

ATTACHMENT 1
2026 Annual Action Plan

Final Budget as of 4/23/2026 **(WITH PUBLIC SERVICES STAFF RECOMMENDATION - OPTION #1)**

Funding Source: CDBG

Available Resource:		Amount of Resource =		Total CDBG Available =	
HUD CDBG Allocation			\$ 1,045,361.00	\$1,360,072.38	
Estimated 2026 Program Income			\$ 108,000.00		
Prior Year Carryover (as of 4/24/26)			\$ 206,711.38		
Organization/Agency	Description	HUD Project Type	REQUESTED	RECOMMENDED Award * 83.5% of Requested	
Public Service Activities	Maximum Available for Public Services = \$194,863.92 Calculation = CDBG Allocation \$1,045,361 + unallocated prior year program income \$253,731.84 X 15% * ESTIMATED RECOMMENDED PROJECT AMOUNTS ARE CALCULATED AT 83.5% OF REQUESTED (Rounded) ** \$7.84 BALANCE TO SIERRA SAVING GRACE. *** PS HOUSING ADC CALCULATED AT 8.7% OF PS CAP.				
Harvest Time	Food distribution to LMI/homeless	05W/Food Bank/Distribution	\$ 75,750	\$ 63,251.25	
Project Sentinel, Inc	Tenant/landlord dispute resolution service for residents	05K/Tenant Landlord Counseling	\$ 52,307.40	\$ 43,676.67	
Sierra Saving Grace	Short term emergency rental/mortgage/utility assistance + deposits	05Q/Subsistence Payments	\$ 40,000	** \$ 33,407.84	
Boys and Girls Club of Merced County	Teen workforce readiness program	05H/Employment Training	\$ 45,000	\$ 37,575.00	
Youth for Christ Central Valley	Youth 11-19 years life skills training, mentoring, career development	05D/Youth Services	\$ 24,000	0	
Housing Division	Direct per-hour Activity Delivery Costs of implementing all above PS activities	Estimated average based on direct hours	Shown: 8.7% of Cap ->	*** \$ 16,953.16	
Total public service funding (proposed/recommended):			\$ 237,057.40	\$ 194,863.92	
PUBLIC SERVICES 15% CAP :			\$ (194,863.92)	\$ 194,863.92	
Over/Under public service cap:			\$ 42,193.48	----	
Housing & Facility/Infrastructure Projects					
Sierra Saving Grace	Acquisition with Rehabilitation	14G-Rehabilitation: Acquisition		\$ 500,000	
Housing Division	Activity Delivery Costs (estimated 5%)	ADC: same		\$ 25,000	
City of Merced/Parks and Community Services	Supplemental Funding to the PY2025 Joe Herb Park Improvement project, specifically to address park lighting.	03F-Parks/Recreational Facility Improvements		\$352,035.00	
Housing Division	Activity Delivery Costs (estimated 3%)	ADC: same		\$ 17,601.46	
Total Housing & Infrastructure ADC & Project Costs – CDBG:				\$ 894,636.46	
Economic Development					
UC Merced Monarch Small Business Center	Small Business Technical Assistance	18B-Econ Development: Technical Assist		\$ 38,000.00	
Housing Division	Activity Delivery Costs (estimated 5%)	ADC: same		\$ 1,900.00	
Total Economic Development Project Costs – CDBG:				\$ 39,900.00	
Administrative Activities	Estimated maximum available for CDBG administrative activities = \$230,672 Calculation = CDBG Allocation \$ 1,045,361 + Estimated 2026 Program Income \$108,000 x 20% Allowance				
Housing Division	Direct Administration costs	Admin	Remaining	\$ 160,672.00	
Housing Division	Indirect Administration costs	Admin	10% alloc + est '26 PI	\$ 20,000.00	
Merced County HSA	Continuum of Care	Admin	Requested \$ 50,000	\$ 50,000.00	
Total Admin Projects - CDBG:				\$ 230,672.00	
TOTAL - CDBG:				\$ 1,360,072.38	

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Final Budget as of 4/23/2026

Funding Source: HOME

Available Resource:		Amount of Resource =		Total HOME Available =	
HUD HOME Allocation		\$ 452,365.10		\$800,355.66	
Estimated 2025 Program Income		\$ 60,000.00			
Prior Year Carryover (as of 4/24/2026)		\$ 287,990.56			
Organization/Agency	Description	Project Type	Requested/Project Costs	Activity Delivery	RECOMMENDED Award
Housing Activities	Maximum Available for Housing Activities = \$755,119.15				
Merced Community Action Agency	Homeowner Rehabilitation-Weatherization (two years)	Homeowner Rehabilitation	\$ 200,000.00	\$ 10,000.00 (5% of project cost)	\$ 210,000.00
To Be Determined	TBD project for new rental housing construction, rehab of existing rental units, and/or acquisition of property for rental housing	Affordable housing	\$461,388.00	\$ 13,840.74 (3% of project cost)	\$ 475,228.74
CHDO Organization To Be Determined	CHDO-15% mandatory set-aside	Affordable Housing	\$ 67,854.77	\$ 2,035.64 (3% of project cost)	\$ 69,890.41
Total Housing ADC & Project Costs – HOME:			\$ 729,242.77	\$ 25,876.38	\$ 755,119.15
Administrative Activities	Maximum available for HOME administrative activities = \$ 45,236.51 Calculation = \$452,365.10 HOME Allocation X 10% Allowance				
Project Sentinel, Inc	Fair Housing Services for city residents	Admin Fair Housing	\$ 37,885.90	N/A	\$ 37,885.90
Housing Division	Direct Administration costs	Admin	\$ 7,350.61	N/A	\$7,350.61
Total Admin Projects – HOME:					\$ 45,236.51
TOTAL - HOME:					\$ 800,355.66