



# **CITY OF MERCED HOUSING DIVISION**

Final Public Hearing  
for the  
2025-2029 Consolidated Plan and  
2025 Annual Action Plan

City Council Meeting  
June 16, 2025

# CONSOLIDATED PLAN ANNUAL ACTION PLAN

## **2025-2029 Consolidated Plan (Con Plan)**

- Specific to HOME and CDBG funds
- Spans period of July 1, 2025 – June 30, 2030
- Includes structured long and short-term goals and objectives for:
  - Public Services
  - Economic Development
  - Housing
  - Public facilities and infrastructure needs
- Provides overview of potential program types and objectives that may be carried out over 5 years

## **2025 Annual Action Plan (AAP)**

- Specific to HOME and CDBG funds
- Covers the Program Year spanning July 1, 2025 – June 30, 2026 (aligned with city fiscal year)
- Includes needs and priorities to implement the first year of the Con Plan
- Includes HUD's PY 2025 annual allocations of CDBG/HOME announced May 14, 2025
- Provides recommendations with allocations of funding to specific projects and activities
- Includes one-year goals and expected outcomes

## EXAMPLE OF ELIGIBLE USES

### **Community Development Block Grant (CDBG)**

- Community projects
- Certain housing developments
- Infrastructure and parks improvements
- Property & site acquisition, rehabilitation, improvements, and demolition
- Public service projects
- Economic development including job training
- At least 70% to benefit low-moderate income residents
- All activities must meet at least one HUD National Objective upon completion

### **HOME Investment Partnership Program (HOME)**

- Tenant-based rental assistance (TBRA)
- Site acquisition, new construction, and rehabilitation for affordable rental and for-sale housing
- Homebuyer assistance (example: down payment assistance)
- Site improvements & demolition
- 100% to benefit low-moderate income residents upon completion



## COMMUNITY ENGAGEMENT

- 3 Community Meetings were held on January 8<sup>th</sup>, January 16<sup>th</sup>, and Feb 25<sup>th</sup>
- 2 Stakeholder Meetings were held on January 9<sup>th</sup> and January 17<sup>th</sup>
  - A total of 103 Comments were received
- In our feedback received to date:
  - The Community Needs survey received a total of 92 participants
  - The Stakeholder survey received 9 participants
  - Two 30-day Public Review and Comment periods received 1 comment from the community
  - First Public Hearing (Feb 18) – 3 comments were received
- Housing staff attended all three 2025 Town Hall meetings to collect general community need comment

# **PY 2025-2029 CONSOLIDATED PLAN GUIDING PRINCIPALS**

1. Enhance housing opportunities by increasing the availability of affordable housing options and improving the efficiency and cost-effectiveness of existing housing.
2. Promote housing stability for the city's most vulnerable residents by supporting a range of programs and services that address needs across the housing spectrum, from emergency to permanent housing.
3. Improve quality of life throughout communities by improving and expanding access to essential services, community infrastructure, and economic development opportunities.



## **PY 2025-2029 CONSOLIDATED PLAN PRIORITY NEEDS CATEGORIES**

The Guiding Principles combined with the Con Plan needs assessments were then used to develop the structured Five-Year Priority Needs listed in the Strategic Plan (Table SP-25):

1. Increase economic development and job opportunities
2. Expand and improve public infrastructure and facilities
3. Affordable housing, shelter, and housing stability
4. Quality of life services for low-moderate income residents
5. Increase and rehabilitate owner housing

Then, these numbered Priority Needs were further broken down into measurable Five-Year Goals that will enable annual projects to be categorized (next slide).

# PY 2025-2029 CONSOLIDATED PLAN GOALS

- 1A: Provide community-based job training
- 1B: Provide business assistance
- 2A: Invest in community facilities & centers
- 2B: Invest in public infrastructure & ADA improvements
- 2C: Invest in parks & rec facility improvements
- 3A: Increase affordable rental housing opportunities
- 3B: Rehabilitation of existing affordable housing
- 3C: Assistance for shelter, supportive, overnight and transitional housing
- 3D: Provide housing stability & homeless prevention services
- 3E: Fair housing and dispute resolution services
- 4A: Provide vital public services for individuals and families with low to moderate incomes
- 5A: Increase and rehabilitate existing homeowner housing
- 5B: Create new opportunities for homeownership
- 6: Administration and planning

## CDBG AND HOME ALLOCATIONS

Resource Type	PY 25-26 Amounts	PY 24-25 Amounts	Difference
CDBG	\$1,089,413	\$1,056,567	+\$32,846
HOME	\$ 447,510	\$450,563	-\$3,053
<b>Total Both Allocations:</b>	<b>\$1,536,923</b>	<b>\$1,507,130</b>	<b>+\$29,793</b>
Program Income & Carryover Funds (CDBG+HOME)	\$ 1,409,295*	\$1,973,147*	-\$563,852

\* Includes estimated amounts for expected program income



# CDBG PUBLIC SERVICES PROJECTS - ACTUALS

## (AS PRESENTED AT 4/21 COUNCIL MEETING + COUNCIL DIRECTION)

EACH PROJECT INCREASED BY PERCENTAGE OF ALLOCATION, PER THE PUBLISHED CONTINGENCY PLAN

Organization	Description	HUD Project Type	REQUESTED	PRELIMINARY
<b>Maximum Available for Public Services = \$189,118</b> <b>Calculation = CDBG Allocation \$1,089,413 + prior year program income \$171,376.26 (as of 3/25/25) x 15%</b>				
<b>Harvest Time</b>	Food distribution to LMI/homeless	05W/Food Bank/Distribution	\$ 75,820	\$ 69,751
<b>Project Sentinel Inc</b>	Tenant/landlord counseling service for city residents	05K/Tenant Landlord Counseling	\$ 50,000	\$ 50,000
<b>Dr. Jennifer Jones Foundation</b>	Short term emergency rental/utility assistance; security deposits; mental/health/substance abuse services; employment training	05Z/Multiple Services	\$ 450,000	\$ 41,000
<b>Love Never Fails/Bay Valley Foundation</b>	Employment training in tech industry	05H/Employment Training	\$ 120,000	<b>\$ 0</b> <i>(Per Council Direction 4/21/25)</i>
<b>Housing Division</b>	Eligible costs of implementing all public Services activities (Activity Delivery)	Estimated average based on direct hours	N/A	\$ 28,367
<b>Total public service funding (proposed/recommended):</b>			\$ 695,820	\$ 189,118

# CDBG INFRASTRUCTURE & ADMIN PROJECTS - ACTUALS

## **CDBG Housing & Infrastructure Activities** - No proposals for housing projects received

Maximum available = \$ 791,406

<b>Infrastructure/ADA Improvements</b>	<b><u>Joe Herb Park ADA Improvements –</u></b> Includes installation of a new ADA accessible bathroom and upgrade of existing; repaving of buckled walkways; installation of ADA ramps where needed	03B/Facilities for Persons with Disabilities	\$ 753,720
<b>Housing Division</b>	Activity Delivery Costs (estimated 5%)	03B/Facilities for Persons with Disabilities	\$ 37,686
<b>Total Housing &amp; Infrastructure Costs – CDBG:</b>			<b>\$ 791,406</b>

## **CDBG Administrative Activities**

Maximum available for CDBG administrative activities = \$239,482

Calculation = CDBG Allocation \$1,089,413 + Estimated 2025 Program Income \$108,000 x 20%

<b>Housing Division</b>	Direct Administration costs	Admin	\$ 81,741	\$ 81,741
<b>Housing Division</b>	Indirect Administration costs	Admin	\$ 119,741	\$ 119,741
<b>Merced County HSA</b>	Continuum of Care	Admin	\$ 38,000	\$ 38,000
<b>Total Admin Projects - CDBG:</b>			<b>\$ 239,482</b>	
<b>TOTAL – CDBG – All Projects:</b>				<b>\$ 1,220,006</b>

# HOME HOUSING & ADMINISTRATIVE PROJECTS - ACTUALS

Organization	Description	Project Type	Project Costs	ADC	TOTAL
<b><u>Housing Activities</u> - Maximum Available for Housing Activities = \$1,681,461.08</b>					
<b>CHDO Reserves</b>	Required CHDO 15% Reserves (2023: \$85,980; 2024: \$67,585)	Single/Multi-family rehab or new affordable housing	\$ 67,126.54	\$ 2,013.41 (3% of project cost)	\$ 69,139.94
<b>To Be Determined</b>	TBD project - new rental housing, rehab of existing units, and/or acquisition of property for housing	Multi-family affordable rental housing	\$ 1,580,707.00	\$ 31,614.14 (2% of project cost)	\$ 1,612,321.14
<b>Total Housing ADC &amp; Project Costs – HOME:</b>			\$ 1,647,833.54	\$ 33,627.55	\$ 1,681,461.08
<b><u>Administrative Activities</u> - Maximum available for HOME administrative activities = \$ 44,751.02</b>					
<b><u>Calculation</u> = HOME Allocation \$447,510.24 x 10%</b>					
<b>Project Sentinel</b>	Fair Housing Services	Admin Fair Housing	\$ 33,206.84	N/A	\$ 33,206.84
<b>Housing Division</b>	Direct Admin costs	Admin	\$ 11,544.18	N/A	\$ 11,544.18
<b>Total Admin Projects - HOME:</b>					\$ 44,751.02
<b>TOTAL - HOME:</b>					\$ 1,726,212.11



# **CITY COUNCIL RECOMMENDED ACTIONS**

- 1. Hold a Public Hearing and receive public comment**
- 2. Determine changes to recommended project funding, if any**
- 3. Approve 2025-29 Consolidated Plan, which includes the 2025 First Year Action Plan**
- 4. Authorize City Manager to make final changes to the plans, as directed by Council and by HUD following submittal, and execute all related agreements and documents; and, authorize Finance Officer to make necessary adjustments and accept funds when disbursed by HUD**



# Questions?