

RESOLUTION NO. 2024-_____

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF MERCED, CALIFORNIA,
APPROVING SUBSTANTIAL AMENDMENT #2
TO THE PROGRAM YEAR 2023-2024 ANNUAL
ACTION PLAN; AUTHORIZING THE CITY
MANAGER OR DEPUTY CITY MANAGER TO
EXECUTE ANY RELATED DOCUMENTS,
CERTIFICATIONS, AND/OR AGREEMENTS
RESULTING FROM THIS AMENDMENT;
CERTIFYING COMPLIANCE WITH THE
REQUIREMENTS OF THE COMMUNITY
DEVELOPMENT BLOCK GRANT (CDBG)
PROGRAM; AND, AUTHORIZING STAFF TO
SUBMIT ALL REQUIRED DOCUMENTS TO THE
U.S. DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT**

WHEREAS, as a U.S. Department of Housing and Urban Development (HUD) entitlement community and in following the City's adopted Citizen Participation Plan (CPP), the City of Merced is required to undergo a Substantial Amendment process to its respective Annual Action Plan when it makes changes that affect more than 75 percent of the allocation of funding in any project and/or total distribution, and/or when the City proposes to carry out activities using funds from any program not previously described by the Consolidated Plan, and/or to substantially change the purpose, scope, location, or beneficiaries of a previously described activity; and

WHEREAS, for Substantial Amendments, the adopted CPP requires at a minimum that the City: 1) place multi-language public notices in the Merced Sun-Star and Merced County Times, on the City's website, and at the City of Merced Civic Center; 2) make the proposed amendments available for review at the Housing Division office and the City website and provide copies upon request; and, 3) hold a minimum 30-day Review and Comment Period to give residents an opportunity to review the proposed changes and to provide comment. Following the completion of these Citizen Participation Requirements, the City Council may adopt any proposed Substantial Amendments without a Public Hearing; and

WHEREAS, the City published Public Notices in English, Spanish, and Hmong languages in both required local newspapers on Thursday, April 4, 2024, and posted the Notices to the City Housing Division website and at City Hall; provided a 32-day public review and comment period beginning Friday, April 5, 2024, to Monday, May 6, 2024; and advertised the expected date of the City Council Meeting at which approval of the Amendment would be requested; and

WHEREAS, HUD requires the City of Merced to develop, in consultation with its citizen and community-based service providers, a funding strategy that furthers its housing and community development goals as described in the City's Five Year Consolidated Plan for program years 2020-2024, a strategy which identifies the need for affordable rental housing as the most needed and underfunded priority need in the community; and

WHEREAS, HUD requires the City to expend CDBG funds in a timely fashion, and as such, the City must meet its May 2, 2024, annual regulatory timeliness deadline; and

WHEREAS, the Second Substantial Amendment to the 2023 Annual Action Plan proposes to: 1) make the necessary corrections to reduce the total amount of available CDBG Expected Resources that were previously overstated in error in the First Substantial Amendment to the 2023 Annual Action Plan that was approved by the City Council on January 2, 2024; 2) add \$27,225 of additional unanticipated 2023 CDBG Program Income to CDBG Expected Resources and allocate it to Project #15; 3) remove 2022 Project #7 and 2023 Projects #5 and #14 in order to balance the program year budget; and 4) make necessary adjustments to the 2023 CDBG Annual Goals and Objectives for Goals 1A, 2A, 2B, 3A, and 4A as a result of these changes; and

WHEREAS, the Second Substantial Amendment to the 2023 Annual Action Plan also serves to notify the Public of other minor changes to the text of the 2023 Annual Action Plan document, as was included and described in detail in the "2nd Substantial Amendment Summary of Changes to Projects and Amendment Details" document that was made available to the public for the aforementioned 32-day Review and Comment Period, and which is included as an attachment to the Executive Summary in the Second Substantial Amendment to the 2023 Annual Action Plan document; and

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

SECTION 1. The City Council of the City of Merced hereby approves Substantial Amendment #2 to the City of Merced 2023 HUD Annual Action Plan, which also affects previously approved projects, activities, and funding, and directs the City Manager to review and consider all public comment provided in the Review and Comment Period and at the City Council Meeting. The City Manager is hereby authorized to execute all forms, certifications, agreements, and other documents related thereto, and staff is authorized to submit all documents to the United States Department of Housing and Urban Development; and

SECTION 2. The City Council hereby directs the Finance Officer to appropriate all funds as necessary and to projects as specified in the Second Substantial Amendment to the 2023 Annual Action Plan.

PASSED AND ADOPTED by the City Council of the City of Merced at a regular meeting held on the ____ day of _____ 2024, by the following vote:

AYES: Council Members:

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

APPROVED:
MATTHEW SERRATO, MAYOR


Mayor

ATTEST:
D. SCOTT MCBRIDE, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

(SEAL)

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

 5/2/2024
City Attorney Date