

ATTACHMENT 5

RESOLUTION NO. 2026-_____

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF MERCED, CALIFORNIA,
ACCEPTING AND AUTHORIZING
APPROPRIATION OF AN ADDITIONAL \$2,970.00
OF HOME INVESTMENT PARTNERSHIP
PROGRAM – 2021 AMERICAN RESCUE PLAN
ACT (HOME-ARP) FUNDS**

WHEREAS, The City of Merced's Resolution 2023-21, approved Substantial Amendment #1 to the Program Year 2021 Annual Action Plan; and,

WHEREAS, the City submitted the HOME-ARP Allocation Plan to HUD on March 27, 2023, and HUD approved the plan on April 11, 2023, granting immediate access to the full \$1,988,778.00 of HOME-ARP funding that had previously been reserved; and,

WHEREAS, on September 2, 2025, HUD notified the City of its correspondence dated April 30, 2025, which revealed an administrative calculation error had been made in the 2021 original allocation amount and that the City was due an additional amount of \$2,970.00 of HOME ARP funds; and,

WHEREAS, in its April 30, 2025, correspondence, HUD instructed the City to amend its previously approved HOME-ARP Allocation Plan to include the correct amount of HOME-ARP funds in accordance with the HOME-ARP regulations and the City's established Citizen Participation Plan (CPP); and,

WHEREAS, Staff verified that the corrected HOME-ARP funding: 1) is not a change that would affect more than 75% of the HOME-ARP allocation in any project and/or total distribution; 2) would not change the priorities or method of distribution of funds that have previously been determined for HOME-ARP funding; 3) would not carry out activities using funds from any program not covered by or previously described in the associated 2021 Annual Action Plan; and 4) would not substantially change the purpose, scope, location, or beneficiaries of a HOME-ARP activity and therefore does not require a substantial amendment process; and,

WHEREAS, the City's Housing Division completed Minor Amendment #4 to the 2021 Annual Action Plan, which increase the total funding by \$2,970.00 in

the “Use of HOME-ARP Funding” table on Page 25 of the HOME-ARP Allocation Plan; and,

WHEREAS, additionally, the Minor Amendment made adjustments to the “Development of Affordable Rental Housing” and “Administration and Planning” use-of-funding categories in the above-mentioned funding table, due to accounting projections that anticipate not needing the full 15% of Administration and Planning disbursement that was automatically provided by the HOME-ARP funding; and,

WHEREAS, the additional \$2,970.00 will be used towards the Development of Affordable Rental Housing activities described in the HOME-ARP Allocation Plan, and a total of \$1,976,748.00 will be used towards an eligible affordable rental housing project, of which a portion will be set aside for Housing Division staff direct-hour activity delivery costs.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MERCED DOES HEREBY RESOLVE, DETERMINE, FIND, AND ORDER AS FOLLOWS:

SECTION 1. That the City Council of the City of Merced hereby accepts the additional 2021 HOME-ARP grant funds in the amount of Two Thousand Nine Hundred and Seventy Dollars (\$2,970.00) for a total 2021 HOME-ARP award allocation of \$1,991,748.00; and,

SECTION 2. That the City Council hereby directs the Finance Officer to appropriate the additional \$2,970.00 of HOME-ARP funds to eligible activities and projects as necessary; and,

SECTION 3. That the City Council hereby authorizes the City Manager to execute all documents related thereto.

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PASSED AND ADOPTED by the City Council of the City of Merced at a regular meeting held on the ____ day of _____ 2026, by the following vote:

AYES: Council Members:

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

APPROVED:
MATTHEW SERRATTO, MAYOR

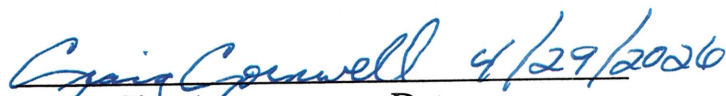
Mayor

ATTEST:
D. SCOTT MCBRIDE, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

(SEAL)

APPROVED AS TO FORM:
CRAIG J. CORNWELL, CITY ATTORNEY



City Attorney Date