Disadvantaged Unincorporated Communities SB 244 Analysis

City of Merced

March 28, 2024

Prepared for the Merced County Association of Governments

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INTRODUCTION

Under Senate Bill 244 (SB 244), cities and counties must identify Disadvantaged Unincorporated Communities (DUCs) that meet certain criteria, including their unincorporated status, parcel density, and income level. This Analysis identifies DUCs for all unincorporated communities that fall within the city's sphere of influence but not within the city boundary that meet the criteria for being considered as a DUC under SB 244. Each DUC's description will include an analysis of any legal, financial, and political barriers that may contribute to inequality and infrastructure deficits in these communities. The types of infrastructure included in this analysis are water, wastewater, storm drainage, and fire protection.

KEY TERMS

Community. An inhabited area within a city's sphere of influence or county that is comprised of no less than 10 dwelling units adjacent or in close proximity to one another.

Disadvantaged Unincorporated Community (DUC). A fringe, island, or legacy community in which the median household income is 80 percent or less than the statewide median household income.

Domestic Water Use. Water used for household purposes such as drinking, food preparation, bathing, washing clothes, dishes, and animals, flushing toilets, and watering lawns and gardens.

Fringe Community. A community that is located within a sphere of influence but outside of a city boundary, consists of at least 10 dwelling units in close proximity to each other, and has a median household income of 80 percent or less than the statewide average.

Island Community. A community that is surrounded by one or more cities, located within a sphere of influence but outside of a city boundary, consists of at least 10 dwelling units in close proximity to each other, and has a median household income of 80 percent or less than the statewide average.

Legacy Community. A geographically isolated community that has existed and been inhabited for at least 50 years, located within the unincorporated county but outside of a city boundary and its sphere of influence, consists of at least 10 dwelling units in close proximity to each other, and has a median household income of 80 percent or less than the statewide average.

Local Agency Formation Commission (LAFCO). A commission within each county in California that reviews and evaluates all proposals for formation of special districts, incorporation of cities, annexation to special districts or cities, consolidation of districts, and merger of districts with cities. Each county's LAFCO is empowered to approve, disapprove, or conditionally approve such proposals. The Merced County LAFCO is made up of two members of the County Board of Supervisors, two members from cities in the county, and one public member. There are also three alternate members, one each from the County, city, and public.

Million Gallons per Day (mgd). The rate of flow of water equal to 133,680.56 cubic feet per day, 1.5742 cubic feet per second, or 3.0689 acre-feet per day. A flow of one million gallons per day for one year equals 1,120 acre-feet (365 million gallons).

Municipal Service Review (MSR). A study conducted by LAFCO for a city, county, or special district that examines all public service needs for the area and recommends action to promote the efficient provision of public services.

Sphere of Influence (SOI). The probable physical boundaries and service area of a local agency, as determined by the Local Agency Formation Commission (LAFCO).

Stormwater. Precipitation that accumulates in natural and/or constructed storage and stormwater systems during and immediately following a storm event.

Wastewater. Sewage (either treated or untreated) from residential, commercial, industrial, and institutional sources.

WWTF. Abbreviation for wastewater treatment facility.

METHODOLOGY

DUC IDENTIFICATION METHODOLOGY

DUCs are required to be identified based on the following criteria:

- Communities must consist of at least 10 dwelling units that are in close proximity to each other.
- Communities must have a median household income of 80 percent or less than the statewide average.
- "Island communities," which are communities that are surrounded or substantially surrounded by one or more cities and located within a sphere of influence, but outside of a city boundary.
- "Fringe communities," which are communities that are located within a sphere of influence, but outside of a city boundary.
- "Legacy communities," which are geographically isolated communities that have existed and been inhabited for at least 50 years and are located within the unincorporated county, but are outside of a city boundary and its sphere of influence.

To initiate the analysis, the unincorporated areas of the county were identified by assessing which parcels fell within the county boundary and the spheres of influence for each city, but were not located within any city boundaries. Then, potential communities were identified. This initial list consisted of Census Designated Places, as well as of communities that were determined to be DUCs in either the 2016 SB 244 analysis for Merced County and/or the 2020 Merced LAFCo Water and Sewer Service Provider Municipal Service Review. An approximate neighborhood density was calculated using PolicyLink methodology[1] to identify clusters of development outside of city limits that consisted of 10 or more dwelling units within close proximity of each other. Upon identifying these potential communities, parcel data from the Merced County Association of Governments (MCAG) was used to determine which of these developed areas have existed for at least 50 years.

Median household income data was used to determine which of these areas had a median household income at or below 80 percent of the state median household income, a requirement for DUC identification. American Community Survey data from 2022 at the census tract level provides the most up-to-date information on median household incomes across Merced County; however, census tracts are often quite large in rural areas and tend to be much larger than developed communities. Census block group data, while still larger in scale than the individual communities they encompass, provide income

[1] A detailed methodology can be found in the California Unincorporated: Mapping Disadvantaged Communities in the San Joaquin Valley Technical Guide published by PolicyLink in partnership with California Rural Legal Assistance, Inc. and California Rural Legal Assistance Foundation (2013).

data at a smaller scale, which, in conjunction with the neighborhood density analysis, can be used to identify specific communities that might otherwise be masked by larger-scale data. The most recent decennial census that provided median household income data at the block group level was the 2000 census. According to PolicyLink, while 2000 census data is certainly dated, it provides a more accurate depiction of income levels at the block group level than more recent American Community Survey data[2]. Census block group income data from 2000 was then compared to census tract household income data from 2022 to determine if any significant economic shifts had occurred between 2000 and 2022 which might impact this SB 244 analysis[3]. Communities located in 2000 census block groups that had a median income below 80 percent of the state median household income and were built 50 years ago or more were included in this analysis.

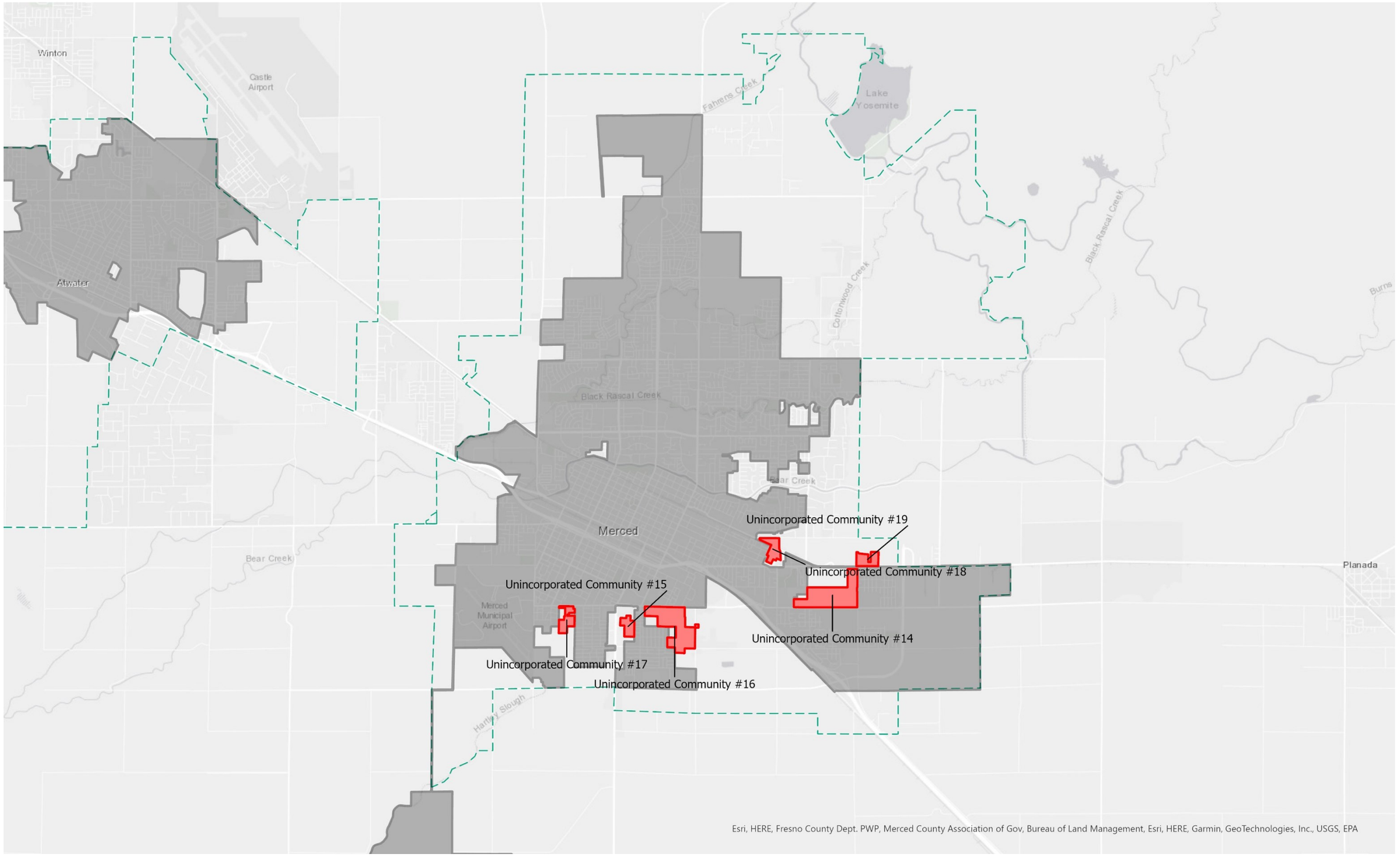
Using this methodology, five DUCs were identified, as required by the criteria set forth in SB 244. In addition to these five DUCs, one additional community that fit most, but not all, of the DUC identification criteria was found within the Merced sphere of influence. While these communities are not required to be identified as DUCs by SB 244, including these communities in this analysis follows the intended purpose of SB 244.

In total, six DUCs were identified within the Merced sphere of influence. Figures 1 below shows the location of all identified DUCs in the Merced sphere of influence.

[2] California Unincorporated: Mapping Disadvantaged Communities in the San Joaquin Valley. California Rural Legal Assistance, Inc., California Rural Legal Assistance Foundation, and PolicyLink. (2013).

[3] In 2000, 80 percent of the statewide median household income in California was $37,994. In 2022, 80 percent of the statewide median income was $73,240.80. (Source: U.S. Census, Median Household Income in 1999 (Table P053). (2000).; American Community Survey, Median Income in the Last 12 Months (Table S1903). (2022).)

Figure 1. Identified DUCs in the Merced sphere of influence



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DUC SERVICE PROFILES

Once all DUCs were identified, systems of services and infrastructure in each community were researched, including water, sewer, stormwater, and fire protection. Information from the Merced Local Agency Formation Commission (LAFCo), Community Services Districts (CSDs), the Merced County Fire Department, city and county staff, and other State and local agencies were collected. Municipal Service Reviews (MSRs) authored by the Merced LAFCo provided significant information on the water, sewer, stormwater, and fire protection services available in these areas. For communities that do not have sufficient documented drainage infrastructure in place, Google Maps Street View was used to determine the extent of the existing infrastructure. Additionally, news articles dating to winter storms in recent years were examined to determine which communities tended to flood during heavy rain events. Fire protection services were determined to be adequate based on availability of staffing, fire apparatus, and proximity/average response time to various communities. Adequate proximity of a fire station to a community was considered to be a distance of less than five miles, which generally equates to a 10 to 15 minute response time.

CITY OF MERCED DISADVANTAGED UNINCORPORATED COMMUNITIES

FRINGE AND ISLAND COMMUNITIES

This section includes a list of communities that were identified as Fringe and Island DUCs, as described in the Methodology section above. The following communities are numbered and begin at Unincorporated Community #14, as these are only six of the DUCs from the 2024 Merced County of Associated Government Disadvantaged Unincorporated Communities SB 244 Analysis, which includes a full list of all DUCs within Merced County, including within unincorporated county land and within cities' spheres of influence.

Unincorporated Community #14

Unincorporated Community #14 is an island community located in eastern Merced County within the sphere of influence of the city of Merced. It is completely surrounded by the city boundary for Merced. It is located along E. Childs Avenue to the south and Coffee Street to the east. Unincorporated Community #14 encompasses approximately 196 acres. This DUC consists of 77 parcels and is in census tract 17. The approximate density of this community is 351 parcels per square mile.

Unincorporated Community #14				
Year	**Census Tract**	**Block Group**	**Median Household Income ($)**	**80% Median Household Income (Statewide) ($)**
2000	17	2	24,214	37,994
2022	17	-	42,287	73,240

Unincorporated Community #14 Service Profile	
Water	The City of Merced provides domestic water to a portion of Unincorporated Community #14 through its combined network of 19 active wells, 23 deep-well pumps, and 500 miles of pipeline. Although many parcels in this community are not currently connected to the City's water system, they have the option to connect to the system in the future. City of Merced policy details that individual parcels may only be connected to the City's water system in situations where an on-site well fails and/or when a parcel is annexed by the City. These wells extract water from the Merced Groundwater Basin. Groundwater supplies the full system's capacity of 57,800 gallons per minute, or 83 million gallons a day. While the per capita water demand has steadily decreased since 1979 as a result of the City's conservation efforts, however, as a result of overall use, the Merced subbasin was declared in overdraft in 2010. Several system upgrades are required to serve future areas of development within the City's water service area, including the addition of up to 19 new wells and repairs to water mains.
Wastewater	Unincorporated Community #14 is not connected to a local sanitary sewer system, and currently relies on individual or community septic systems. Due to the density of development and the presence of existing wells and septic systems, many parcels in this community would not be allowed to install a replacement septic system in the case of a failed on-site septic system due to County Division of Environmental Health requirements. These requirements include setback standards from adjacent parcel wells and septic systems, which many parcels in this community would not be able to comply with. In these cases, Merced may be able to approve a sewer connection on an individual basis, which requires permission from LAFCo.
Stormwater	Storm drainage capture and transport is limited since there are minimal existing roadside ditches, curbs, or gutters. Only the southern portion of E. Childs Avenue and the eastern side of N. Coffee Street have existing curb and gutter infrastructure.
Fire Protection	Merced County Fire Department provides fire protection to Unincorporated Community #14. The closest MCFD fire station is Station #81. located in the city of Merced, two miles away. This station has two fire captains, two fire apparatus engineers, and two personnel on shift daily. The anticipated average emergency response time is five to 10 minutes from initial dispatch.

Service Deficiencies

Although the City of Merced provides domestic water, and the supply is sufficient, it is still important to note that the water being extracted is creating a severe overdraft in the basin. The DWR considers the Merced Groundwater Subbasin a high priority, due to the critical overdraft from both urban and agricultural uses, and lack of recharge into the water table. According to DWR, the Merced Groundwater Subbasin is being depleted at a rate of 54,000 afy for urban uses and 492,000 afy for agricultural uses. Unincorporated Community #14 lacks sufficient access to a reliable wastewater treatment facility. This cluster of rural homes solely relies on individual and septic systems.

Stormwater collection in Unincorporated Community #14 is deficient due to lack of infrastructure to dispose and treat the excess runoff. No known major flooding issues have occurred because of this, but such areas with inadequate infrastructure commonly deal with ponding and potential flooding during large rain events. While a fire station is not located within the community, fire protection services are

sufficient due to the availability of fire apparatus and staffing, as well as the proximity of a fire station within two miles of the community.

Unincorporated Community #15

Unincorporated Community #15 is an island community located in eastern Merced County within the sphere of influence of the city of Merced. It is surrounded by the city boundary for Merced. This community is located just east of SR 59, with Cone Avenue running through its center. Unincorporated Community #15 encompasses approximately 33 acres. This DUC consists of 33 parcels and is in census tract 16.04. The approximate density of this community is 1,712 parcels per square mile.

Unincorporated Community #15				
Year	**Census Tract**	**Block Group**	**Median Household Income ($)**	**80% Median Household Income (Statewide) ($)**
2000	16.02	2	30,685	37,994
2022	16.04	-	50,368	73,240

Unincorporated Community #15 Service Profile	
Water	The City of Merced provides domestic water to a portion of Unincorporated Community #15 through its combined network of 19 active wells, 23 deep-well pumps, and 500 miles of pipeline. Although many parcels in this community are not currently connected to the City's water system, they have the option to connect to the system in the future. City of Merced policy details that individual parcels may only be connected to the City's water system in situations where an on-site well fails and/or when a parcel is annexed by the City. These wells extract water from the Merced Groundwater Basin. Groundwater supplies the full system's capacity of 57,800 gallons per minute, or 83 million gallons a day. While the per capita water demand has steadily decreased since 1979 as a result of the City's conservation efforts, however, as a result of overall use, the Merced subbasin was declared in overdraft in 2010. Several system upgrades are required to serve future areas of development within the City's water service area, including the addition of up to 19 new wells and repairs to water mains.
Wastewater	Wastewater collection and treatment is provided by the City of Merced. The system is designed to treat an average annual flow of 12 million gallons per day. Wastewater capacity in Merced has grown consistently since major portions of the wastewater treatment facility were constructed in 1977.
Stormwater	Storm drainage capture and transport along W. Cone Avenue is provided through roadside curb and gutter. However, along Harrison Avenue, storm drainage capture and transport is limited since there are no existing roadside ditches, curbs, or gutters.

Unincorporated Community #15 Service Profile	
Fire Protection	Merced County Fire Department provides fire protection to Unincorporated Community #15. The closest MCFD fire station is Station #81, located in the city of Merced, one mile away. This station has two fire captains, two fire apparatus engineers, and two personnel on shift daily. The anticipated average emergency response time is five to seven minutes from initial dispatch.

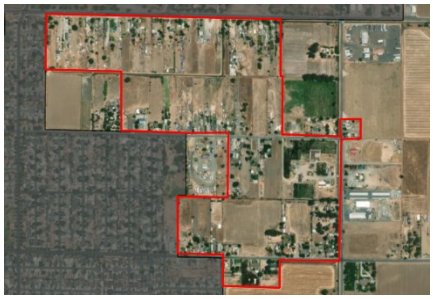
Service Deficiencies

Although the City of Merced provides domestic water, and the supply is sufficient, it is still important to note that the water being extracted is creating a severe overdraft in the basin. The DWR considers the Merced Groundwater Subbasin a high priority, due to the critical overdraft from both urban and agricultural uses, and lack of recharge into the water table. According to DWR, the Merced Groundwater Subbasin is being depleted at a rate of 54,000 afy for urban uses and 492,000 afy for agricultural uses. The City of Merced provides wastewater collection and treatment at adequate levels to the community.

Stormwater collection in Unincorporated Community #15 is deficient due to lack of infrastructure to dispose and treat the excess runoff. No known major flooding issues have occurred because of this, but such areas with inadequate infrastructure commonly deal with ponding and potential flooding during large rain events. While a fire station is not located within the community, fire protection services are sufficient due to the availability of fire apparatus and staffing, as well as the proximity of a fire station within one mile of the community.

Unincorporated Community #16

Unincorporated Community #16 is a fringe community located in eastern Merced County within the sphere of influence of the city of Merced. It is surrounded by the city boundary for Merced to the north and west and is bounded by Childs Avenue to the north and Tyler Road to the east, with Cone Avenue running through the center of the community. Unincorporated Community #16 encompasses approximately 185 acres. This DUC consists of 92 parcels and is in census tract 16.04. The approximate density of this community is 534 parcels per square mile.



Unincorporated Community #16				
Year	**Census Tract**	**Block Group**	**Median Household Income ($)**	**80% Median Household Income (Statewide) ($)**
2000	16.02	2	30,685	37,994
2022	16.04	-	50,368	73,240

Unincorporated Community #16 Service Profile	
Water	The City of Merced provides domestic water to a portion of Unincorporated Community #16 through its combined network of 19 active wells, 23 deep-well pumps, and 500 miles of pipeline. Although many parcels in this community are not currently connected to the City's water system, they have the option to connect to the system in the future. City of Merced policy details that individual parcels may only be connected to the City's water system in situations where an on-site well fails and/or when a parcel is annexed by the City. These wells extract water from the Merced Groundwater Basin. Groundwater supplies the full system's capacity of 57,800 gallons per minute, or 83 million gallons a day. While the per capita water demand has steadily decreased since 1979 as a result of the City's conservation efforts, however, as a result of overall use, the Merced subbasin was declared in overdraft in 2010. Several system upgrades are required to serve future areas of development within the City's water service area, including the addition of up to 19 new wells and repairs to water mains.
Wastewater	Wastewater collection and treatment is provided by the City of Merced. The system is designed to treat an average annual flow of 12 million gallons per day. Wastewater capacity in Merced has grown consistently since major portions of the wastewater treatment facility were constructed in 1977.
Stormwater	While select portions of this community have existing roadside ditches, curbs, and gutters, the overall community generally lacks storm drainage capture and transport infrastructure.
Fire Protection	Merced County Fire Department provides fire protection to Unincorporated Community #16. The closest MCFD fire station is Station #81, located in the city of Merced, one mile away. This station has two fire captains, two fire apparatus engineers, and two personnel on shift daily. The anticipated average emergency response time is five to seven minutes from initial dispatch.

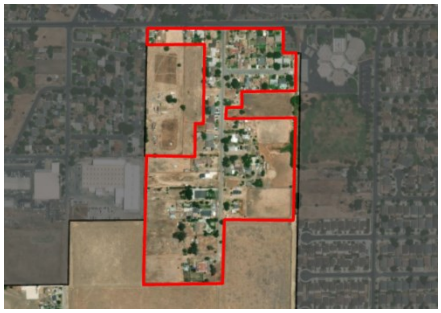
Service Deficiencies

Although the City of Merced provides domestic water, and the supply is sufficient, it is still important to note that the water being extracted is creating a severe overdraft in the basin. The DWR considers the Merced Groundwater Subbasin a high priority, due to the critical overdraft from both urban and agricultural uses, and lack of recharge into the water table. According to DWR, the Merced Groundwater Subbasin is being depleted at a rate of 54,000 afy for urban uses and 492,000 afy for agricultural uses. The City of Merced provides wastewater collection and treatment at adequate levels to the community.

Stormwater treatment and collection in Unincorporated Community #16 is deficient due to lack of infrastructure to dispose excess runoff. No known major flooding issues have occurred because of this, but such areas with inadequate infrastructure commonly deal with ponding and potential flooding during large rain events. While a fire station is not located within the community, fire protection services are sufficient due to the availability of fire apparatus and staffing, as well as the proximity of a fire station within one mile of the community.

Unincorporated Community #17

Unincorporated Community #17 is a fringe community located in eastern Merced County within the sphere of influence of the city of Merced. It is surrounded by the city boundary for Merced and is located along South P Street and bounded by West Childs Avenue to the north. Unincorporated Community #17 encompasses approximately 43 acres. This DUC consists of 54 parcels and is in census tract 16.03. The approximate density of this community is 1,291 parcels per square mile.



Unincorporated Community #17				
Year	**Census Tract**	**Block Group**	**Median Household Income ($)**	**80% Median Household Income (Statewide) ($)**
2000	16.02	1	17,500	37,994
2022	16.03	-	49,743	73,240

Unincorporated Community #17 Service Profile	
Water	The City of Merced provides domestic water to a portion of Unincorporated Community #17 through its combined network of 19 active wells, 23 deep-well pumps, and 500 miles of pipeline. Although a majority of the parcels in the south portion of this community are not currently connected to the City's water system, they have the option to connect to the system in the future. City of Merced policy details that individual parcels may only be connected to the City's water system in situations where an on-site well fails and/or when a parcel is annexed by the City. The City's wells extract water from the Merced Groundwater Basin. Groundwater supplies the full system's capacity of 57,800 gallons per minute, or 83 million gallons a day. While the per capita water demand has steadily decreased since 1979 as a result of the City's conservation efforts, however, as a result of overall use, the Merced subbasin was declared in overdraft in 2010. Several system upgrades are required to serve future areas of development within the City's water service area, including the addition of up to 19 new wells and repairs to water mains.
Wastewater	Wastewater collection and treatment is provided by the City of Merced. The system is designed to treat an average annual flow of 12 million gallons per day. Wastewater capacity in Merced has grown consistently since major portions of the wastewater treatment facility were constructed in 1977.
Stormwater	Storm drainage capture and transport is limited since there are no existing roadside ditches, curbs, or gutters.
Fire Protection	Merced County Fire Department provides fire protection to Unincorporated Community #17. The closest MCFD fire station is Station #81, located in the city of Merced, two miles away. This station has two fire captains, two fire apparatus engineers, and two personnel on shift daily. The anticipated average emergency response time is seven to ten minutes from initial dispatch.

Service Deficiencies

Although the City of Merced provides domestic water, and the supply is sufficient, it is still important to note that the water being extracted is creating a severe overdraft in the basin. The DWR considers the Merced Groundwater Subbasin a high priority, due to the critical overdraft from both urban and agricultural uses, and lack of recharge into the water table. According to DWR, the Merced Groundwater Subbasin is being depleted at a rate of 54,000 afy for urban uses and 492,000 afy for agricultural uses. The City of Merced provides wastewater collection and treatment at adequate levels to the community.

Stormwater collection in Unincorporated Community #17 is deficient due to lack of infrastructure to capture excess runoff. No known major flooding issues have occurred because of this, but such areas with inadequate infrastructure commonly deal with ponding and potential flooding during large rain events. While a fire station is not located within the community, fire protection services are sufficient due to the availability of fire apparatus and staffing, as well as the proximity of a fire station within two miles of the community.

Unincorporated Community #18

Unincorporated Community #18 is a fringe community located in eastern Merced County within the sphere of influence of the City of Merced. It is surrounded by the city boundary for Merced. Santa Fe Avenue runs through the community, which is bounded by Stretch Road to the north and the City boundary to the west. Unincorporated Community #18 encompasses approximately 45 acres. This DUC consists of 73 parcels and is in census tracts 14.01 and 14.02. The approximate density of this community is 1,302 parcels per square mile.

Unincorporated Community #18				
Year	**Census Tract**	**Block Group**	**Median Household Income ($)**	**80% Median Household Income (Statewide) ($)**
2000	14.01	2	25,609	37,994
	14.02	3	24,438	
2022	14.01	-	42,839	73,240
	14.02	-	49,688	

Unincorporated Community #18 Service Profile	
Water	The City of Merced provides domestic water to a portion of Unincorporated Community #18 through its combined network of 19 active wells, 23 deep-well pumps, and 500 miles of pipeline. Although many parcels in this community are not currently connected to the City's water system, they have the option to connect to the system in the future. City of Merced policy details that individual parcels may only be connected to the City's water system in situations where an on-site well fails and/or when a parcel is annexed by the City. These wells extract water from the Merced Groundwater Basin. Groundwater supplies the full system's capacity of 57,800 gallons per minute, or 83 million gallons a day. While the per capita water demand has steadily decreased since 1979 as a result of the City's conservation efforts, however, as a result of overall use, the Merced subbasin was declared in overdraft in 2010. Several system upgrades are required to serve future areas of development within the City's water service area, including the addition of up to 19 new wells and repairs to water mains.
Wastewater	Wastewater collection and treatment is provided by the City of Merced. The system is designed to treat an average annual flow of 12 million gallons per day. Wastewater capacity in Merced has grown consistently since major portions of the wastewater treatment facility were constructed in 1977.
Stormwater	The portion of the community north of E. Santa Fe Avenue (including E. Santa Fe Avenue) generally lacks storm drainage capture and transport, as there are no existing roadside ditches, curbs, or gutters. However, the portion of the community south of E. Santa Fe Avenue generally has sufficient stormwater infrastructure, including roadside curbs and gutters.
Fire Protection	Merced County Fire Department provides fire protection to Unincorporated Community #13. The closest MCFD fire station is Station #81, located in the city of Merced, two miles away. This station has two fire captains, two fire apparatus engineers, and two personnel on shift daily. The anticipated average emergency response time is seven to ten minutes from initial dispatch.

Service Deficiencies

Although the City of Merced provides domestic water, and the supply is sufficient, it is still important to note that the water being extracted is creating a severe overdraft in the basin. The DWR considers the Merced Groundwater Subbasin a high priority, due to the critical overdraft from both urban and agricultural uses, and lack of recharge into the water table. According to DWR, the Merced Groundwater Subbasin is being depleted at a rate of 54,000 afy for urban uses and 492,000 afy for agricultural uses. The City of Merced provides wastewater collection and treatment at adequate levels to the community.

Stormwater collection in Unincorporated Community #18 is deficient due to lack of infrastructure to capture excess runoff. No known major flooding issues have occurred because of this, but such areas with inadequate infrastructure commonly deal with ponding and potential flooding during large rain events. While a fire station is not located within the community, fire protection services are sufficient due to the availability of fire apparatus and staffing, as well as the proximity of a fire station within two miles of the community.

Unincorporated Community #19

Unincorporated Community #19 is a fringe community located in eastern Merced County within the sphere of influence of the city of Merced. It is bounded by SR 140 to the south, with Moomjean Avenue running through the eastern portion of this community. Unincorporated Community #19 encompasses approximately 41 acres. This DUC consists of 21 parcels and is in census tract 14.02. The approximate density of this community is 408 parcels per square mile. While this community's census block group did not fall under the MHI requirement for the 2000 census, its census tract fell under the MHI requirement in 2022 and meets all other requirements to be considered a DUC. It is probable that the 2000 Census tract data was skewed by other residents living in wealthier neighborhoods within this census tract and is not entirely representative of the Unincorporated Community #14 community.

Unincorporated Community #19				
Year	**Census Tract**	**Block Group**	**Median Household Income ($)**	**80% Median Household Income (Statewide) ($)**
2000	14.02	4	62,083	37,994
2022	14.02	-	49,688	73,240

Unincorporated Community #19 Service Profile	
Water	Unincorporated Community #19 is not served by a water district. Residents get water from private wells. These wells extract groundwater from the Delta-Mendota Groundwater Basin. The production capacity of the wells and average usage is unknown.
Wastewater	Unincorporated Community #19 is not connected to a local sanitary sewer system, and currently relies on individual or community septic systems. Due to the density of development and the presence of existing wells and septic systems, many parcels in this community would not be allowed to install a replacement septic system in the case of a failed on-site septic system due to County Division of Environmental Health requirements. These requirements include setback standards from adjacent parcel wells and septic systems, which many parcels in this community would not be able to comply with. In these cases, Merced may be able to approve a sewer connection on an individual basis, which requires permission from LAFCo.
Stormwater	Storm drainage capture and transport is limited since there are no existing roadside ditches, curbs, or gutters.
Fire Protection	Merced County Fire Department provides fire protection to Unincorporated Community #19. The closest MCFD fire stations are Station #85 and Station #81, located in the city of Merced. Both stations are located three miles away. These stations each have two fire captains, two fire apparatus engineers, and two personnel on shift daily. The anticipated average emergency response time is 10 minutes from initial dispatch.

Service Deficiencies

Although the City of Merced provides domestic water, and the supply is sufficient, it is still important to note that the water being extracted is creating a severe overdraft in the basin. The DWR considers the Merced Groundwater Subbasin a high priority, due to the critical overdraft from both urban and agricultural uses, and lack of recharge into the water table. According to DWR, the Merced Groundwater Subbasin is being depleted at a rate of 54,000 afy for urban uses and 492,000 afy for agricultural uses. Unincorporated Community #19 lacks sufficient access to a reliable wastewater treatment facility. This cluster of rural homes solely relies on individual and septic systems.

Stormwater collection in Unincorporated Community #19 is deficient due to lack of infrastructure to dispose excess runoff. No known major flooding issues have occurred because of this, but such areas with inadequate infrastructure commonly deal with ponding and potential flooding during large rain events. While a fire station is not located within the community, fire protection services are sufficient due to the availability of fire apparatus and staffing, as well as the proximity of two fire stations within three miles of the community.

POTENTIAL FUNDING SOURCES

There are several potential funding sources that the city may pursue to address the infrastructure and service deficiencies identified in this Analysis. Typical funding sources for local government infrastructure usually include taxes, bonds, and impact fees, however, many Federal and State programs can also be used to potentially address existing deficiencies in the DUCs located in Merced County. Table 1 below provides a list of these potential funding sources.

Table 1. Potential Infrastructure Funding Sources

Agency	Program Name	Funding	Use of Funds
California Department of Water Resources	Integrated Regional Water Management (IRWM)	Unknown	The IRWM Grant Programs include funding for planning, community involvement, implementation, and companion grant programs that support sustainable groundwater planning and water quality projects.
Local Governments	Bonds	Varies	Bonding is a funding mechanism that can be used specifically to fund large infrastructure projects in disadvantaged communities. There are three bond types: revenue bonds, lease revenue bonds, and obligations bonds. *Revenue bonds* are typically ensured by a project that is being constructed, such as a water treatment facility. Once the bond is paid, the facility operation and ownership is turned over to the jurisdiction. *Lease revenue bonds* are secured by a non-profit or privately financed group that constructs the infrastructure project, then leases the completed facility back to the jurisdiction. Once the bond is paid, the facility operation and ownership is turned over to the jurisdiction. *General obligation bonds* are issued for the improvement and enhancement of real property. Local governments can raise property taxes in order to cover the costs of a bond and infrastructure project. Unlike the previous two types of bonding methods, general obligation bonds require voter approval.
Local Governments	Impact Fees	Varies	Development Impact Fees can be imposed for new development, in order to acquire funding to construct capital facilities. Applying development impact fees to projects does have substantial limitations under The Mitigation Fee Act, sections 66000.

Agency	Program Name	Funding	Use of Funds
Local Governments and Public Agencies	Taxation	Varies	In 1982 the California State Legislature enacted the Community Facilities Act, commonly referred to as Mello-Roos. This act authorized local jurisdictions to establish community facility districts, which would directly serve as another funding mechanism for financing public work projects, and even public services. This method of revenue generation potentially could be used to finance projects that will make the necessary improvements to the deficiencies in these communities.
State Water Resources Control Board	Small Community Drought Relief	Unknown	The Small Community Drought Relief Program offers immediate and near-term financial and technical assistance to small communities facing water supply challenges because of the current drought.
State Water Resources Control Board	State Water Quality Control Fund: Cleanup and Abatement Account	$500,000 for routine or non-controversial projects. May receive funds in excess of $500,000 with State Water Board approval.	The Cleanup and Abatement Account (CAA) was created to provide public agencies with grants for the cleanup or abatement of pollution when there are no viable responsible parties available to undertake the work. Currently, only emergency projects that require immediate action to mitigate a significant threat to the environment or a threat to public health and safety are being accepted.
State Water Resources Control Board (SWRCB)	Safe Drinking Water State Revolving Fund	Varies - past approved projects range from ~$30,000-$110,000,000	The Drinking Water State Revolving Fund (DWRSF) program assists public water systems in financing the cost of drinking water infrastructure projects needed to achieve or maintain compliance with Safe Drinking Water Act (SDWA) requirements.
The State Water Resources Control Board	Clean Water State Revolving Fund (CWSRF)	<$1 million to >$100 million	CWSRF provides financial assistance for a wide range of water infrastructure projects. It is a partnership between the US EPA and state governments. The CWSRF provides loans to eligible recipients to construct municipal wastewater facilities and decentralized wastewater treatment systems, among other projects that address states' highest priority water quality needs.

Agency	Program Name	Funding	Use of Funds
U.S. Department of the Interior Bureau of Reclamation	WaterSMART Grants	$100,000 to $5 million	WaterSMART Grants offer financial assistance for projects promoting water conservation, renewable energy, water marketing strategies, and overall sustainability in the western United States.
United States Department of Agriculture and Rural Development	Community Facilities Direct Loan and Grant Program	Varies – many projects receives a mix of low interest direst loans and grants	This program provides funding to develop essential community facilities in rural areas, such as health care facilities, public facilities, and community support services.
United States Department of Agriculture Rural Development	Emergency Community Water Assistance Grants	Water transmission grants of up to $150,000 and water source grants of up to $1 million	This program helps eligible communities prepare for, or recover from, an emergency that threatens the availability of safe, reliable drinking water for households and businesses.
United States Department of Agriculture Rural Development Program	SEARCH - Special Evaluation Assistance for Rural Communities and Households Grant	Up to 100% of eligible grant costs, not to exceed $30,000	This program helps very small, financially distressed rural communities with predevelopment feasibility studies, preliminary design, engineering analysis, and technical assistance on financial assistance applications for proposed water and waste disposal projects.
United States Department of Agriculture Rural Development Program	Solid Waste Management Grants	Varies by project - estimated total program funding: $4,000,000	This program reduces or eliminates pollution of water resources by providing funding for organizations that provide technical assistance or training to improve the planning and management of solid waste sites.
United States Department of Agriculture Rural Development Program	Water & Waste Disposal Loan Guarantees	Varies – the loan guarantee percentage is published annually in a Federal Register notice	This program helps private lenders provide affordable financing to qualified borrowers to improve access to clean, reliable water and waste disposal systems for households and businesses in rural areas.
United States Department of Agriculture Rural Development Program	Water & Waste Disposal Loans & Grants	Unknown	This program provides funding for clean and reliable drinking water systems, sanitary sewage disposal, sanitary solid waste disposal, and storm water drainage to households and businesses in eligible rural areas.
United States Department of Agriculture Rural Development Program	Water & Waste Disposal Predevelopment Planning Grants	Maximum of $30,000 or 75% of the predevelopment planning costs. Matching of at 25% of project cost required.	This program helps eligible low-income communities plan and develop applications for proposed USDA Rural Development water or waste disposal projects.

Agency	Program Name	Funding	Use of Funds
United States Housing and Urban Development Department	Community Development Block Grants (CDBG)	$250,000 to $100 million	These grants can fund the construction of projects such as water and sewer facilities, street maintenance, as well as other public work projects. At least 70 percent of CDBG funds must support individuals with low to moderate incomes.