first time homebuyers on the process of purchasing a home.	Ongoing	The Housing Department provides information on their website regarding available programs, current plans, and other information for tenants, landlords, and property owners. All required public notices are also available on the Housing Department website. All notices required under the HUD Community Outreach Guidelines are provided in English, Spanish, and Hmong. The notices are published in two local newspapers as well as on the City's website. The City hosted a series of community outreach and input meetings in 2022, directly related to our 2023 Annual Action Plan process, that included a discussion of HOME-ARP funding for affordable housing. The public and our agency partners were invited to attend these open forum public meetings.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H4.1.b - Establish a Tenant and Landlord Education Program	Continue work with the County Housing Authority, the Merced County Rental Housing Association, and other relevant organizations. Provide sponsorship of Fair Housing and Tenant/Landlord relationships and rights workshops to educate tenants and landlords on their rights and responsibilities.	Ongoing	Fair Housing matters are referred to Project Sentinel who is the outside agency contracted to handle fair housing issues. Additionally, contact information is provided to the Central California legal services for tenant/landlord disputes, and issues of substandard housing within the City of Merced are referred to the City's Code Enforcement Department.
H6.1.a - Use CDBG funds for fair housing enforcement, education, and technical assistance activities.	Continue to contract with an outside agency to provide Fair Housing information to the City's residents.	Ongoing	The City continues to contract with an outside agency (Project Sentinel) for fair housing enforcement.
H6.1.b. - Prepare a HUD Consolidate Plan every 5 years	Prepare a Consolidated Plan every 5 years to include certification that the City will affirmatively further fair housing, conduct an analysis to identify impediments to fair housing choice, and take actions to overcome the effects of any impediments identified.	Every 5 years	The City Council approved the Consolidated Plan covering 2020 to 2024 on November 16, 2020, and it was approved by HUD in 2021.
H6.1.c - Prepare an Analysis of Impediments to Fair Housing every 5 to 7 years	Prepare and Analysis of Impediments (AI) every 5 to 7 years and take steps to address all barriers to affordable housing identified in the report.	Every 5 to 7 years to prepare the report. Actions to address barriers to affordable housing are an ongoing task.	The City Council approved the most recent Analysis of Impediments on November 16, 2020. The City continues to review the impediments identified and work on ways to remove or reduce those impediments.

Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
H6.2 - Ensure all new, multifamily construction meets the accessibility requirements of the federal and State fair housing acts through local permitting and approval processes.	Review all applications for multifamily construction to ensure all federal and State fair housing acts are being complied with. This shall be done through building permit review or other review as required (i.e., CUP, etc.).	Ongoing	All multi-family housing projects are reviewed during the entitlement process and building permit process to ensure compliance with all federal and state fair housing acts are being complied with.
H6.3 - Encourage a range of housing types to be constructed in subdivisions and large developments	Promote Neighborhoods that contain a variety of housing types, as allowed by the R-1, R-2, R-3, R-4, and P-D zones of the Merced Zoning Ordinance.	Ongoing	The City's Zoning Ordinance allows a wide range of housing types. In 2022, 412 single-family homes and 492 multi-family units were entitled.

E) Commercial Development Bonus

Table E of the HPR shows any affordable housing units approved within a commercial development per Government Code Section 65915.7. The City has not utilized this program and thus had nothing to report in 2022.

F) Units Rehabilitated, Preserved, or Acquired

Table F of the HPR is an optional table where jurisdictions may list (for informational purposes only) units that do not count toward RHNA, but were substantially rehabilitated, acquired or preserved. Units may only be credited to the RHNA when a jurisdiction has included a program in its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in Government Code Section 65583.1(c)(2). The City has no such program that meets that criteria, but reported the information below to show units that were rehabilitated through the City's Housing Program for which there are programs identified in the Housing Element.

Activity Type	Units that Do Not Count Towards RHNA+ Listed for Informational Purposes Only				TABLE F: Units Rehabilitated, Preserved, or Acquired
	Extremely Low-Income+	Very Low-Income+	Low-Income+	TOTAL UNITS+	City of Merced Housing Element Program
Rehabilitation Activity					
Preservation of Units At-Risk					
Acquisition of Units			2		HE Policy 2.2 - CDBG fund used to acquire 4 dwelling units for permanent supportive housing
Mobile Home Park Preservation					
Total Units by Income			2	2	

G) Locally Owned Land That Has Been Sold

Table G of the HPR is an optional table which identifies any sites, that were owned by the local jurisdiction that were identified in the Housing Element as required to meet the regional housing needs, that were sold or disposed of in the reporting year. The City of Merced has no such sites to report at this time.

H) Locally Owned Surplus Sites

Table H of the HPR shows property that is locally owned or controlled that has been declared Surplus pursuant to Government Code Section 54221, or identified as excess pursuant to Government Code Section 50569. The City has 10 sites that were declared surplus sites in 2017. These sites are listed in Table H.

I) Units Constructed Pursuant to Government Code Section 65852.21 and Applications for Lot Splits Pursuant to Government Code Section 66411.7 (SB 9)

Table I identifies units constructed and lot splits approved pursuant to SB 9 during the reporting year. The City has no information to report on this table.

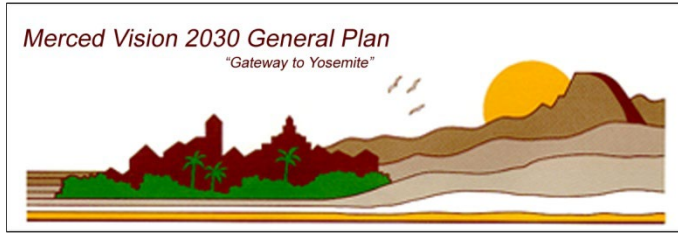
J) Student Housing Development for Lower Income Students

Table J identifies sites that were developed for student housing for lower income student for which a density bonus was approved. The City approved 3 Density Bonus projects, but none included housing specifically for students. Therefore, the City has no information to report.

Appendix

A) General Plan Amendments (2012-Present)

[ref: KE\2022 GP\AnnualRpt\2022\2022 Gen Plan AnnRpt.doc]



Appendix A

General Plan Amendments

(Approved Since January 3, 2012 Adoption of General Plan; unless otherwise noted, all of the below are changes to the Land Use Diagram, Figure 2.3.)

Reference No.	APN# and Parcel Size	Location	General Plan Amendment Approved	City Council Approval Date & Resolution #
GPA #11-04	170-010-001 to -039; 170-030-001 to -028; 170-022-001 to -003; 170-041-001 to -0113; & 170-044-001 (8.5 acres)	Northeast Corner of Bellevue Road & Barclay Drive	Low Medium Density Residential (LMD) to Neighborhood Commercial (CN)	January 17, 2012 (CC Res #2012-08)
GPA #11-05	231-040-004 (n/a)	Northeast Corner of Yosemite Avenue & G Street	Curb Cut Allowed (Exception to General Plan Policy)	January 17, 2012 (CC Res #2012-07)
GPA #12-02	59-240-027 & 59-240-036 (5.6 acres)	Southeast Corner of Childs Avenue & Canal Street	Low, Low Medium, & High Medium Density Residential (LD/LMD/HMD) to Neighborhood Commercial (CN)	November 19, 2012 (CC Res #2012-81)
GPA #12-01	58-020-058 (Portion of 8.2 acres)	Building #3 of Fahrens Park Plaza at Southeast Corner of Highway 59 & Buena Vista Drive	Business Park (BP) to Neighborhood Commercial (CN)	January 22, 2013 (CC Res #2013-03)
GPA #12-03	231-040-002 (7.5 acres)	Southwest Corner of Mercy Avenue & Mansionette Drive	Low Density Residential (LD) to Professional/Commercial Office (CO)	May 6, 2013 (CC Res #2013-19)

Reference No.	APN# and Parcel Size	Location	General Plan Amendment Approved	City Council Approval Date & Resolution #
GPA #13-01	Citywide	Citywide	Bicycle Transportation Plan Adopted; Revisions to Figure 4.9 and pages 4-24, 4-25, & 4-26	September 16, 2013 (CC Res. #2013-44)
GPA #13-03	034-122-013 034-122-014 (1.4 acres)	South side of E. 21 st Street, 380 feet west of Yosemite Park Way	High Medium Density Residential (HMD) and Commercial Office (CO) to Thoroughfare Commercial (CT)	October 17, 2013 (CC Res. #2013-46)
GPA #13-02	34-011-007 & 34-011-024 (1.93 acres)	Northeast corner of G Street and E. 23 rd Street	Neighborhood Commercial (CN) and Low Density Residential (LMD) to General Commercial (CG)	November 4, 2013 (CC Res. #2013-49)
GPA #13-05	230-220-055 (2.6 acres)	Northwest corner of M Street and Yosemite Avenue	Low Density Residential (LMD) to Professional/Commercial Office (CO)	January 21, 2014 (CC Res. #2014-03)
GPA #14-01	30-163-003; 30-164-008; 030-163-004; 030-164-006 (0.79 acres)	815 W. 23 rd Street 820 W. 23 rd Street 825 W. 23 rd Street 830 W. 23 rd Street	Low Density Residential (LD) to Professional/Commercial Office (CO)	December 1, 2014 (CC Res. #2014-47)
GPA #13-04	007-290-040 (N/A)	West Side of G Street, 165 Feet North of Park Avenue	Curb Cut Allowed (Exception to General Plan Policy)	December 15, 2014 (CC Res. #2014-48)
GPA #14-03	Citywide	Citywide	Merced Hazard Mitigation Plan Adopted; Revisions to Safety Element (pages 11-1, 11-2, & 11-30) (Implementing Action 1.1.g also changed to match page 11-30 in Ch. 14-Policy Index, page 14-68)	March 16, 2015 (CC Res. #2015-09)

Reference No.	APN# and Parcel Size	Location	General Plan Amendment Approved	City Council Approval Date & Resolution #
GPA #14-02	APN List available on request (2.4 square miles)	Area bounded by G Street, Farmland Avenue, Lake Road, and Cardella Road	Adoption of Bellevue Community Plan; Revisions to Figures 2.3 (Urban Expansion Chapter) and 3.1 (Land Use Diagram); Executive Summary (page I-viii); Land Use (pages 3-40, 3-56, 3-71, 3-72, 3-73 & 3-90); and Circulation Elements (pages 4-3, 4-5, 4-14, 4-20, 4-21, 4-39, 4-40, 4-80, 4-88, 4-89, & 4-91).	April 6, 2015 (CC Res. #2015-11)
GPA #14-04	206-070-006 (6 acres of a 10.4 acre parcel)	Southeast corner of Pacific Drive & Horizons Avenue	Low Density Residential (LD) to Village Residential (VR)	July 20, 2015 (CC Res. #2015-29)
GPA #14-06	008-310-038; 008-310-050 (5.42 acres)	Southeast corner of Yosemite Avenue & McKee Road	Low Density Residential (LD) to Neighborhood Commercial (CN)	August 3, 2015 (CC Res. #2015-34)
GPA #15-02	007-250-020 (0.92 acres)	Southeast corner of West Olive Avenue & M Street	Professional/Commercial Office (CO) to Neighborhood Commercial (CN)	August 3, 2015 (CC Res. #2015-31)
GPA #16-02	Citywide	Citywide	Revisions to Conservation (Ch. 7) and Safety (Ch. 11) Elements to Address Flooding, includes Pages 7-40, 11-10, 11-11, 11-12, Figure 11.4, New Figure 11.5a, and Pages 11-32 through 11-42.	June 7, 2016 (CC Res. #2016-18)

Reference No.	APN# and Parcel Size	Location	General Plan Amendment Approved	City Council Approval Date & Resolution #
GPA #16-03	Citywide	Citywide	Adoption of a New Housing Element [Entire Chapter 9 Replaced—Refer to City Website for complete Element]	July 18, 2016 (CC Res. #2016-34)
GPA #17-01	231-040-021 (4.54 acres)	Northwest corner of Yosemite Ave & Mansionette Drive	High Medium Density Residential (HMD) to Neighborhood Commercial (CN); Revisions to Public Facilities & Services Element, including new page 5-6 and Figure 5.2 on page 5-5.	May 15, 2017 (CC Res. #2017-28)
GPA #16-06	008-010-070; 008-010-071 (17.25 acres)	Southwest corner of Yosemite Ave & Lake Road (extended)	Low Density Residential (LD) to High Medium Density Residential (HMD) for 16.25 acres and Neighborhood Commercial (CN) for 1 acre	June 5, 2017 (CC Res. #2017-33)
GPA #15-03	061-250-092 (77.5 acres)	Northeast and Southeast corner of Campus Parkway & Coffee St	Reconfiguration of the High Medium Density Residential (HMD) to 8 acres and Regional Community Commercial (RC) to 69.5 acres	August 7, 2017 (CC Res. #2017-44)
GPA #18-01	224-030-018 (5.88 acres)	Southwest corner of M Street & Arrowwood Drive	Open Space/Park/ Recreation) (OS/PK) to Low Density Residential (LD)	Sept. 17, 2018 (CC Res. #2108-59)
GPA #15-04	057-200-042 (7.83 acres)	Northwest corner of Highway 59 & Santa Fe Drive	Open Space/Park/ Recreation) (OS/PK) to Thoroughfare Commercial (CT)	Oct. 1, 2018 (CC Res. #2018-60)

Reference No.	APN# and Parcel Size	Location	General Plan Amendment Approved	City Council Approval Date & Resolution #
GPA #18-03	206-050-017 (10.73 acres)	Southwest Corner of San Augustine Drive & Pacific Drive	Business Park (BP) to High Medium Density Residential (HMD)	March 18, 2019 (CC Res. #2019-09)
GPA #19-01	N/A (380 linear feet of right-of-way)	Mission Avenue between Highway 99 and Coffee St	Amend Circulation Element to Remove Mission Avenue from Highway 99 to Coffee St	May 20, 2019 (CC Res. #2019-25)
GPA #19-02	008-310-053 (0.52 acres)	Southeast Corner of McKee Road and Yosemite Avenue	Low Density Residential (LD) to Neighborhood Commercial (CN)	Oct. 7, 2019 (CC Res. #2019-63)
GPA #19-03	231-040-004 & -005 (21.5 acres)	Northeast corner of Yosemite Avenue and G Street	From “Professional/Commercial Office” (CO) to “Neighborhood Commercial” (CN)	Jan. 22, 2020 (CC Res. #2020-03)
GPA #20-02	58-030-037 (3.38 acres)	Northeast corner of West Olive Avenue and Highway 59	Professional/Commercial Office (CO) and Industrial (IND) to Business Park (BP)	May 3, 2021 (CC Res. #2021-32)
GPA #21-01	32-183-039 through -042 (0.88 acres)	565, 575, 601, & 609 Q Street (South of W. 6 th Street)	Low Density Residential (LD) to High Medium Density Residential (HMD)	July 19, 2021 (CC Res. #2021-70)
GPA #20-01	58-470-001 thru -033, -035, -036; 58-480-001 thru -017; 58-480-034 thru -044 (6.39 acres)	South Side of Devonwood Drive between Loughborough and Austin Avenues	Low Medium Density Residential (LMD) to High Medium Density Residential (HMD)	Aug. 16, 2021 (CC Res. #2021-77)
GPA #21-03	170-010-001 to -039; 170-021-001 to -034; 170-022-001 to -003; 170-023-001 to -008; 170-024-001 to -012; 170-030-001 to -028; 170-041-001 to -003; 170-042-001 to -007; 170-043-001 to -007; 170-044-001 to -037 (8.5 acres)	Northeast Corner of Bellevue Road and Barclay Way	Neighborhood Commercial (CN) to Low Medium Density Residential (LMC)	April 18, 2022 (CC Res. #2022-19)

Reference No.	APN# and Parcel Size	Location	General Plan Amendment Approved	City Council Approval Date & Resolution #
GPA #22-02	061-390-027 (4.59 acres)	East Side of Parsons Avenue, South of Highway 140	Thoroughfare Commercial (CT) to High Medium Density Residential (HMD)	May 2, 2022 (CC Res. #2022-21)
GPA #21-02	058-030-028 (6.95 acres)	Southeast Corner of Loughborough Dr and Meadows Ave	Regional/Community Commercial (RC) to High Medium Density Residential (HMD)	June 21, 2022 (CC Res. #2022-32)

(Revised—02/23/23)