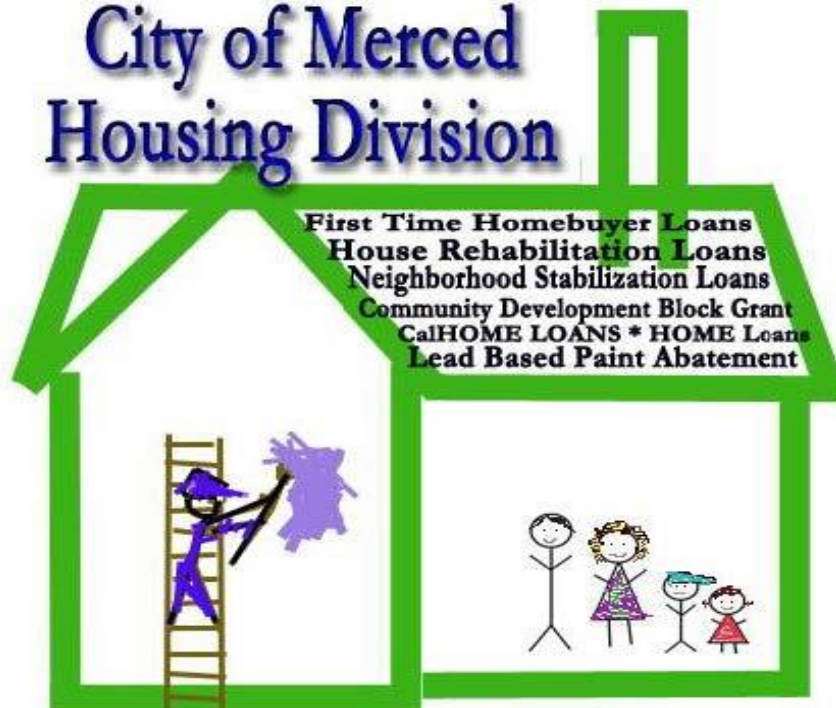


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2018 HUD Annual Action

CITY OF MERCED 2018 HUD ANNUAL ACTION PLAN

City of Merced
Housing Division



Council Considered
on June 18, 2018

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Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The City of Merced has prepared the 2018 Action Plan, which covers the fourth year goals described in the 2015-2020 Consolidated Plan. The Action Plan identifies various activities proposed be funded with Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), and other fiscal resources to be received from the U.S. Department of Housing and Urban Development, the California Department of Housing and Community Development, Program Income, City of Merced Enterprise, and General Fund resources during the program year. The City has budgeted to receive \$1,128,771 in CDBG funds and \$520,415 in HOME funds, totaling \$1,649,186 from HUD as an entitlement grant during the 2018-19 fiscal year. The City has a total budget for the 2018 program year of \$7,640,133, which consists of prior year carry-over funds, program income, loan payments, and other local funding sources utilized to ensure projects and programs were funded.

In order to be eligible to receive Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) funds, the City of Merced must submit a Consolidated Plan to the Department of Housing and Urban Development (HUD) every five years. Each community is required to submit an Annual Action Plan annually outlining how the Community will utilize these funds to achieve these goals. The Consolidated Plan is an assessment and analysis of local conditions and issues related to housing, homelessness, community development, and economic development. Utilizing a comprehensive outreach and citizen participation process, the Consolidated Plan describes priority needs facing the community and develops strategies to address those needs. This 2018 Annual Action Plan is the fourth of five required annual updates to the 2015-2020 Consolidated Plan. The Annual Plan also identifies funding priorities and details the projects proposed to receive Federal funds under the CDBG and HOME Investment Partnership (HOME) Programs. The 2018 Annual Action Plan also includes the HUD 108 Debt Service repayment program.

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Table 1 - Anticipated Revenue

Table 1
Program Funding for FY 2018-19

Source of Funds	CDBG	HOME	Other	Total
Grant FY 2018/19	\$ 1,128,771	\$ 520,415.00	\$ -	\$ 1,649,186
Program Income FY 2018/19 (estimate)	\$ 160,000	\$ 60,000.00	\$ -	\$ 220,000
CalHome 06 (FTHB Program)	\$ -	\$ -	\$ 164,089	\$ 164,089
FUND 071 - LMI Housing	\$ -	\$ -	\$ 1,236,518	\$ 1,236,518
FUND 471 - LMI Housing	\$ -	\$ -	\$ 248,712	\$ 248,712
Fiscal Year 2017/18 Carryover	\$ 68,863	\$ 198,649	\$ 228,816	\$ 496,328
Current Active Projects & ADC (Previously Encumbered/Funded)	\$ 1,505,404	\$ 1,448,140.90	\$ 671,755	\$ 3,625,300
Total Revenue / Carryover / Previously Encumbered FY 18-19	\$ 2,863,038	\$ 2,227,205	\$ 2,549,890	\$ 7,640,133
HUD Funding Allocations – CDBG				
Total CDBG Program Amount (Allocation + Program Income + Carryover)				\$ 2,863,038
Administrative (Admin + Activity Delivery Cost)				\$ 348,850
Capital Improvements				\$ -
Development Projects & Activities				\$ 822,384
Public Service				\$ 186,400
Current Active Projects (Previously Encumbered/Funded)				\$ 1,505,404
CDBG - Total Unencumbered Balance				\$ -
HUD Funding Allocations – HOME				
Total HOME Program Amount (Allocation + Program Income + Carryover)				\$ 2,227,205
Administrative (Admin + Activity Delivery Cost)				\$ 154,064
Development Projects & Activities				\$ 625,000
Current Active Projects (Previously Encumbered/Funded)				\$ 1,448,141
HOME - Total Unencumbered Balance				\$ -
Other				
Total Other Program Amount (Allocation + Program Income + Carryover)				\$ 2,549,890
Administrative (Admin + Activity Delivery Cost)				\$ 211,805
Projects & Activities - Other (GT2 Infrastrucure & HUD 108 Loan Payment)				\$ 1,666,330
Current Active Projects (Previously Encumbered/Funded)				\$ 671,755
Other – Total Unencumbered Balance				\$ -
Total Remaining to be Allocated				\$ -

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2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The Needs Assessment within the 2015-2020 Consolidated Plan identified several target populations:

- Extremely low-income and very low-income households;
- Seniors;
- Youth, primarily ages 6 – 17;
- Persons with disabilities;
- Foster youth;
- Public facilities (either new or upgrades/expansions to existing facilities), including community centers, youth facilities, community gardens, and one-stop service centers;
- Affordable housing programs for new housing construction, the preservation and rehabilitation of existing rental housing, emergency housing repairs, down-payment assistance, and tenant-based rental assistance;
- Crime prevention activities to provide resources to support law enforcement and crime prevention programming in designated neighborhoods;
- Public improvements, especially those focused on increasing accessibility, such as ADA curbs, ramps and sidewalk infill, and storm drainage and flooding improvements;
- Public services for a wide range of populations, including seniors, youth, disabled persons, homeless households, foster youth, displaced workers, and households with fair housing issues;
- Employment development services to provide training and support job creation.

Through the full five-year term of the Consolidated Plan, the City of Merced anticipates funding a variety of projects related to these needs. While the Housing Division would like to fund all of these programs and projects, the reality is, the necessary funding needed will need to be secured from a variety of resources and partnerships. Given the City's relatively small CDBG and HOME allocations, funds for affordable housing or other large capital improvement projects will need to come from other sources

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such as the State of California's 2017 Housing Package, the Department of Housing and Community Development (HCD), and possibly other Federal Grants.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The City of Merced received \$977,648 in CDBG and \$332,769 in HOME entitlement funds in FY 2017/18. The City funded 14 public service programs this past year. The funding for these programs encompassed a variety of services to benefit youth, income-eligible households, seniors, homeless persons, and other special needs groups. Award amounts ranged from \$10,000 to \$20,000, for a total amount of \$98,500 allocated to public service activities.

In FY 2017-18, the City accomplished many of the goals identified in the Consolidated Plan. The City also worked with HUD to bring several areas into compliance.

Below is a list of accomplishments and improvements to the Annual Action Plan:

- Rehabilitation projects to provide suitable housing for low-income households.
- The City continued working with Habitat for Humanity to carry out the Homeowner Rehabilitation Program.
- Worked with Engineering Department to replaced infrastructure and non-compliant ramps and sidewalks.
- Was able to finalize the funding for a 50 - Unit Affordable Housing project. The project is targeted to begin construction in the fall of 2018.
- Increased the funding provided to local non-profit organizations.
- Provided funding for various youth programs.
- Increased the amount of funds provided to homeless services.
- Participation and funding for the enhancement of the Merced County Continuum of Care and 10-Year Plan to End Homelessness
- Provided funding for Fair Housing Services operated by Project Sentinel.

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COMPLIANCE ISSUES

- Worked with City Departments to finalize the Cost Allocation Plan for the City of Merced. The completion of the Cost Allocation Plan allowed the finding from HUD to be cleared, allowing the Finance Department to be reimbursed for programmatic indirect administrative costs.
- Worked within the Housing Division to develop a Five – Year Housing Consolidated Plan to ensure we are able to plan for future projects.

Details regarding these accomplishments will be found in the City's 2017-2018 Consolidated Annual Performance Evaluation Report (CAPER), due for completion by September 2018. Upon completion, the CAPER will be available on the City's website at www.cityofmerced.org.

The City also supported community development projects based on clearly-identified needs. Among these initiatives were programs that focused on handicapped accessibility projects and public infrastructure improvements in low-income neighborhoods. These types of public service programs and development projects were priorities identified in the Consolidated Plan.

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Table 2 - Previously Encumbered Projects

City of Merced
2018 Annual Action Plan

Fiscal Year 2018/19

Current Active Projects (Previously Encumbered/Funded)	
CDBG	
Administrative Expenses - Prior Fiscal Years	\$ -
Project Activity Costs (ADC) - Prior Fiscal Years	\$ 149,860
Habitat for Humanity – Homeowner Rehabilitation & 241 E. Main Street	\$ 288,563
ADA Sidewalks / Ramps	\$ 587,891
Water Main Replacement T & 7 th Street	\$ 50,000
Gateway Terrace II - CVCAH (FY 16/17)	\$ 370,590
Valley Crisis Center (FY 2017/18)	\$ 10,000
Symple Equazion - Youth I Can (FY 2017/18)	\$ 13,500
Merced Rescue Mission - Emerg. Rapid Re-Housing (FY 17/18)	\$ 15,000
Merced Rescue Mission - Rental Deposits (FY 2017/18)	\$ 20,000
CDBG Total	\$ 1,505,404
HOME	
Gateway Terrace II - CVCAH	\$ 1,014,410
Project Activity Costs (ADC) - Prior Fiscal Years	\$ 234,934
Project Sentinel – Fair Housing Services (FY 2017/18)	\$ 25,000
Habitat for Humanity – Homeowner Rehabilitation & 241 E. Main Street	\$ 173,797
HOME Total	\$ 1,448,141
OTHER	
Gateway Terrace II Apartments (Offsite Public Infrastructure)	\$ 436,280
NSP3 - Habitat for Humanity Rehabilitation / New Construction Program	\$ 40,000
HOME 92/93/94 - Habitat for Humanity Rehabilitation / New Construction Program	\$ 152,006
Project Activity Costs (ADC) - Prior Fiscal Years	\$ 43,469
OTHER Total	\$ 671,755
Previously Encumbered Projects Total	\$ 3,625,300
Total for All Programmed Activities	\$ 7,640,133

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

Two of the formal objectives of the Plan are to: 1) promote citizen participation in the development of local priority needs and objectives; and 2) encourage consultation with public and private agencies to identify shared needs and solutions to persistent community problems. The Housing Division of the Development Services Department invites the community to provide input regarding HUD-funded programs and projects. This Citizen's Participation Plan outlines the way the City communicates with residents regarding the use and expenditure of HUD funds. Community and neighborhood meetings are organized by City staff and/or by local community-based organizations to seek community input and identify community needs.

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These meetings serve several purposes:

- Obtains community input about how funds should be spent;
- Solicits information about neighborhood needs;
- Builds a sense of community among neighborhood residents;
- Encourages community empowerment and greater community voice;
- Provides neighborhoods with information about city services.
- The Housing Division staff work with various City Departments to ensure that capital improvement projects are on schedule, and will be completed within a timely manner.
- The Housing Program Supervisor participates in the Merced Continuum of Care, participates in the yearly homeless street count, and serves on the City of Merced ADA Committee/Citizen Advisory Panel.
- The Housing Program Supervisor ensures the Analysis of Impediments to Fair Housing Choice is implemented in the community through our partnership with Project Sentinel.

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Table 2
Program Activities for FY 2018-19

Administrative	
CDBG	
Administrative Expenses - Fiscal Year 2018/19	\$ 93,773.00
Project Activity Costs - Fiscal Year 2018/19	\$ 108,000
Continuum of Care Plan	\$ 38,000
Indirect Administrative Expenses - Fiscal Year 2018/19	\$ 109,077
CDBG Total	\$ 348,850
HOME	
Administrative Expenses - Fiscal Year 2018/19	\$ 50,564
Project Activity Costs - Fiscal Year 2018/19	\$ 103,500
HOME Total	\$ 154,064
OTHER	
CalHome 06 - Administrative Expense	\$ 1,127
CalHome 06 - Activity Delivery Costs	\$ 10,678
Administrative Expenses - Fiscal Year 2018/19 (071)	\$ 171,000
RSG Agreement (Fund 071)	\$ 29,000
Other Total	\$ 211,805
Total Administrative Costs (CDBG/HOME/Other)	\$ 714,719
Public Services / Fair Housing Services	
CDBG	
Merced Rescue Mission - Rapid Re-Housing	\$ 20,000
Merced Rescue Mission - Warming center	\$ 16,000
Project Sentinel - Fair Housing Services	\$ 30,000
Healthy House - Senior Rental Assistance	\$ 20,000
Kiwanis Club of Greater Merced - Kiddieland Bootcamp	\$ 7,000
Restore Merced - Neighborhood Cleanup	\$ 60,000
Sierra Saving Grace - Emergency Shelter Assistance	\$ 20,000
Distinguished Outreach Services - After School Program	\$ 13,400
Total Public / Fair Housing Services	\$ 186,400
Capital Improvements	
CDBG	
ADA Sidewalk / Ramps Improvements	\$ -
CDBG Total Capital Improvements	\$ -
Total Capital Improvements	\$ -
Development Projects & Activities	
CDBG	
CDBG (HUD) - Habitat for Humanity Rehabilitation Program	\$ 250,000
Merced Rescue Mission - Acquisition of Property (PSH)	\$ 250,000
Sierra Saving Grace - Acquisition of Property (PSH)	\$ 250,000
HUD 108 Loan Payment	\$ 32,384
Alliance for Community Transformations / Valley Crisis Center - Rehab Safe House	\$ 40,000
CDBG Total	\$ 822,384
HOME	
Sierra Saving Grace - Acquisition of Property (PSH)	\$ 215,000
Central Valley Coalition for Affordable Housing (CHDO)	\$ 410,000
HOME Total	\$ 625,000
OTHER	
HUD 108 Loan Payment	\$ 228,816
CalHome 06 FTHB Program	\$ 152,284
Acquisition of Childs & B Street (Fund 071 & 471)	\$ 1,080,000
Acquisition & Rehabilitation of Blight Property (Fund 071 & 471)	\$ 205,230
Other Total	\$ 1,666,330
Total Development Projects & Activities	\$ 3,113,714

Table 2 - New Projects and Activities

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

In order to get a broad range of communication between the City of Merced, its public citizens, and its public agencies, the Housing Division has sponsored or participated in six separate functions. Housing Division has participated in informing the citizens of Merced by attending the three City of Merced Town Hall meetings. In addition, three HUD Annual Plan meetings are held to address and inform of community assistance funds for FY 2018/19.

In order to reach and engage with the citizens, Housing Division staff attended the three City of Merced Town Hall meetings. At the Town Hall meetings, the citizens were able to informally address City Council with their requests for City budget funds. This gave the Housing Division the opportunity to directly engage with citizens before and after the meetings. For those citizens that left their contact information a telephone call was made to find out if there was any additional information the Housing Division could provide after the initial meeting contact.

While many of the different topics discussed at these meetings did not specifically relate to the Housing Division, the comments that did were focused upon housing for homeless Veterans and providing funding for homeless services. The City Housing Division, in partnering with Central Valley Coalition, are proposing to begin construction of a 50-Unit affordable housing development known as Gateway Terrace II Apartments in the fall of 2018. The project proposes to have 10 units reserved for Veterans with Vash Vouchers (20%). Including the Gateway Terrace II apartment complex, over \$1 Million was allocated this fiscal year serving the homeless through various developments, projects, and programs. Lastly, \$186,400 was budgeted for local non-profit organizations to serve the community through a variety of public service programs.

Public legal notices were published in the Merced Sun-Star and Merced County Times newspapers regarding providing information and application assistance to engage with public agencies and non-profits. Local public agencies and non-profits were assisted and also given the opportunity to spend time discussing community goals and needs. Some goals include providing permanent supportive housing, and funding services for homeless. In some instances, groups discussed youth, lack of adequate housing, and housing for multiple income and groups (At-Risk Youth, Veterans, Seniors, & Homeless). Public notices were published on the City's web site, in two local newspapers, and mailed to approximately one hundred public agencies and non-profit organizations.

Public hearings were held by City Council on April 16, 2018 and June 18, 2018, at which the Housing Division presented requests from public agencies and non-profit applications for CDBG and HOME

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funds. At the direction of Council, Housing Staff included funding for fifteen local non-profit organizations, financial assistance for First Time Homebuyers, and continuing the Homeowner Forgivable Loan Program.

6. Summary of comments or views not accepted and the reasons for not accepting them

Merced City Housing Department staff members held numerous public meetings to help prepare the City's Housing and Urban Development (HUD) Annual Plan. There were three public meetings held to get input regarding use of 2018-19 Community Development Block Grant (CDBG) funding. These meetings informed the public that CDBG funds would be made available to eligible local projects and provided information regarding deadlines for applications.

As an Entitlement Community, Merced receives an annual HUD allocation that is used eligible Community Development Block Grant (CDBG) and HOME programs. A priority of this allocations is to benefit low-moderate income persons; the prevention or elimination of slum or blight; and to use some funds towards community developmental needs that have urgency because of existing conditions that pose a serious or immediate threat to the health or welfare of the community.

Eligible Activities include, but are not limited to:

- Acquisition of real property;
- Relocation and demolition;
- Rehabilitation of residential and non-residential structures;
- Construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes;
- Public services, within certain limits;
- Activities relating to energy conservation and renewable energy resources; and
- Provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities.

Public Input:

Each of the meetings held had a sign-in sheet and notes were taken of comments that were made. In addition, qualifying local non-profits received notification inviting them to attend the meetings, to provide input and apply for CDBG funding. The following is an overview of comments and applications received.

Comments:

Many public members voiced concern for youth, Veterans, adults who are considered to be part of the Low to Moderate income, and/or part of the homeless population:

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1. Transitional Housing
2. Facilities for Women with Children
3. Respite Care Facility
4. Job Training/Life Skills
5. Youth Service
6. Homeless Community Center
7. Paying for Utilities and Rental deposits to help individuals identified on the Merced Continuum of Care through the HMIS reporting system.

List of recommended organizations Housing should partner with:

1. Merced County Human Services Agency
2. Merced County Mental Health
3. Merced Rescue Mission
4. United Way
5. Environmental Services Consultant
6. Valley Crisis Center
7. Habitat for Humanity Organizations

The City of Merced Responses:

Housing Staff encouraged all participants to submit a funding request for their respective organizations. Staff informed the participants that all costs would need to be in compliance with HUD Rules and Regulations relating to costs and expenditures.

7. Summary

City Council opened the public hearing on April 16, 2018, to consider the various applications received requesting funding. Once HUD published and notified the City of Merced regarding the 2018 allocation amounts, the Housing Division presented the Draft Annual Action Plan to Council at the June 18, 2018 Council Meeting. Council approved submission of the 2018 Annual Action Plan prior to the July 1, 2018 deadline.

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Summary of Public Notices

SUMMARY OF PUBLIC NOTICES – HUD ANNUAL PLAN 2018

Date Released	Medium	Distribution Organization	Description
11-23-17	Newspaper	Merced County Times & Merced Sun Star	NOFA & Requests for program and project application submittals
11-23-17	Newspaper	Merced County Times & Merced Sun Star	Description of what the annual plan is as well as when and where public meetings for the annual plan will take place
11-28-17	Letter	The City of Merced	Letter sent out to all know nonprofits and interested organization detailing how to apply for CDBG funding
12-5-17	Online	The City of Merced	NOFA was posted to City's Public Hearings Webpage
1-2-18	Council Meeting	The City of Merced	Housing staff provided a presentation on the 2018 HUD Annual Action Plan to the Public and Council and requested their input.
4-2-18	Council Meeting	The City of Merced	Request to set a public hearing for the 2018 HUD Annual Action Plan
4-16-18	Council Meeting	The City of Merced	Review applications received for inclusion into the HUD 2018 Annual Action Plan
5-16-18	Online	The City of Merced	All public notices were mirrored onto the Housing Division webpage
5-24-18	Newspaper	Merced County Times & Merced Sun Star	Annual plan draft available for public review and comment
5-24-18	Newspaper	Merced County Times & Merced Sun Star	Annual plan adoption public hearing notice
6-4-18	Council Meeting	The City of Merced	Request to set a public hearing to consider the 2018 HUD Annual Action Plan
6-18-18	Council Meeting	The City of Merced	Public hearing for the adoption of the 2018 HUD Annual Action Plan

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PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	MERCED	Housing Division
HOME Administrator	MERCED	Housing Division

Table 1 – Responsible Agencies

Narrative (optional)

The Department of Development Services – Housing Division is responsible for overseeing the administration of the City's Community Development Block Grant and HOME Investment Partnership Program funding, including the preparation of the Annual Action Plan. The Housing Division Program Supervisor oversees the day-to-day administration of these programs.

Consolidated Plan Public Contact Information

City of Merced
Housing Division
678 W. 18th Street
Merced, CA 95340
Attn: Mark Hamilton
Housing Program Supervisor
(209) 385-6863
hamiltonm@cityofmerced.org

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AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

In preparing the Action Plan, the City consulted with a variety of agencies, including local and regional community-based organizations, the Merced County Housing Authority, and many others. The goal of the consultation process was to provide detail of the priority needs identified in the Consolidated Plan and how those agencies could best focus their programs and activities to help address those priority needs and to explore opportunities for coordination to improve availability and access to services.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

City staff has been meeting with several local health, mental health, and service agencies to explore opportunities to increase service delivery through fixed locations in or at least closer to the neighborhoods where the clientele reside.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City of Merced will continue to work as part of the Merced Continuum of Care (CoC) in 2018-19. The CoC is currently administered by the County of Merced, with several local agencies and organizations receiving funding. The City's efforts to address the needs of homeless persons have included participation and support of "Housing First" and working with the Collaborative Applicant (County of Merced), Sierra Saving Grace, Merced Rescue Mission, Valley Crisis Center, and Central Valley Coalition for Affordable Housing. These organizations will be partnering with Merced County to ensure the Continuum of Care is carried during the 2018-19 fiscal year.

The Continuum of Care coordinates homeless services being offered within the City and County of Merced. The Continuum of Care members includes government and faith-based organizations, health services, private businesses, and other community-based service providers. The CoC has a board and various committees that meet monthly to discuss homeless issues and effective ways of addressing them.

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Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City of Merced does not have sufficient population to receive Emergency Shelter Grant (ESG) funding directly. The Merced COC administers several federal grant programs that provide direct assistance to homeless individuals and families. They include several Supportive Housing Programs (SHP) and a Shelter Plus Care (SPC) Program. The SPC program provides rent assistance for disabled homeless individuals. Supportive Housing Programs provide rent assistance and supportive services to homeless families and individuals to assist them in making a successful transition from homelessness to independent living. Funds for these programs are received through HUD's Continuum of Care Homeless Assistance Grant Application process. Additionally, the Merced COC will be applying for ESG funds through the Department of Housing and Community Development (HCD) during the 2018-19 fiscal year.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

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Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	CENTRAL VALLEY COALITION FOR AFFORDABLE HOUSING
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Public Housing Needs Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization is an established Community Housing Development Organization and an Affordable Housing Developer.
2	Agency/Group/Organization	HEALTHY HOUSE WITHIN A MATCH COALITION
	Agency/Group/Organization Type	Services-Elderly Persons Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization provides services to non-English speaking individuals.
3	Agency/Group/Organization	MERCED COUNTY
	Agency/Group/Organization Type	Housing PHA Other government - County Major Employer
	What section of the Plan was addressed by Consultation?	Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization oversees all county government operations.

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4	Agency/Group/Organization	MERCED RESCUE MISSION
	Agency/Group/Organization Type	Housing Services - Housing Services-homeless Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	This organization works with multiple service providers and provides homeless services within the community.
5	Agency/Group/Organization	THE POTTER'S PLACE
	Agency/Group/Organization Type	Services-Employment Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization provides services to low-income individuals and households, primarily serving the South Merced population.
6	Agency/Group/Organization	ALLIANCE FOR COMMUNITY TRANSFORMATIONS
	Agency/Group/Organization Type	Services-Victims of Domestic Violence
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Non-Homeless Special Needs

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	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization provides services to victims of domestic violence.
7	Agency/Group/Organization	Sierra Saving Grace Homeless Project
	Agency/Group/Organization Type	Services - Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization provides various services to homeless individuals within the community.
8	Agency/Group/Organization	HABITAT FOR HUMANITY INTERNATIONAL INC. STANISLAUS COUNTY
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeowner Rehabilitation
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization provides services to homeowners within the community.

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9	Agency/Group/Organization	PROJECT SENTINEL
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization provides fair housing services within the community.
10	Agency/Group/Organization	Habitat for Humanity - Merced County
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The organization provides housing services within the community.

Identify any Agency Types not consulted and provide rationale for not consulting

The City consulted a variety of agencies serving Merced residents and the region. No agency types were specifically left out of the consultation process.

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Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	County of Merced	Both address issues pertaining to homelessness and special needs housing.
Housing Element	City of Merced - Planning Division	Both Include the goal of fostering affordable housing.
San Joaquin Valley Fair Housing Equity Assessment	California Coalition for Rural Housing	Both address issues impacting Fair Housing Choice, expanding economic opportunities, and building capacity and leadership in marginalized populations.
N/A	Merced County Association of Governments	N/A

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

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AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

In order to get a broad range of communication between the City of Merced, its public citizens, and its public agencies, the Housing Division has sponsored or participated in six separate functions. The Housing division has participated in informing the citizens of Merced with an information table at three City of Merced Town Hall meetings. In addition, three HUD Annual Plans Meetings were held to address and inform of community assistance funds for FY 2018/19.

In order to reach and engage with the citizens, the Housing Division attended each of the three City of Merced Town Hall budget meetings and was available to address related questions from Council and Community Members. At the Town Hall meetings, the citizens informally addressed City Council with their requests for city budget funds. This gave the Housing Division the opportunity to directly engage with citizens before and after the meetings. For those citizens that left their contact information, a telephone call was made to find out if there was any additional information that the Housing Division could provide after the initial meeting contact.

Public legal notices were posted on the City of Merced's website by the City Clerk and published in the Merced Sun-Star and Merced County Times newspapers regarding providing information and application assistance to engage with public agencies and non-profits. Local public agencies and non-profits were assisted and also given the opportunity to spend time to discuss their community goals and needs. Some goals included homeless continuum of care, affordable housing, existing home rehabilitation, capital neighborhood improvements, and loans for First Time Homebuyers. In some instances, groups discussed sharing resources in order to expand connection to the community. In addition to publishing the notices, information was published on the City's website; information was sent to over one hundred public agencies and non-profit organizations.

Public hearings were held on April 16, 2018, and June 18, 2018, in which Housing Division presented the 2018 HUD Annual Action Plan and activity requests from various agencies and non-profit organizations requesting funding.

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Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Newspaper Ad	Non-targeted/broad community	11/23/2017 - There were no attendees. The ad was soliciting the notice of funding availability of CDBG & Home Funds for Fiscal Year 2018/19. The outreach was an ad placed in the Merced Sun-Star & Merced County Times (largest circulated newspaper within the City of Merced).	Did not receive any communication from community organization requesting additional information.	None.	www.cityofmerced.org/depts/econdev/housing_division/

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2	Newspaper Ad	Non-targeted/broad community Community Organization	<p>11/23/2017 - An ad was placed in the local papers soliciting the upcoming public meetings. There were no attendees. The ad was soliciting the notice of funding availability of CDBG & Home Funds for Fiscal Year 2018/19. The outreach was an ad placed in the Merced County times (Second largest circulated newspaper within the City of Merced).</p>	Did not receive any communication from community organization requesting additional information.	None.	
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Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Mailed Letters to local organizations	Non-targeted/broad community Non-Profit Organizations currently performing services within in the City of Merced	11/28/2017 - Letters were mailed to various non-profit organizations.	None.	None.	

Table 4 – Citizen Participation Outreach

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Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

The City of Merced will have a total of \$1,649,186 in new CDBG and HOME funds for program year 2018-2019. Allocation of funds and assignment of priorities for funding are based upon the national goals set forth by HUD regulations, and local goals for housing and community development. Local goals, consistent with HUD regulations, focus on building up and improving the City's residents and neighborhoods. The City intends on pursuing additional funding through the State Affordable Housing and Sustainable Communities Program, No Place Like Home Program, State Funded SB2, and other local, state, and federal resources.

In terms of program income, the City does not anticipate a steady stream of program income during the term of the Consolidated Plan (2015-2020). The fluctuation in program income is due to payments received from the County of Merced through Chapter 8 - Tax default property sales and unanticipated loan payoffs. To the greatest extent possible, program income received from the repayment of Rehabilitation loans, First Time Homebuyer loans, and residual receipt payments will be reprogrammed for loan activities in those same or similar programs from which the funds were originally provided. If additional program income funds are received that are not automatically re-programmed, specific projects will be identified during a mid-year technical or substantial amendment process.

Additionally, with Assembly Bill (AB) 1335 – Building Homes and Jobs Act (Atkins) and AB 35 – Low-Income Housing Tax Credits (Chiu and Atkins). Through recording fees on real estate transactions, AB 1335 would generate on a yearly basis up to \$700 million for affordable rental or ownership housing, supportive housing, emergency shelters, transitional housing, and other housing needs. Funds under this bill would be distributed to local jurisdictions and provide more stable funding for housing programs. This bill will help to leverage additional federal and local funds, as well as, increase working with developers to leverage private investments with new public funding allocations. With the passing of SB2 and anticipated approval of SB3, the Housing Division would allow the City to partner with local government and local non-profit organizations

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to be leverage within the community.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	1,128,771	160,000	1,574,267	2,863,038	1,500,000	The City received an increase in grant and program funding for the 2018/19 fiscal year.

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	520,415	60,000	1,646,790	2,227,205	750,000	The City received an increase in grant and program funding for the 2018/19 fiscal year.
Other	public - state	Admin and Planning Homebuyer assistance	164,089	0	0	164,089	0	Provide First Time Homebuyer Loans to eligible households. Housing Staff anticipates providing approximately 5 FTHB Loans averaging \$30k each.

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - local	Admin and Planning Homeowner rehab Multifamily rental new construction Public Improvements	671,755	0	0	671,755	0	This is a combinations of funding sources from a variety of Federal, State, and local enterprise funds.
Other	public - local	Admin and Planning Housing Multifamily rental new construction	248,712	0	0	248,712	0	These funds were received when the Redevelopment Agency was dissolved by the State of California.
Other	public - local	Admin and Planning Multifamily rental new construction	1,236,518	0	0	1,236,518	0	These funds were received when the Redevelopment Agency was dissolved by the State of California.

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - local	Multifamily rental new construction	228,816	0	0	228,816	0	Central Valley Coalition reimbursed the City \$212,407 in Fiscal Year 2017/18. The payment will be used to reimburse City funds applied to the FY 2018/19 payment.

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

City staff, in its funding applications, emphasizes to applicants the need to leverage federal, state and local resources. These efforts have been fruitful, and projects funded under CDBG and HOME have substantially exceeded accomplishments that could be achieved from federal funds alone. Although there is no official match requirement in the CDBG program, in most cases, other funds, such as private funds received through donors or fund raising activities, commercial loans, Gas Tax funds, and non-federal funds, are used to supplement and defray project costs. HOME funds require a 25% match and ESG funds require a dollar for dollar match.

Federal match requirements apply to the City's HOME funds. The HOME program requires that for every HOME dollar spent, the City must provide a 25 percent match with non-federal dollars. In the past, redevelopment Low and Moderate Income Housing funds were the City's primary source for leveraging or providing matching funds for the City's Housing programs. With the dissolution of redevelopment in California, the City no longer has access to this funding source. Currently, the City still maintains an excess in match requirement from previous fiscal years. This excess match will fulfill the City's HOME match requirements for many years.

The City utilizes additional Federal, State, and Local funding sources combined with funds received from HUD Community Planning and Development (CPD) to be used for large multi-family developments and providing financial assistance for First Time Homebuyers.

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Below is a list of some non-HUD grants the City continually applies for when available:

Federal Programs: Rental Assistance Program (Section 8 Housing Choice Voucher Program), Supportive Housing Program (SHP), National Housing Trust Fund, and Project Based Section 8.

State Programs: Low-Income Housing Tax Credits (LIHTC), Mental Health Services ACT (MHSA), Cal-Home Program, The California Housing Finance Agency (CalHFA), Multi-Family Housing Program (MHP), Emergency Housing Assistance Program (EHAP), Affordable Housing Program (AHP), Affordable Housing and Sustainable Communities Program (AHSC), No Place Like Home (NPLH), and the Housing Related Parks Program (HRP).

Local Programs: Central California Alliance for Health, City Density Bonus Program, and loans from the Conventional Lending Industry.

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If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The Housing Division was designated as the Successor Housing Agency overseeing approximately nine (9) vacant properties and over \$1.6 million of money that may be used to support additional affordable housing projects over the next five to ten years. These properties and funds must be used to further the goal of the City in the development of additional affordable housing units.

Repurpose of Properties:

For the past year, City staff has been working with HUD, HCD, and local non-profit organizations to develop these properties with the monies from the 2018 HUD Annual Allocation to place multiple tiny homes on the properties. The concept has received various approvals and staff is proposing to use a portion of the 2018 CDBG allocation to move forward, under partnership with a local non-profit organization, with the placement of 3-4 tiny homes on one (1) of the properties. If the project is successful, Housing Staff will develop the remainder of the properties with tiny homes.

Reinvestment of Funds:

For the past two years, City staff has been working with the County of Merced to identify potential development projects that would enhance the services available to address homelessness within the City. Through continued collaboration, City staff and the County have identified the property located at the corner of Childs Avenue and B Street as a feasible location for development. The City of Merced released a request for proposals to evaluate the viability of the proposed affordable and permanent-supportive housing project at the agreed upon location.

After careful evaluation and selection of a Developer to take the lead on the proposed project, County and City staff determined that a Lease Agreement, with an Option available to the City to purchase the property, was the most efficient means to entitle the project and pursue Low-Income Housing Tax Credit and other grant funding in partnership with the Developer.

The proposed project at the corner of Childs Avenue and B Street is being named the Childs Avenue Court Apartments. The project includes approximately 130 multi-family units, 30 of which are designated as permanent-supportive. In addition to these units, the proposed project includes a community room and offices to allow for homeless services and property management. In addition to these services, computers and other supportive service will be provided to all residents within the development. The proposed project also includes improvements to city infrastructure and services, including: curb, gutter, sidewalks, bike lanes, street improvements, streetlights and sewer and storm drainage facilities. A park and multi-modal bus stop will also be included in the project to improve

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recreational opportunities, safety, and access to transportation for residents of the development.

Discussion

In addition, the City's Housing Division oversees all former Redevelopment Successor Agency portfolio functions as it relates to overseeing the housing assets, management of the loan portfolio, and ancillary functions required. The portfolio continues to generate income from the loans and reimburses the Housing Division for associated eligible administrative costs.

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Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	rehabilitate and enhance existing neighborhoods	2015	2019	Affordable Housing Non-Housing Community Development housing rehab	City Wide Eligible CDBG Areas	Public Infrastructure and Capital Improvements Public Services Homeless Services Fair Housing	CDBG: \$290,000 HOME: \$410,000 CalHome 06 (HCD): \$164,089 Carryover from FY2017/18 CVCAH Payment: \$0 LMI Housing - Fund 071: \$0 LMI Housing - Fund 471: \$205,230 Other - Previously Encumbered Projects: \$288,563	Homeowner Housing Added: 20 Household Housing Unit Homeowner Housing Rehabilitated: 20 Household Housing Unit

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
2	Support Services	2015	2019	Non-Homeless Special Needs	City Wide	Homeless Services	CDBG: \$505,250 HOME: \$388,998 Carryover from FY2017/18 CVCAH Payment: \$0 LMI Housing - Fund 071: \$200,000 Other - Previously Encumbered Projects: \$208,360	Homeless Person Overnight Shelter: 1000 Persons Assisted Other: 4 Other
3	Fair Housing	2015	2019	Non-Homeless Special Needs	City Wide	Fair Housing	CDBG: \$30,000 HOME: \$0 CalHome 06 (HCD): \$0 Carryover from FY2017/18 CVCAH Payment: \$0 LMI Housing - Fund 071: \$0 LMI Housing - Fund 471: \$0 Other - Previously Encumbered Projects: \$25,000	Other: 300 Other

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Public and Infrastructure Improvements	2015	2019	Non-Housing Community Development	Eligible CDBG Areas	Public Infrastructure and Capital Improvements	CDBG: \$0 Carryover from FY2017/18 CVCAH Payment: \$228,816 Other - Previously Encumbered Projects: \$1,040,865	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 3000 Persons Assisted
5	Permanent Supportive Housing	2015	2020	Homeless	Eligible CDBG Areas	Public Infrastructure and Capital Improvements Job Creation Public Services Homeless Services	CDBG: \$500,000 HOME: \$215,000 LMI Housing - Fund 071: \$1,080,000 Other - Previously Encumbered Projects: \$1,859,962	Housing for Homeless added: 25 Household Housing Unit

Table 6 – Goals Summary

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Goal Descriptions

1	Goal Name	rehabilitate and enhance existing neighborhoods
	Goal Description	N/A
2	Goal Name	Support Services
	Goal Description	The funds will be used for the following: <ul style="list-style-type: none">• Public Services• Reimbursement of CDBG and HOME Administrative Cost.• Merced Continuum of Care
3	Goal Name	Fair Housing
	Goal Description	Ensure that all housing programs are available without discrimination on any basis.
4	Goal Name	Public and Infrastructure Improvements
	Goal Description	To preserve, rehabilitate and enhance existing public facilities.
5	Goal Name	Permanent Supportive Housing
	Goal Description	Facilitate the construction of Permanent Supportive Housing.

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Projects

AP-35 Projects – 91.220(d)

Introduction

The projects budgeted for 2018-2019 are summarized below. The Administrative and Public Service activities identified are expected to be completed no later than June 1, 2019. The on-going infrastructure activities identified are expected to be completed no later than June 30, 2019. The development activities identified are anticipated to begin prior to January of 2019 with completion anticipated prior to June 30, 2020.

The Housing Division received over 17 funding requests totaling over \$1.2 million. These requests were for projects that would be started during fiscal year 2018-19. Of the requests received, two (2) were for administrative services, five (5) were for new developments, and seven (7) were for public services.

Projects

#	Project Name
1	ADA Ramp and Sidewalk Modifications - City of Merced Engineering Department
5	HUD 108 Loan Payment
6	Project Sentinel - Fair Housing Services - Fiscal Year 2017/18
8	Buena Vista & G Street (Rivera School) ADA Sidewalk/Ramp Improvements
9	Employment Readiness for Victims of Domestic Violence - Valley Crisis Center
12	Youth I Can - Symple Equazion
16	Gateway Terrace II Apartments - Central Valley Coalition for Affordable Housing (CHDO)
17	25th & 26th Streets (John Muir School) ADA Ramp & Sidewalk Improvements
18	Habitat for Humanity - Homeowner Rehabilitation and New Construction Program
19	Rental Deposit Assistance - Merced Rescue Mission
20	Administrative Expenses - FY 2018/19

Table 7 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

In making project recommendations, consideration was given to a variety of thresholds that projects must meet to comply with CDBG objectives, including meeting one of the national objectives and addressing one of the community priorities set out in the Consolidated Plan. Staff also took into account activity need and justification, cost reasonableness and effectiveness, activity management and implementation, experience with similar activities, past performance, leveraged funds, and

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completeness of the application.

While there are several constraints to meeting the needs of low-income residents, the primary obstacle is that there is a lack of funding to fully address all needs. The economic challenges facing the nation have forced many nonprofits to cut services at a time when governmental entities and others are least able to provide them.

A second obstacle to meeting underserved needs is the location of many available services in the community. Housing staff works closely with the engineering department and regional agencies to improve access.

A third obstacle is the number of nonprofits that need assistance with basic management and fiscal policies. New nonprofits have formed in Merced and throughout the region, and they have small but passionate staff members and volunteers devoted to a variety of issues. Unfortunately, most new nonprofits do not have the capacity to meet the financial and reporting requirements of CDBG and other grant programs, and may need basic assistance in setting up bookkeeping systems and applying for grants.

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AP-38 Project Summary
Project Summary Information

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1	Project Name	ADA Ramp and Sidewalk Modifications - City of Merced Engineering Department
	Target Area	Eligible CDBG Areas
	Goals Supported	Public and Infrastructure Improvements
	Needs Addressed	Public Infrastructure and Capital Improvements
	Funding	CDBG: \$14,190
	Description	Install 12 ADA ramps in Merced.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
2	Planned Activities	Replace existing non-ADA compliant ramps with ADA compliance ramps.
	Project Name	HUD 108 Loan Payment
	Target Area	Eligible CDBG Areas
	Goals Supported	Support Services
	Needs Addressed	Public Infrastructure and Capital Improvements
	Funding	Carryover from FY2017/18 CVCAH Payment: \$271,870
	Description	To reimburse the HUD 108 Loan Payment.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
3	Location Description	
	Planned Activities	N/A
	Project Name	Project Sentinel - Fair Housing Services - Fiscal Year 2017/18
	Target Area	City Wide
	Goals Supported	Fair Housing

	Needs Addressed	Public Services
	Funding	HOME: \$25,000
	Description	Fair Housing Services provider.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	To provide fair housing services to all community constituents.
4	Project Name	Buena Vista & G Street (Rivera School) ADA Sidewalk/Ramp Improvements
	Target Area	Eligible CDBG Areas
	Goals Supported	Public and Infrastructure Improvements
	Needs Addressed	Public Infrastructure and Capital Improvements
	Funding	CDBG: \$274,633
	Description	Construction of ten ADA compliant ramps along G Street to Childs to 13th Street including sidewalk modifications and two Safe Crossing bulb-outs with ADA accessible ramps at the intersection of Buena Vista Drive and the Bike Path Crossing; east of Rivera School.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	Replace ten curb cuts with ADA Accessible ramps at various locations within the community.
5	Project Name	Employment Readiness for Victims of Domestic Violence - Valley Crisis Center
	Target Area	City Wide
	Goals Supported	Support Services

	Needs Addressed	Public Services Homeless Services
	Funding	CDBG: \$10,000
	Description	Assist low-income households to receive the necessary training to become employment ready.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	To provide the necessary training to victims of domestic violence to re-enter the workforce.
6	Project Name	Youth I Can - Symple Equazion
	Target Area	Eligible CDBG Areas
	Goals Supported	Support Services
	Needs Addressed	Public Services
	Funding	CDBG: \$13,500
	Description	To provide after school educational programs for the youth in our community.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
7	Project Name	Gateway Terrace II Apartments - Central Valley Coalition for Affordable Housing (CHDO)
	Target Area	Eligible CDBG Areas

	Goals Supported	Public and Infrastructure Improvements Permanent Supportive Housing
	Needs Addressed	Public Infrastructure and Capital Improvements Homeless Services
	Funding	CDBG: \$370,590 HOME: \$1,014,410
	Description	Gateway Terrace II Apartments consists of 50 units of new construction multi-family housing on an approximately 1.65 acre site. It is located on K Street between 12th and 13th Streets in the City of Merced, County of Merced, APN #032-323-002. The Housing Authority of the County of Merced previously owned and operated rental public housing units on this site, which were demolished in 2009. The site has been graded and is ready for new construction. Our target population is existing and future income qualified families in Merced and the surrounding areas. 100% of the units will be rent restricted for qualified residents with incomes ranging from 50% to 60% of the area median income for a 55-year affordability period. We are also anticipating eleven (11) HUD-Veterans Affairs Supportive Housing (HUD-VASH) vouchers and thirty-eight (38) HUD Project Based Vouchers (PBVs) committed to the project. Gateway Terrace II Apartments, will consist of 49 affordable units and 1 manager unit for a total of 50 garden style apartments with 17 units at 50% of AMI and 32 units at 60% of AMI. The project will consist of 12 one bedroom units, 21 two bedroom units and 17 three bedroom units.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	Construction of 50 Affordable Housing Units; replacement of a Collapsed Sewer Main; replacement of an antiquated Water Main; and, replacement of non-compliant sidewalks and ramps with new ADA Ramps and Sidewalks within the neighborhood.

8	Project Name	25th & 26th Streets (John Muir School) ADA Ramp & Sidewalk Improvements
	Target Area	Eligible CDBG Areas
	Goals Supported	rehabilitate and enhance existing neighborhoods Public and Infrastructure Improvements
	Needs Addressed	Public Infrastructure and Capital Improvements
	Funding	CDBG: \$174,389
	Description	The project proposes to improve the sidewalks surrounding John Muir School. There would be two intersection bulb-outs included into the project encourage vehicular traffic to reduce speeds as they travel near the school.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
9	Planned Activities	Installation of 8-12 ADA Ramps, Sidewalk improvements, two bulb-outs installed at two intersections located next to John Muir School.
	Project Name	Habitat for Humanity - Homeowner Rehabilitation and New Construction Program
	Target Area	Eligible CDBG Areas
	Goals Supported	rehabilitate and enhance existing neighborhoods
	Needs Addressed	Public Infrastructure and Capital Improvements
	Funding	CDBG: \$150,000 HOME: \$150,000
	Description	Provide assist existing Homeowners with health and safety repairs to their residence, rehabilitate existing housing assets, and construct new units on vacant currently owned by the City.
	Target Date	

	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	Remodeling existing and constructing new single family structures within the community.
10	Project Name	Rental Deposit Assistance - Merced Rescue Mission
	Target Area	Eligible CDBG Areas
	Goals Supported	Permanent Supportive Housing
	Needs Addressed	Homeless Services
	Funding	CDBG: \$20,000
	Description	Provide Rental Deposit Assistance to homeless individuals. The rental deposits aid eligible households with the ability to obtain the necessary housing to get off the streets.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	Provide Rental Assistance to eligible homeless individuals/households.
11	Project Name	Administrative Expenses - FY 2018/19
	Target Area	City Wide
	Goals Supported	Support Services
	Needs Addressed	Public Infrastructure and Capital Improvements Public Services Homeless Services Fair Housing

	Funding	CDBG: \$240,164 HOME: \$50,564 CalHome 06 (HCD): \$1,127 LMI Housing - Fund 071: \$200,000
	Description	The project allows housing staff the ability to provide CDBG and HOME administrative services to ensure the implementation of Housing Projects.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Merced primarily selects projects based upon housing needs and various clienteles served through public service activities. With most of the federal and state funding allocations being invested in qualifying Census Tracts. Not all of the activities funded through the CDBG and HOME programs will occur within these census tracts since some programs are community wide.

Geographic Distribution

Target Area	Percentage of Funds
City Wide	73
Eligible CDBG Areas	27

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Funds are generally concentrated within eligible Census Tracts due to less private investment from financial institutions and little interest from market rate developers.

Discussion

While there are several constraints to meeting the needs of target income residents (please refer to the Consolidated Plan for a detailed list), the primary obstacle to meeting the needs of target income residents is that there is a lack of funding to fully address all needs. The housing challenges facing the City of Merced include limited financial resources for income challenged households looking to acquire property within our community. The City attempts to address significant and rising levels of need by leveraging funds, as well as by directly funding several programs that address this need.

Another obstacle to meeting underserved needs is that the location of many available services is in the County of Merced. The City works closely with the transit agencies to improve access, and there are hourly public transportation linkages between Merced and other communities located within Merced County and the San Joaquin Region. The City has also encouraged non profit organizations to operate "satellite" offices within the City of Merced.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

Although the Consolidated Plan and Action Plan focus on affordable housing, which has reduced the amount of monies being invested into the community due to the allocations being reduced significantly over the past five years. The City's strategies related to CDBG & HOME -funded efforts relate to providing funds for public service activities, developing partnerships with housing organizations, providing secondary financing to affordable housing developments, providing grants to homeowners, and secondary financing loans to qualified First Time Homebuyers.

One Year Goals for the Number of Households to be Supported	
Homeless	27
Non-Homeless	50
Special-Needs	11
Total	88

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	26
The Production of New Units	53
Rehab of Existing Units	8
Acquisition of Existing Units	1
Total	88

Table 10 - One Year Goals for Affordable Housing by Support Type

Discussion

For 2018-19, the aforementioned number of households assisted relies primarily on the ability for the City to provide financial assistance to non-profit organizations. These organizations have been tasked with providing housing for Homeless individuals though HUD's "Housing First" concept. A variety of programs funded propose to house homeless individuals.

AP-60 Public Housing – 91.220(h)

Introduction

The Housing Authority of County of Merced (HACM) is the public housing agency serving the City of Merced. HACM is independent of the City of Merced, and the City retains no control over their funding or implementation of programs.

Actions planned during the next year to address the needs to public housing

Please refer to the HACM Public Housing Authority Annual Plan for information on the ways that HACM plans to address public housing needs.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

HACM encourages public housing residents to participate in policy, procedure, and program implementation and development. Public housing residents participate in the development of the HACM's five-year and annual plans. The HACM distributes a survey to prioritize resident needs and schedule short- and long-term improvements.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

HACM is not designated as "troubled."

Discussion

A wealth of information on HACM and their programs, housing resources, budgets, and financial planning and reporting is available on their website at <http://www.merced-pha.com>.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City's strategy related to the needs of the homeless, those at risk of homelessness, and other special needs populations involves the funding of supportive services in Merced or regional services, such as fair housing counseling and emergency shelter assistance services. The City also assists with providing fiscal resources necessary for a winter warming center operated by the Merced Rescue Mission.

Currently, many homeless services are available in Merced through County of Merced, Merced County Community Action Agency, Sierra Saving Grace, Merced Rescue Mission, and the City will continue to work closely with the Continuum of Care and other organizations to determine how the needs of the homeless population can be met. In recent years, the City assisted Merced County Mental Health, Central Valley Coalition for Affordable Housing and Sierra Saving Grace with grants for rental assistance and the development of new affordable housing facilities.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

In addition to facility improvement, the City will fund programs and services to assist its homeless and special needs populations in 2018/19. These include the following:

- County of Merced: Collaborative Applicant providing Continuum of Care services.
- Warming Center provided by Merced Rescue Mission.
- Funding Acquisition of new housing through Sierra Saving Grace and Merced Rescue Mission
- Fair housing services will be provided by Project Sentinel.

A City staff representative regularly attends "Continuum of Care" homeless committee, which brings together the region's homeless service providers and advocates considering the best ways to address homelessness. The meetings help to ensure that there is little duplication of services, increasing the effectiveness of a limited amount of funding.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City continues to provide assistance for emergency shelter and transitional housing for

the homeless through the following service providers:

- Valley Crisis Center
- Merced Rescue Mission
- County of Merced
- Sierra Saving Grace

The City has designated one of the Council Members to sit on the Continuum of Care Board. Housing Staff regular attends the CoC meetings to provide assistance when applicable.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The City will partner with local service providers to add additional locations and beds for chronically homeless persons through these two primary strategies in fiscal year 2018/19:

- Partnering with the County of Merced and CoC apply for additional funding opportunities targeting the chronically homeless, and,
- Continue our Partnership with Merced Rescue Mission to provide a winter warming center during inclemental weather.
- Working with local service providers to acquire additional units to increase the number of units available within the City of Merced for Permanent Supportive Housing.

The City partners with the Merced CoC to meet these goals.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

While there are several constraints to meeting the needs of target income residents (please refer to the Consolidated Plan for a detailed list), the primary obstacle to meeting the needs of target income residents is that there is a lack of funding to fully address all needs. The economic challenges facing the nation have forced many non profits to cut services at a time when governmental entities and others are

least able to provide them. The City attempts to address significant and rising levels of need by evaluating leveraged funds in the grant application review, as well as by directly funding several programs with widespread benefit. The City also supports non profits' efforts to raise private funds.

Another obstacle to meeting underserved needs is that the location of many available services is in the County of Merced. The City works closely with the transit agencies to improve access, and there are hourly public transportation linkages between Merced and other communities located within Merced County and the San Joaquin Region. The City has also encouraged non profit agencies to operate "satellite" offices within the City of Merced.

Discussion

The City does not administer the Housing Opportunities for Persons With AIDS (HOPWA) Program, but there is coordination and contact with the Merced Continuum of Care to provide services to individuals with AIDS within the City and County.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

The City is undertaking a number of actions to reduce potential barriers and constraints to affordable housing, as well as promote housing for special needs populations. These include providing regulatory incentives, density incentives, and several other measures to affordable housing developers. These are described in more detail in the City's Housing Element.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Although the current economy offers significant challenges to many households, housing is more affordable as a result of falling prices and historically low interest rates. In spite of this, low income households continue to struggle because of high demand and limited inventory.

Many of the City's efforts to foster and maintain affordable housing relate to the Housing Element. The City recently updated the Housing Element in 2015 and was certified by the state in 2016. Community input from public meetings substantiated much of what the Housing Authority and Housing Element had reported, housing is still lacking for senior citizens, foster youth who are aging out, and special needs adults. With identified areas of need, this and future plans will work toward addressing these specific populations.

The five-year strategy plan of the Consolidated Plan does not identify any significant gaps or needs in relation to institutional structure. Working with HUD staff, however, some institutional positions have been removed and or hours reduced as the Housing Program moves toward a program that is aligned with CDBG and HOME guidelines. The Housing Staff continue working to ensure compliancy of the City's Housing Programs and to identify community needs that meet HUD objectives.

Discussion:

AP-85 Other Actions – 91.220(k)

Introduction:

The City works with various service providers, developers, public and private agencies to serve our clientele and maintain affordable housing in the community. The City uses an application process for which requests for funding are submitted, reviewed and recommended to City Council for consideration.

Application Process

All entities applying must provide a check list of items to validate eligibility for the National HUD funding. Items include an annual audit of existing program, non-profit status, names of board members (to ensure no conflict of interest), insurance and bylaws. Agencies unable to satisfy contract requirements, complete their program, or who fail to correct deficiencies identified during monitoring may be required to have additional performance measures included in future agreements.

The 2015 – 2020 Consolidated Plan can be found on the City's website at: www.cityofmerced.org

Actions planned to address obstacles to meeting underserved needs

While there are several constraints to meeting the needs of target income residents (please refer to the Consolidated Plan for a detailed list), the primary obstacle to meeting the needs of target income residents is that there is a lack of funding to fully address all needs. The economic challenges facing the nation have forced many non profits to cut services at a time when governmental entities and others are least able to provide them. The City attempts to address significant and rising levels of need by evaluating leveraged funds in the grant application review, as well as by directly funding several programs with widespread benefit. The City also supports non profits' efforts to raise private funds.

Another obstacle to meeting underserved needs is that the location of many available services are in the County of Merced. The City works closely with the transit agencies to improve access, and there are hourly public transportation linkages between Merced and other communities located within Merced County and the San Joaquin Region. The City has also encouraged non profit agencies to operate

"satellite" offices within the City of Merced.

Actions planned to foster and maintain affordable housing

Although the current economy offers significant challenges to many households, housing costs have become less affordable as a result of the increasing prices and historically low houses available for purchase. Due to the limited supply, low income households struggle because of high demand and limited inventory.

Many of the City's efforts to foster and maintain affordable housing relate to the Housing Element. The City updated its General Plan Housing Element in 2015 (Certified in 2016). Community input from public meetings substantiated much of what the Housing Authority and Housing Element had reported, housing is still lacking for senior citizens, foster youth who are aging out, and special needs adults. With identified areas of need, this and future plans will work toward addressing these specific populations.

The five-year strategy plan of the Consolidated Plan does not identify any significant gaps or needs in relation to institutional structure. Working with HUD staff, however, some institutional positions have been removed and or hours reduced as the Housing Program moves toward a program that is aligned with CDBG and HOME guidelines. The Housing Staff continue working to ensure compliancy of the City's Housing Programs and to identify community needs that meet HUD objectives.

Actions planned to reduce lead-based paint hazards

Since most housing units in the City of Merced were built before 1978 in Merced, the City routinely inspects all rehabilitation projects using CDBG, HOME, NSP or CALHOME grant funds to be tested for lead based paint. If lead based paint is detected within the project area, the Housing Division will have the lead based paint properly abated prior to project closeout. As required by Federal and State funding sources, housing rehabilitation programs will comply with the Residential Lead Based Paint Hazard

Reduction Act of 1992 (Title X) and subsequent changes in September 1999.

The procedures regarding lead based paint in both rehabilitation programs will include:

- Notification of potential lead based paint hazards;
- Identification; and
- Treatment (if necessary).

Actions planned to reduce the number of poverty-level families

The City's anti poverty strategy is based on funding and supporting a range of housing, employment, and family service opportunities aimed at enabling those in poverty to move into the workforce. During the 2018-19 program year, the City will also continue to support activities that preserve and expand the supply of housing that is affordable to target income households.

Actions planned to develop institutional structure

The Development Services Department is responsible for the management, implementation, and monitoring of the Consolidated Plan documents, including the Action Plan. The Housing Division within the department is specifically charged with these tasks. The division works in close consultation with the City's advisory committees and the City Manager.

The City has designated staff positions to administer the programs and activities funded with CDBG funds. These staff members work with the individual City departments, such as Public Works, Development Services, and Parks and Recreation, to develop procedures and coordination for administering programs that will be carried out by these departments. The CDBG staff also provides technical assistance to non-profits (subrecipients) on properly administering CDBG funds and developing CDBG eligible activities.

As all of the subrecipients being funded in the current year are small to medium sized entities with limited staffing, we consider these entities to have a moderate/high risk of noncompliance with grant provisions, and thus more detailed monitoring such as performing on-site reviews will be performed for all subrecipients.

Actions planned to enhance coordination between public and private housing and social service agencies

The City will continue to work closely with the County of Merced, which surrounds the City on all sides. The City will also continue to work with many of the non profit organizations in the community to address the regional issues that affect the needs of target income persons, as well as special needs

populations. A City staff representative will continue to regularly attend the Continuum of Care meetings to ensure homeless issues are being addressed.

Discussion:

Monitoring Plan

The City of Merced has developed a monitoring system to ensure that the activities carried out in furtherance of the Plan are done so in a timely manner in accordance with the federal monitoring requirements of 24 CFR 570.501(V) and 24 CFR 85.40 and all other applicable laws, regulations, policies, and sound management and accounting practices. The objectives of the monitoring plan are described in more detail in the Consolidated Plan.

As part of its affordable housing efforts, the City of Merced will undertake an annual evaluation of the housing programs included in the Consolidated Plan. To ensure that the City is meeting the long-term comprehensive planning requirements, a Consolidated Annual Performance and Evaluation Report (CAPER) will be compiled for submittal to HUD for review and approval. When bidding and performing work financed by HOME and CDBG funds, it is the adopted policy of the City of Merced to conduct outreach efforts to provide an equal opportunity for the participation of licensed minority and female contractors. This includes presentations to the Merced Building Industry Association, advertising, radio announcements, and flyers in an effort to increase contractors and sub-contractors from these respective areas.

Multi-Family Housing Program Monitoring

City Housing staff conducts site visits annually to multi-family housing sub-recipients to review record keeping, upkeep of facility, and ensure eligibility requirements are being maintained. A City inspector is part of this tour and if discrepancies are found, the sub-recipient will be informed during the on-site tour, provided a formal letter, and provided 30-days to correct the problem; and or work with staff for a reasonable timeline.

Annual audits are required by these sub-recipients for their programs. If discrepancies in this area are found, the sub-recipient is informed immediately and a formal letter is mailed. The sub-recipient is given 30 days to correct the problem or provide a timeline for correction. The City will work with the organization to ensure understanding of requirements and to achieve compliance. Once compliance has been achieved, the sub-recipient receives a closure letter from the City. The City Council is informed of any unresolved problems during the budget process. These same procedures will be followed with non-housing sub-recipients.

Single Dwelling Housing Program Monitoring

Homes rehabbed or purchased with HOME funds for use as rental properties for moderate to low

income families are monitored annually by staff. The owner is provided a letter requesting information and income verification of the renter. With a shortage of staffing, housing visitations to all sites is unmanageable. Staff members have been instructed instead to visit "at least" one site per owner. A City Inspector is taken on site to ensure housing meets codes. Renters are interviewed to ensure compliance of HUD requirements. If discrepancies are found the home owner will be informed during the on-site tour, provided a formal letter, and provided 30-days to correct the problem; and or work with staff for a reasonable timeline.

Activity/Public Service Monitoring

The City Housing Division has established monitoring procedures for its Sub-recipients in order to ensure compliance with all CDBG requirements and objectives. Those procedures include written contracts and invoicing before funds are distributed; workshops with applicants and new sub-recipients to ensure an understanding of reporting requirements; clear timelines for measured success; reporting forms that include hours, task, client demographic information, and income range. Reports are required with each invoice, and year-end evaluations are required. All sub-recipients receive one on-site visit.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

Introduction:

The program-specific requirements that apply to the City are those for the CDBG and HOME programs.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	85.00%

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.220(l)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is

as follows:

Not Applicable - No other forms of investment are anticipated during the fiscal year of 2017-18.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Income eligible applicants must take an 8-hour HUD approved home ownership class, and dependent upon amount of loan, will have covenants placed upon the home from 5 to 20 years. Through the CalHome program, homes can only be purchased in Census Tracts approved by HUD that show a high number of low income residents. This program is designed to assist moderate to low income families gain housing. All HOME loans provided by the City Program (except State CalHome Loans) to First Time Home Buyers include conditions to insure compliance with requirements of 24 CFR 92.254:

For qualified Homeowners rehabilitating their property in fiscal year 2018/19 may be eligible to have up to \$50,000 worth of health and safety upgrades to their residence as a grant. Depending on the term and the homeowner does not sell their property within the agreed upon term, the Housing Division will grant the funds to the homeowner. To be eligible the house must be owner-occupied and deed restricted against resale for a period identified in the notice of affordability. Sale or refinancing of the property within the specified term results in the applicant obliged to pay the City a penalty of reduced percentage of the original loan amount starting from the loan origination date and calculated on a per year basis. The loan is not assumable and must be paid in full upon sale or transfer of the property. Following the notice of affordability term obligation the borrower may prepay the loan with zero interest, in part or in whole, at any time without penalty. Funds collected are reused as program income.

If the home is sold or transferred within 10 years from the date of the loan origination the applicant shall also pay the City a percentage share of the difference between the price paid for the property and its value at the time of sale or transfer. The percentage share is determined on a declining scale, beginning at 10% in year 1, decreasing one percentage point each year to 1% in year 10. The City limits the amount subject to recapture to the net proceeds from the sale. The net proceeds are the sales price minus loan repayment (other than HOME funds) and closing costs. The limitation applies to all units regardless of the type of recapture provision used or to the nature of the sale (voluntary sales including foreclosures).

All other HUD and State loan programs have covenants based upon the amount invested into each house/unit. The City may require each house/unit assisted to have a "period of affordability" covenant recorded. The length of the "period of affordability" is determined by the amount of financial assistance invested into each property. The amount per-house/unit and correlating period

are as follows: Assistance amount per-unit

Minimum period of affordability in years: 1. Under \$15,000 - 5 Years; 2. \$15,000 to \$40,000 - 10 Years; or, 3. Over \$40,000 - 20 Years

During the "period of affordability" for multi-family projects, the property is limited to household members of the same income level as the original household members that qualified for the loan. To ensure the loan terms are not breached, a property that received a loan as a low-income household must have low-income members residing on the property for the duration of the loan. Annual reporting and bi-annual visits to the site will help ensure covenants remain in place and all properties meet health and safety code compliance.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

The HOME loan program is intended to assist developers with construction of new multi-family residential units and loans to eligible home owners for health and safety rehabilitation.

Applicants for multi-family units are required to enter into a Development Agreement and designate a specific number of units for income eligible residents. The program calls for funds to be loaned for a 30 – 55 year period with a three (3) percent interest rate. The full amount of the HOME Loan subsidy is recaptured and is utilized for other HOME Loans meeting the HOME program income guidelines. If the development is sold, repayment of the loan is required so funds can be reused as program income.

The house must be owner-occupied and deed restricted against resale for a period of 10 years. Prepayment on the loan or a sale within 10 years from the date of loan origination results in the applicant obliged to pay the City a penalty of 4% on the original loan amount starting from the loan origination date and calculated on a per month basis. The loan is not assumable and must be paid in full upon sale or transfer of the property. Following the 10-year obligation the borrower may prepay the loan plus interest, in part or in whole, at any time without penalty. Funds collected are reused as program income.

If the home is sold or transferred within 10 years from the date of the loan origination the applicant shall also pay the City a percentage share of the difference between the price paid for the property and its value at the time of sale or transfer. The percentage share is determined on a declining scale, beginning at 10% in year 1, decreasing one percentage point each year to 1% in year 10. The City limits the amount subject to recapture to the net proceeds from the sale. The net proceeds are the sales price minus loan repayment (other than HOME funds) and closing costs. The limitation applies to all units regardless of the type of recapture provision used or to the nature of the sale (voluntary

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Minimum period of affordability in years:

- Under \$15,000 - 5 Years
- \$15,000 to \$40,000 - 10 Years
- Over \$40,000 - 20 Years

During the "period of affordability" for multi-family projects, the property is limited to household members of the same income level as the original household members that qualified for the loan. To ensure the loan terms are not breeched, a property that received a loan as a low-income household must have low-income members residing on the property for the duration of the loan. Annual reporting and bi-annual visits to the site will help ensure covenants remain in place and all properties meet health and safety code compliance.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

Not applicable - The City does not intend to refinance debt.

CDBG 70% Overall Low/Mod Benefit Period

The City uses a 5-year period to meet the 70% overall low mod benefit for its CDBG and HOME activities. Based on PR026 report in the City's 2016 CAPER, the City's 2018 Action Plan will cover the third year of its 5-year cycle, which extends from 2015 - 2020.

Attachments

Citizen Participation Comments

City of Merced Housing HUD Annual Plans Meeting For Fiscal Year 2018/2019

Presentation delivered by Mark Hamilton, Housing Program Supervisor

Handouts-Public notices, CDBG & HOME application instructions, questions & answers to programs, submittal check list, application to program.

Introductions including organization introductions Mark has a power point presentation to introduce what the City of Merced Housing department offers for Merced.

At the end of each presentation, Mark has a question and answer session with time given for organizations to speak to each other.

	<u>Organization</u>	<u>Representative</u>	<u>Comments</u>
Thursday, November 30, 2017 - Fire Station #55, 3520 North Parsons, 6:00 pm			
1	MUHSD/SSG	Norma C. Cardana	Wants to purchase a home for transitional youth housing for at risk and homeless youth, using SSG as a sponsor.
2	Habitat for Humanity	Anita Hellem	Wants to continue with the homeowner rehab program for the next fiscal year.
Notes: Anita has received funds and currently receives funds, while Norma has not before. Anita Hellem discussed creating a community garden and creation of a bus stop. Other discussion topics were homeless youth, transitional youth housing, and young adult housing.			
Tuesday, January 2, 2018 – Merced Civic Center, 678 W 18th Street, Merced, 6:00 pm Community Input Presentation			
Tuesday, January 9, 2018 - Merced Senior Center, 755 West 15th Street - 6:00 pm			
1	Habitat for Humanity – Merced County	Jan Sorge	Wants funding in order to rehabilitate an existing home.
2	Valley Crisis Center	Chee Yang	Wants to continue funding current projects.
3	Tinetti Reality Group	Ron Griggs	Wants to create some sort of program through a church (Faith Mission Ministries)

4	Merced Boys and Girls Club	Vicky Collins	Was there for information regarding CDBG.
5	Merced Boys and Girls Club	Nailah Hubbard	Was there for information regarding CDBG
Notes: None			
Thursday, February 1, 2018 - Merced City Hall (Sam Pipes Room), 678 West 18th Street - 3:00 pm			
1	Project Sentinel	Jennifer Reynolds	Was there for information regarding CDBG.
2	CCLS	Jennifer Tran	Was there for information regarding CDBG.
3	CCLS	Marce Mahoney	Was there for information regarding CDBG.
4	Merced County BHRS	Michael Thompson	Was there for information regarding CDBG.
5	Kiwanis of Greater Merced	Alicia De Los Santos	Was there for information regarding CDBG.
6	Healthy House	Nai Saechao	Was there for information regarding CDBG.
7	Merced Rescue Mission	Bruce Metcalf	Was there for information regarding CDBG.

8	Committee 50 Elect Dist. 2	Fernando Eckevassia	Was there for information regarding CDBG.
9	Committee 50 Elect Dist 2	Maribel Romero	Was there for information regarding CDBG
10	Kiwanis of Greater Merced	Janice Jimenez	Was there for information regarding CDBG
Notes: Project ideas – Housing Deposits & Kids Fitness Boot Camp Questions – 1) Do we support local businesses? 2) Can we invest in commercial business improvements? 3) How do we make sure we are using cost reasonable practices? 4) Can we invest in non-disadvantaged census tracts?			
Tuesday, February 13, 2018 – City Council Town Hall Meeting, Multicultural Arts Center, 645 West Main Street - 6:00 pm			
Monday, February 26, 2018 – City Council Town Hall Meeting, Tenaya Middle School, 760 West 8th Street - 6:00 pm			
Tuesday, February 27, 2018 – City Council Town Hall Meeting, Rivera Middle School, 945 Buena Vista Drive - 6:00 pm			

**2017/2018 HUD ANNUAL ACTION PLAN
PUBLIC MEETING
November 30, 2017
Fire Station #55, Parsons Avenue, Merced**

[illegible]

Yaima Cardona (209) 325-2112 ncardona@muhsd.org

Date: 11/30/17
 Topic: Community Meeting
 Meeting Objectives: NO. 10
 Community Impact

Attendees:
 Anita Haller
 Norma Cardenas
 Gott M.
 Sam L.

- Notes:
- Anita talked about creating a community garden, also talked about connecting her w/ partner who is a nurse practitioner.
 - possibility of creating a bus stop w/ Anita
 - 4 bed 2 bath apt, homeless youth, through - Norma
 - have waiting list
 - already have outreach
 - hosting a youth connect in spring
 - Donna Leland project
 - transitional youth housing (multiple units)
 - young adult housing (more freedom)
 - younger youth housing (more oversight)
 - Start w/ a duplex
 - High school level graduation specialist
 - possible work w/ schools (ex. Davis High)

Action Items



CITY OF MERCED

Merced Civic Center
678 W. 18th Street
Merced, CA 95340

Legislation Details (With Text)

File #: 17-598 **Version:** 1 **Name:**
Type: Report Item **Status:** Agenda Ready
File created: 11/28/2017 **In control:** City Council/Public Finance and Economic Development Authority/Parking Authority
On agenda: 1/2/2018 **Final action:**
Title: SUBJECT: Community Input Presentation by Housing Staff

REPORT IN BRIEF
Provide Housing Staff with input regarding the 2018 HUD Annual Action Plan.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 2018 Community Overview.pdf

Date	Ver.	Action By	Action	Result
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Report Prepared by: Mark E. Hamilton, Housing Program Supervisor, Housing Division, Department of Development Services

SUBJECT: Community Input Presentation by Housing Staff

REPORT IN BRIEF

Provide Housing Staff with input regarding the 2018 HUD Annual Action Plan.

ATTACHMENTS

1. Community Input PowerPoint Presentation

B. Approving the Professional Services Agreement with California Strategies and Advocacy, LLC, in the amount of \$120,000.00; and,

C. Approving the Professional Services Agreement with Chabin Concepts, Inc. in the amount of \$15,000.00; and,

D. Approving a contingency of \$5,000.00 for travel, meetings, technical support, etc.; and,

E. Authorizing the City Manager or Assistant City Manager to execute the necessary documents.

Council Member BELLUOMINI pulled this item to ask about the choice of Chabin Concept Consultants which stated this location has shortcomings for industrial development.

Director of Economic Development Frank QUINTERO explained the uniqueness of the location for the heavy industrial site. He also stated that both contractors will address the shortcomings of the site and propose mitigation measures.

A motion was made by Council Member Blake, seconded by Council Member Serratto, that this agenda item be approved. The motion carried by the following vote:

Aye: 7 - Council Member Belluomini, Council Member Martinez, Mayor Pro Tempore McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Council Member Blake

No: 0

Absent: 0

I. REPORTS

I.1.

SUBJECT: Community Input Presentation by Housing Staff

REPORT IN BRIEF

Provide Housing Staff with input regarding the 2018 HUD Annual Action Plan.

Housing Supervisor Mark HAMILTON gave a slide show presentation on Community Input.

Council and Staff discussed increasing the number of units to house the homeless, the budget impact on housing programs, the process of

allocating money to applicants, and the census tract requirements.

I.2.

SUBJECT: Status Report Regarding the City-Owned Property in the Airport Industrial Park

REPORT IN BRIEF

Oral update concerning the 66-acres owned by the City in the Airport Industrial Park.

RECOMMENDATION

Information-Only

Director of Economic Development Frank QUINTERO gave a presentation on the City-owned property in the Airport Industrial Park.

Council Member BELLUOMINI asked about the City contracting for consultant services to market the city land to industrial developers.

Mr. QUINTERO discussed partnering with a company on an industrial project. He also stated that the signing of the contract depends on the developer.

Clerk's Note: No action was required for this item.

I.3.

SUBJECT: Adoption of Merit-Based Selection Criteria for Commercial Cannabis Business Permits (Limited Number of Permits Available)

REPORT IN BRIEF

The City Council is being asked to adopt, by resolution, the Merit-Based Selection Criteria for Commercial Cannabis Business Permits for which there are a limited number of permits available. Dispensaries/retail sales are limited to four in the recently adopted Ordinance.

RECOMMENDATION

City Council - Adopt a motion adopting **Resolution 2018-01**, a Resolution of the City Council of the City of Merced, California, approving Merit-Based Selection Criteria for Scoring Commercial Cannabis Business Permit Applications for which there are a limited number of permits available.

Planning Manager Kim ESPINOSA gave a slide show presentation on the Merit-Based Selection Criteria for Commercial Cannabis Business Permits.

Community Input for HUD Annual Action Plan

SUGGESTED NEEDS FOR 2018-19 FISCAL YEAR



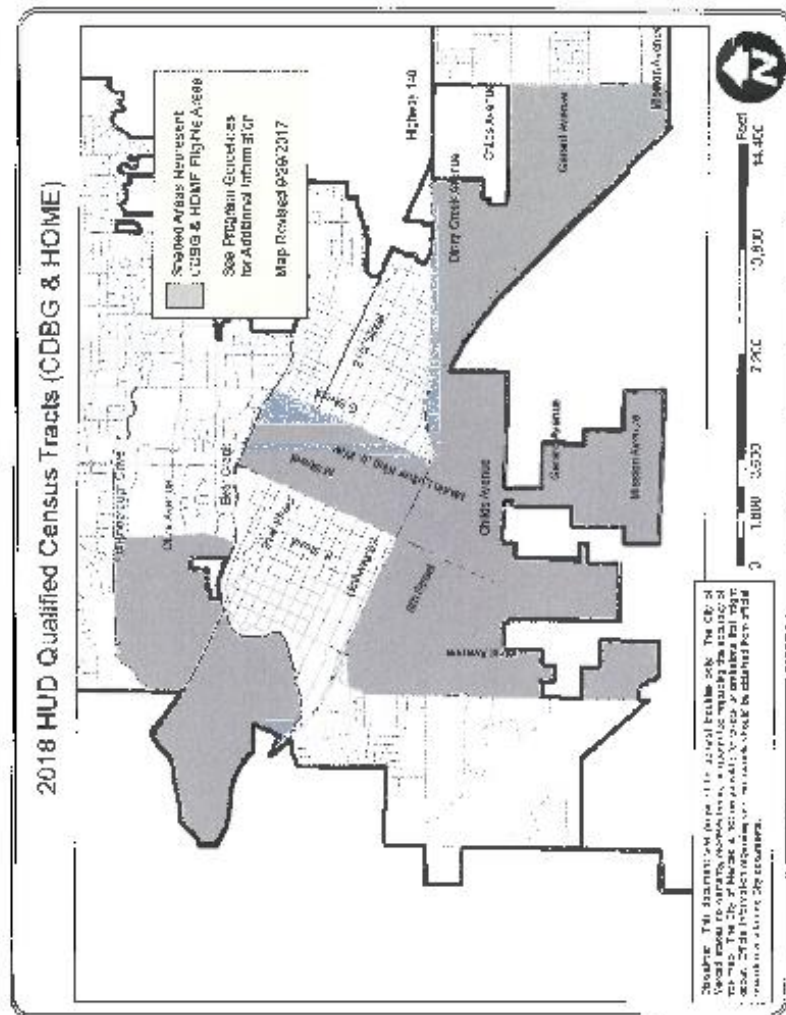
Community Development Block Grant

- Community Development Block Grant
- Federal Funds Granted to the City
- 70% Must Benefit Low Income
- Merced is a HUD Entitlement Community
- Community Projects
- Housing Developments
- City Infrastructure
- Economic Development
- Public Service Projects
- Monitoring Past Projects

HOME Investment Partnership Program

- HOME Investment Partnerships Program
- Also from HUD
- Annual Allocation awarded to Merced
- Fair Housing Services
- Housing Related- Activities to benefit low income
- Homeowner Rehabilitation Projects
- Permanent Supportive Housing
- Supports Community Residential Development

Eligible Census Tracts



What Can We Do In Eligible Census Tracts?

- Street Improvements
- Park Improvements
- ADA Sidewalk & Ramp Improvements
- Acquisition of Property for Permanent Supportive Housing
- Multi-Family Residential Developments
- Mix-Use Development Projects
- Homeowner Rehabilitation
- Community Programs

2017/18 Local Grants

- | | |
|-------------------------|--------------------------------|
| • Merced Rescue Mission | • Rapid Re-housing |
| • Healthy House | • Warming Center |
| • Habitat for Humanity | • Permanent Supportive Housing |
| • Sierra Saving Grace | • Continuum of Care |
| • United Way | • Rapid Re-housing |
| • Valley Crisis Center | • Public Infrastructure |

Some of Housings Past Successes - Since 2011

- Partnered with the Following:

- Sierra Saving Grace - 2 Units

- Permanent Support Housing

- Valley Crisis Center - 2 Units

- Victims of Domestic Violence

- Rescue Mission - 1 Unit

- Formerly Homeless Individuals

- Habitat for Humanity

- Homeowner Rehabilitation

- Fund an average of 10-12 non-profit organizations per year.

- Public Service Activities: 7-8 Per Year (Avg. award: \$10,000)

- Development Projects: 1-2 Per Year (Avg. Award: \$180,000)

Some of Housings Past Successes - Since 2011

- **Rehabilitation of Apartments**

- 1113 W. 2nd Street – 7 Units

- **Construction of New Units:**

- 2668 N. Hwy 59 – 4 Units
- Woodbridge Apts – 75 Units

- **First Time Home Buyer Loans: 57 = \$1,252,685**

- **Homeowner Properties Rehabilitated: 30 = \$705,384**



1820 I Street -- 2 Units
Gateway Terrace -- 66 Units

Photos of our Successes

Woodbridge Apts



Gateway Terrace Apartments



Infrastructure Projects

Water Main Replacement 7th & T Street



ADA Ramps - 20 Ramps Replaced S & T Streets



Stephen Leonard Park Improvements

Splash Pad, Skate Park, Play Area



New Const. – 2668 N. Hwy 59



Developer: CVCAH

Total Units: 4

Total Costs Expended: \$224,500

Purchased as a foreclosure



Sub-Recipient Programs

Merced Arts Center – Disabled Adults



Merced Lao Family – Youth Program



Project Sentinel – Fair Housing



COVE -- Youth with Visual Disabilities



Homeowner Rehabilitation – H4H



Yearly Fiscal Investment

Actual Reported Expenditures Invested in our Community:

Fiscal Year 2012/13 = \$5,239,044

Fiscal Year 2013/14 = \$2,840,488

Fiscal Year 2014/15 = \$1,485,066

Fiscal Year 2015/16 = \$2,938,527

Fiscal Year 2016/17 = \$2,097,632

Federal Grants Received: CDBG, HOME, NSP3, DOE, HPRP

State Grants Received: CalHome6, CalHome12, State HOME, HRPP, BEGIN

2018 HUD Annual Action Plan Process

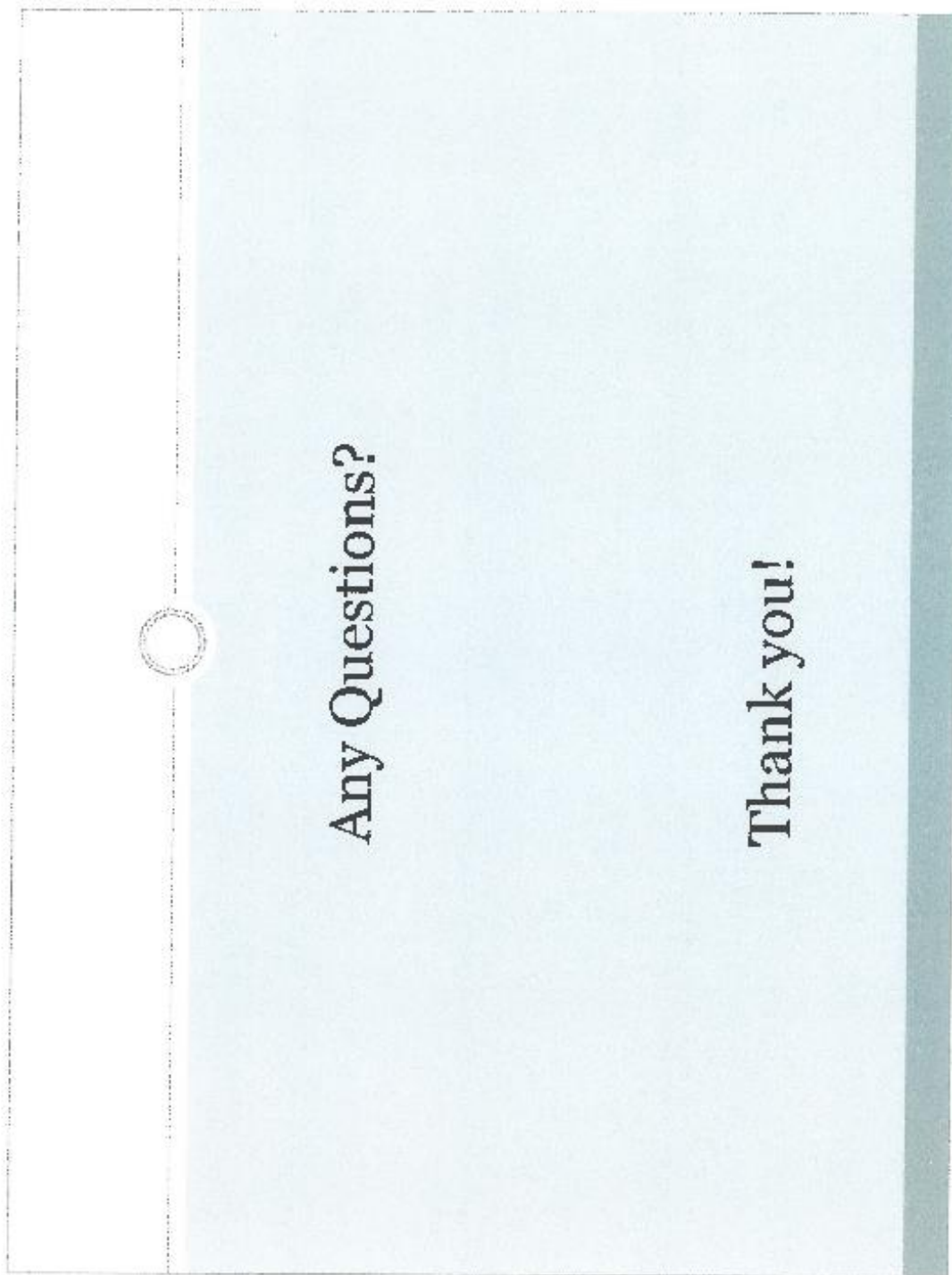
Community Workshop #2: 6pm Tuesday, January 9, 2018
Merced Senior Center - 755 W. 15th Street

Community Workshop #3: 3pm Thursday, February 1,
2018 Sam Pipes Room – 678 W. 18th Street

Application Deadline: 5pm, Friday February 9, 2018

Public Hearing for 2018/19 HUD AAP:

April 16, 2018 – Council Chambers – 678 W. 18th Street



**2018/2019 HUD ANNUAL ACTION PLAN
PUBLIC MEETING
January 9, 2018 / 6pm
Senior Center, 15th Street Merced**

NAME	BUSINESS/ ORGANIZATION	ADDRESS	PHONE	E-MAIL
JAN SORGE	Habitat for Humanity	P.O. Box 423 Atwater 95301	209-726-0858	habitat merced.habitat.org
Ron Griggs	Earth Mission ministries	909 W 18th St	209-879-1164	531-195571@gmail.com
CHEE YAN	Valley Crisis Center	1900 P. Street	209-225-7400	chee@valley-crisis.org
Scott McBride	City of Merced	675 W 1st St. Merced	865-6818	mcbrides@cityofmerced.org
Rev Vicki Collins	Merced Bayo Shanks Club		209-722-9922	
Najiah Hubbard	Merced Bayo Shanks Club		209-722-9922	najiahameza@outlook.com

Date

1/9/18

Topic

Community Support Mtg

Meeting Objectives

No. 2

Attendees

Scott
The Bride

Notes

Habitat - Mendocino County - Jan Sorge
Rehab of existing

Chie Valley Crisis Center

Ron Gregg's - Timette Nealy
Group Church project

Restore 10^{am} - 3pm - Saturdays

- Vicki Collins - Boy's & Girls Club

Action Items

**2018/2019 HUD ANNUAL ACTION PLAN
PUBLIC MEETING**

February 1, 2018

Sam Pipes Room, Merced City Hall, Merced CA

NAME	BUSINESS/ ORGANIZATION	ADDRESS	PHONE	E-MAIL
JENNIFER REYNOLDS	PROJECT SENTINEL	1231 8th St San 425, Modesto	209-287-8441	jreynold@c-housing.org
JENNIFER TRAM	CLS	11040 N ST, SFB 200 Merced	209-723-5444	JTram@centralvalleyd.org
Marlee Mahoney				
Michael Thompson	Merced County ELLS		209-381-6816	mthompson@CoMerced.org
Ali Gindas Santos	Kiwanis of Greater Merced		209-928-3289	Ali.Gindas@kws-merced.org
Nan Saedhas	Healthy House		209-724-0102	Nan@HealthyHouseMerced.org
Bruce Mellett	Rescue Mission Committee	P.O. Box 3319, Merced	209-480-5890	bruce.mellett@rescuemission.org
Farwado Echevarria	ELECT DIST. 2	185 WEST AVE Merced	209/634-4138	
Maribel Romero		185 West Ave Merced		
Tanice Jimenez	Kiwanis of Greater Merced	P.O. Box 1450 Merced	209-769-3684	TJimenez@sfincandjoints.com

Date

2/1/18

Topic

Community

Meeting Objectives

Meeting

Attendees

Notes

Helping Deposits

Kids fitness Boot camp

1. Do we support local Businesses

2. Can we invest in Commercial
Business Improvements

3. Can we do we make sure
we are using cost reasonable
practices

4. What would we can we invest
in may be dis advantage consider
practices

Action Items



CITY OF MERCED

City Council Chamber
Merced Civic Center
2nd Floor
678 W. 18th Street
Merced, CA 95340

Minutes

City Council/Public Finance and Economic Development Authority/Parking Authority

Tuesday, February 13, 2018

6:00 PM

Multicultural Arts Center Town Hall

A. CALL TO ORDER

Mayor MURPHY called the Town Hall Meeting at 6:01 PM.

Clerk's Note: The Town Hall Meeting was held at the Multicultural Arts Center 645 W. Main Street, Merced, CA 95340.

A.1. Pledge of Allegiance to the Flag

B. ROLL CALL

Present: 5 - Mayor Pro Tempore Jill McLeod, Council Member Joshua Pedrozo, Council Member Matthew Serratto, Mayor Mike Murphy, and Council Member Kevin Blake

Absent: 2 - Council Member Michael Belluomini, and Council Member Anthony Martinez

C. OPENING COMMENTS

C.1. Mike Murphy - Mayor

Mayor MURPHY welcomed everyone to the Town Hall and had the Council Members introduce themselves.

Clerk's Note: Council Member MARTINEZ arrived at 6:03 PM.

Clerk's Note: Council Member BELLUOMINI arrived at 6:07 PM.

D. PUBLIC COMMENT

Fernando ECHEVARIA, Merced - spoke on the homeless problem in the downtown area. Suggested a no camping law. He also spoke on diversity in City Hall, hiring a Latino Police Chief, having steel play equipment at parks, a cat neutering program, and using shot spotter technology.

Steve RUSSOS, Merced - spoke on getting a shading system at playgrounds, creating a cradle to career initiative, rent control, and a

downtown preschool for staff and people who work in the area.

Gloria CONLIN, Merced - spoke on neighborhood blight, a safe streets program, parks, downtown business double tax and what that tax money is used for.

Rick MCMILLION, Merced - spoke on bringing back the benches downtown.

Ahmed AHMADI, Merced - asked about the City and County boundaries. He spoke about the need for communication between City and County agencies, railroad quiet zones, and downtown revitalization.

Mary HOFMANN, Merced - spoke on bringing back the downtown benches, focusing on sections of downtown to fix then extending out, and property ownership of downtown spaces.

Mary UPSHAW, Merced - spoke on how the State of the City affected her and made her want to do something positive for the city.

Twyla REECE, Merced - spoke on more shading for the playgrounds, ground covering for the playground, railroad quiet zones, street improvement, and shot spotter technology.

Diana ODOM GUNN, Merced - spoke on railroad quiet zones and interest in the old fire station. She also asked about the future of the old police station once the new station is built.

Isai PALMA, Merced - spoke on cannabis tax, a task force to decide where the cannabis tax money should go, youth activities, and ADA compliance sidewalks.

Eric MOORE, Merced - spoke on the cannabis tax.

Larry MORSE, Merced - spoke on designating a task force or sub-committee to meet with Cities that have successful downtowns.

Wayne EISENHART, Merced - spoke on communication between

agencies, downtown benches, trash cans on bear creek, cleaning up the alleys, brighter bike sharing lanes, 21st and K intersection 4-way stop, and the State of the City.

Chris MEDINA, Merced - asked about UC Merced Student engagement.

John HOFMANN, Merced - spoke on stop sign issues at 21st Street and Martin Luther King Jr. Way.

Ryan HELLER, Merced - spoke on the importance of the State of the City message.

Victor COSTA, Merced - spoke on preventing crimes and Office of Neighborhood safety programs.

Jeremy MARTINEZ, Merced - spoke on the Continuum of Care Program regarding homelessness.

Alejandro CARRILLO, Merced - spoke on the impact of the refuse center on Yosemite Avenue and Highway 59.

Michael PIERICK, Merced - spoke on the Boys and Girls Club programs.

E. COUNCIL COMMENTS

Council thanked everyone for attending the Town Hall Meeting.

F. ADJOURNMENT

Clerk's Note: The Town Hall Meeting adjourned at 8:02 PM.



CITY OF MERCED

City Council Chamber
Merced Civic Center
2nd Floor
678 W. 18th Street
Merced, CA 95340

Minutes

City Council/Public Finance and Economic Development Authority/Parking Authority

Monday, February 26, 2018

6:00 PM

Tenaya Town Hall

A. CALL TO ORDER

Mayor MURPHY called the Town Hall Meeting to order at 6:04 PM.

Clerk's Note: The Town Hall Meeting was held at Tenaya Middle School, 760 W. 8th Street, Merced, CA.

A.1. Pledge of Allegiance to the Flag

B. ROLL CALL

Present: 6 - Council Member Anthony Martinez, Mayor Pro Tempore Jill McLeod, Council Member Joshua Pedrozo, Council Member Matthew Serratto, Mayor Mike Murphy, and Council Member Kevin Blake

Absent: 1 - Council Member Michael Belluomini

C. OPENING COMMENTS

C.1. Mike Murphy - Mayor

Mayor MURPHY welcomed everyone to the Town Hall and had the Council Members introduce themselves.

Clerk's Note: Council Member BELLUOMINI arrived at 6:09 PM.

D. PUBLIC COMMENT

Fernando ECHEVARIA - spoke on youth programs, the VIPER Program, more police interaction, shot spotter technology, safe schools, a Southside Merced grocery store, and a Latino Police Chief.

Isia XIONG - spoke on the cannabis tax revenue, using that tax money for youth prevention and police interaction with the community.

Anabel SERNA - spoke on safe school routes.

Tracy GANNON - spoke on sidewalks on Martin Luther King Jr. Way and the CP42 proposed park.

Ron DEANDA - spoke on getting a grocery store in Southside Merced and lengthy timelines for projects to come to fruition.

Connie MENDOZA - spoke on the playground equipment at Applegate Park, bathrooms at Applegate Park, and homeless at Applegate Park.

Isai PALMA - spoke on the cannabis tax use.

Kristen SULLIVAN - spoke on the cannabis tax measure for youth programs and youth activities.

Sol RIVAS - spoke on the cannabis tax and investment the tax dollars in the youth.

Juan HARO - spoke on a neighborhood park on Childs and T Street, improving park restrooms, and more police presence.

Rodrigo ESPINOSA (County Supervisor) - spoke on parks in Southside Merced, maintenance at the parks, street sweepers, homeless, and the need for more shading at parks.

Merced Resident - spoke on funding for recreation and parks, affordable and safe housing, and additions to Applegate Park.

Adilene PENA - spoke on a neighborhood park on Childs and T Street, abandon cars, drug dealing at the neighborhood park, more police patrolling in South Merced, street light repair, and more lighting at Applegate Park.

Claudia HURTADO - spoke on safer roads and lowering the speed limits.

Ron DEANDA - spoke on safer roads, having a traffic officer at El Capitan High School to patrol traffic.

Lilian PRADO - spoke on a Southside Merced grocery store, street improvements in Southside Merced, and building communities together.

E. COUNCIL COMMENTS

Council thanked everyone for attending the Town Hall Meeting.

Mayor MURPHY acknowledged more people from the public wanting to speak.

Mark CHALICO - spoke on Building Healthy Communities collaborating with the City for an all wheels skate park.

Eric MOORE - spoke on the Recreation and Parks Commission.

Daniel PULIDO - spoke on his soccer organization collaborating with the City.

Adilene PENA - spoke on having an indoor farmers market and how the community can help to get a grocery store in Southside Merced.

Natalie - spoke on safer school routes.

Maribell ROMERO - spoke on a grocery store in South Merced.

Director of Public Works Ken ELWIN discussed the progress of the N Street project.

Mayor MURPHY spoke on the arts commission stakeholders meeting on March 9th.

F. ADJOURNMENT

Clerk's Note: The Town Hall Meeting was adjourned at 7:50 PM.



CITY OF MERCED

City Council Chamber
Merced Civic Center
2nd Floor
678 W. 18th Street
Merced, CA 95340

Minutes

City Council/Public Finance and Economic Development Authority/Parking Authority

Tuesday, February 27, 2018

6:00 PM

Rivera Town Hall

A. CALL TO ORDER

Mayor MURPHY called the Town Hall Meeting to order at 6:04 PM.

Clerk's Note: The Town Hall Meeting was held at Rivera Middle School, 945 Buena Vista Drive, Merced, CA.

A.1. Pledge of Allegiance to the Flag

B. ROLL CALL

Present: 6 - Council Member Michael Belluomini, Council Member Anthony Martinez, Council Member Joshua Pedrozo, Council Member Matthew Serratto, Mayor Mike Murphy, and Council Member Kevin Blake

Absent: 1 - Mayor Pro Tempore Jill McLeod

C. OPENING COMMENTS

C.1. Mike Murphy - Mayor

Mayor MURPHY welcomed everyone to the Town Hall and had the Council Members introduce themselves.

Clerk's Note: Mayor Pro Tempore MCLEOD arrived at 6:09 PM.

D. PUBLIC COMMENT

Daryl LAMKEY - spoke on homelessness and Veteran homelessness.

Randy LANE - spoke on rent control.

Ruth WAX - spoke on improving the neighborhood Moraga Park with more lighting, bark, and replacing dead trees.

Janice PHENIS - spoke on improving the dog park by watering the dead

grass and trees, removing the foxtails and stickers, and needs more lighting. She also spoke on the increase of homeless people parking in the parking lot area and camping across the creek.

Dave TATUM - spoke on the homeless problem and safer streets and parks.

Justin HICKS - spoke on fundamental infrastructure and connecting the community.

MaryAnne REYNOLDS - spoke on ICE Agents presence.

Lisa KAYSER-GRANT - spoke on developing an oversight committee for projects and long term water conservation.

Landon LYNCH - spoke on the homeless at Applegate Park, BB Guns sold to kids, increase animal control, and developing a Homeless Program.

Olivia LYNCH - spoke on the homeless problem and mental health issues.

Jim GREENWOOD - spoke on improvements to the parks and more funding for Recreation and Parks.

Ysenia CURIEL - spoke on the lack of shading areas at the parks, access to bathrooms at the parks, citizen's police academy, more funding for Recreation and Parks, and collaborating with UC Merced for youth programs.

Chris JENSEN - spoke on the cannabis tax usage and park improvements.

Sherily FAR - spoke on improvements at Fahrens park and improvements at the dog park. She asked about Yard Masters maintenance responsibilities and if there are future plans to build condos or townhouses.

Karla SEIJAS - spoke on creating a veterans resource center. She also asked to reevaluate the number of homeless veterans.

Ron COOK - spoke on parks improvements, City policy for long term

homeless encampment at Applegate Park, and increasing funding to the parks.

Lanie GLADWIN - spoke on creek cleanups, who to contact about creek cleanups, and trash cans at bus stops and unfinished bus stops.

Marilyn MOCHELL - spoke on cannabis tax and youth marijuana prevention.

Kristin THOMAS - spoke on Merced Police response time.

Kevin HAMMON - spoke on blight in the community, transparency and communication, how the community can help the city, citizen's academy class, marketing outreach, updates from Chief of Police, and partnering with animal control and different communities.

Alejandro CORRILLO - spoke on disposal site on Yosemite Avenue.

E. CITY COUNCIL COMMENTS

Council thanked everyone for attending the Town Hall Meeting.

F. ADJOURNMENT

Clerk's Note: Council adjourned from the Town Hall Meeting at 8:02 PM.

Resolution

RESOLUTION NO. 2018-_____

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF MERCED, CALIFORNIA,
APPROVING THE 2018-2019 HUD ANNUAL
ACTION PLAN, CERTIFYING COMPLIANCE
WITH THE REQUIREMENTS OF THE
COMMUNITY DEVELOPMENT BLOCK GRANT
(CDBG) PROGRAM AND HOME INVESTMENT
PARTNERSHIP (HOME) PROGRAM, AND
AUTHORIZING STAFF TO SUBMIT ALL
APPROVED DOCUMENTS TO THE U.S.
DEPARTMENT OF HOUSING AND URBAN
DEVELOPMENT**

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) has determined that the City of Merced is estimated to receive \$1,649,186 under the Community Development Block Grant (CDBG) and Home Investment Partner Program (HOME) program year 2018-2019 of the Housing and Community Development Act of 1974, as amended; and

WHEREAS, the City of Merced held three community meetings on November 30, 2017, January 9, 2018 and February 1, 2018, a public meeting on April 16, 2018 and public hearing on June 18, 2018; to consider public comments and proposals regarding the 2018-2019 HUD Annual Action Plan; and

WHEREAS, during said meetings information was provided about HUD's National Goals and Objectives, the City of Merced's 5-Year Consolidated Plan, and discussion held about eligible uses of CDBG and HOME funds in the City of Merced; and,

WHEREAS, the City of Merced has provided citizens with an opportunity to review and comment on concerns involving the amount of funds available for proposed housing and community development, the range of activities and program requirements, and provided citizens with adequate opportunity to participate in development of the 2018-2019 HUD Annual Action Plan, including any submissions, revisions, changes or amendments thereto for a 30-day period commencing on May 18, 2018 and ending on June 18, 2018.

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

X:\Housing\2018\Housing\Approving HUD Annual Action Plan.docx

SECTION 1. The City Council of the City of Merced hereby approves the 2018-2019 HUD Annual Action Plan. The City Manager is hereby authorized to execute all documents related thereto, and staff is authorized to submit all documents to the United States Department of Housing and Urban Development.

PASSED AND ADOPTED by the City Council of the City of Merced at a regular meeting held on the ____ day of _____ 2018, by the following vote:

AYES: Council Members:

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

APPROVED:

Mayor

ATTEST:
STEVE CARRIGAN, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

(SEAL)

APPROVED AS TO FORM:

City Attorney 5-25-2018
Date

\\Resolutions\2018\Housing\Approving HUD Annual Action Plan.docx


3

Grantee SF-424's and Certification(s)

OMU Number: 4043 0004
Expiration Date: 12/31/2019

Application for Federal Assistance SF-424		
* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision	* If Revision, select appropriate letter(s): <input type="checkbox"/> Cmts. (Specify): <input type="checkbox"/>
* 3. Date Received: 01/24/2018	4. Applicant Identification: 00020101000000	
5a. Federal Entity Identifier: 00000000	5b. Federal Award Identifier: 00000000	
State Use Only:		
6. Date Received by State: 01/24/2018	7. State Application Identifier: 00000000	
B. APPLICANT INFORMATION:		
* a. Legal Name: City of Merced		
* b. Employer/Employee Identification Number (EIN/EN): 00-0000000	* c. Organizational OHS: 1692115540906	
d. Address:		
* Street: 200 N. 3rd Street Street: * City: Merced City: * County/Parish: Merced County/Parish: * State: California State: * Zip: 95354 Zip: * Country: USA - UNITED STATES Country:		
e. Organizational Unit:		
Department Name: Dept. of Development Services		Division Name: Housing Division
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: Mr. Middle Name: C. Last Name: Danielson Suffix:	First Name: Nathan Title: Housing Division Supervisor Organizational Affiliation: Telephone Number: 209-285-8665 Fax Number: Email: Nathan.Danielson@merced.org	

Application for Federal Assistance SF424	
* 9. Type of Applicant 1: Select Applicant Type: <input type="text" value="City or Township Government"/>	
Type of Applicant 2: Select Applicant Type: <input type="text"/>	
Type of Applicant 3: Select Applicant Type: <input type="text"/>	
* Other (specify): <input type="text"/>	
* 10. Name of Federal Agency: <input type="text" value="U.S. Department of Housing and Urban Development"/>	
11. Catalog of Federal Domestic Assistance Number: <input type="text" value="14.219 / 01.038"/>	
CFDA Title: <input type="text" value="Housing Grants, Community Development, Home Based Enterprise Zones, etc."/>	
* 12. Funding Opportunity Number: <input type="text"/>	
* Title: <input type="text"/>	
13. Competition Identification Number: <input type="text"/>	
Title: <input type="text"/>	
14. Areas Affected by Project (Cities, Counties, States, etc.): <input type="text"/> <div> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/> </div>	
* 15. Descriptive Title of Applicant's Project: <input type="text" value="2018-2019 Annual Action Plan using discretionary federal programs funded by TBAC Program, Local Program, ExHonor 06 program, and other locally funded FY 2018 programs."/>	
Attach supporting documents as specified in agency instructions: <div> <input type="button" value="Add Attachments"/> <input type="button" value="Delete Attachments"/> <input type="button" value="View Attachments"/> </div>	

Application for Federal Assistance SF-424	
16. Congressional Districts Of: No. Program/Project: <input type="text" value="18"/>	
By Applicant: <input type="text" value="1"/> Attach an additional list of Program/Project Congressional Districts if needed. <div style="text-align: right;"> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/> </div>	
17. Proposed Project:	
a. Start Date: <input type="text" value="1/1/2018"/>	b. End Date: <input type="text" value="6/30/2018"/>
18. Estimated Funding (\$):	
a. Federal	<input type="text" value="1,000,000.00"/>
b. Applicant	<input type="text" value="1,485,250.00"/>
c. State	<input type="text" value="60,000.00"/>
d. Local	<input type="text" value="100,000.00"/>
e. Other	<input type="text" value="3,555,223.00"/>
f. Program Income	<input type="text" value="400,000.00"/>
g. TOTAL	<input type="text" value="7,100,473.00"/>
19. Is Application Subject to Review By State Under Executive Order 12372 Process? <input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="text" value=""/> <input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review. <input checked="" type="checkbox"/> c. Program is not covered by E.O. 12372.	
20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes", provide explanation and attach <input type="text" value=""/> <div style="text-align: right;"> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/> </div>	
21. "By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 28, Section 1001) <input checked="" type="checkbox"/> ** I AGREE ** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.	
Authorized Representative:	
Print: <input type="text" value="Mr."/> <input type="text" value="John Doe"/>	* Title: <input type="text" value="Manager"/>
Middle Name: <input type="text" value="E."/>	
* Last Name: <input type="text" value="Doe"/>	
Suffix: <input type="text" value=""/>	
* Title: <input type="text" value="City Manager"/>	
* Telephone Number: <input type="text" value="202-555-1234"/>	* Fax Number: <input type="text" value=""/>
* Email: <input type="text" value="john.doe@cityofdoe.org"/>	
* Signature of Authorized Representative: 	* Date Signed: <input type="text" value="01/01/2018"/>

ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4040-0001
Expiration Date: 01/31/2018

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (2048-0042), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:


- Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capacity (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
- Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance, and will establish a proper accounting system in accordance with generally accepted accounting standards or agency practices.
- Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will require the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
- Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
- Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or State.
- Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
- Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
- Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4128-4153) relating to prescribed standards of merit systems for programs funded under one of the 10 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 500, Subpart F).
- Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
- Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352), which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1605-1608), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794) which prohibits discrimination on the basis of handicap; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-618), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290a-290c-290c-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§8901 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

Previous Edition Usable

Authorized for Local Reproduction

Standard Form 424-J (Rev. 7/97)
Prescribed by GSA FPMR (41 CFR) 101-11.6

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§ 7301-7308 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis Bacon Act (40 U.S.C. §§ 276a to 276a-7), the Copeland Act (40 U.S.C. § 276c and 18 U.S.C. § 874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-353) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) siting location of evaluating facilities pursuant to EO 11758; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11858; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§ 1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§ 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§ 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. § 470); EO 11595 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§ 469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, 'Audits of States, Local Governments, and Non-Profit Organizations.'
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from: (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
	Chief Manager
APPLICANT ORGANIZATION	DATE SUBMITTED
City of Merced	6/21/2018

SF 4245 (Rev. 7/97) Part

☐ This certification does not apply.

☒ This certification is applicable.

NON-STATE GOVERNMENT CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing --The jurisdiction will affirmatively further fair housing.

Uniform Relocation Act and Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

Anti-Lobbying --To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction --The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

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Consistency with plan --The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the jurisdiction's consolidated plan.

Section 3 It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 135.

06/28/2018

Signature/Authorized Official _____ Date _____
Steven S. Carrigan _____
Name _____
City Manager _____
Title _____
878 W. 18th Street _____
Address _____
Merced, CA 95340 _____
City/State/Zip _____
(209) 385-6863 _____
Telephone Number _____

☐ This certification does not apply.

☒ This certification is applicable.

Specific Community Development Block Grant Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 570.

Following a Plan -- It is following a current consolidated plan that has been approved by HUD.

Use of Funds It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include CDBG assisted activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional CDBG Certification).

2. Overall Benefit. The aggregate use of CDBG funds, including Section 108 guaranteed loans, during program year(s) 2018, 2019, 2020 shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.

3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds)

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financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3618) and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, Subparts A, B, J, K and R.

Compliance with Laws -- It will comply with applicable laws.

06/28/2018

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☒ This certification is applicable.

OPTIONAL Community Development Block Grant Certification

Submit the following certification only when one or more of the activities in the action plan are designed to meet other community development needs having particular urgency as specified in 24 CFR 570.208(c):

The grantee hereby certifies that the Annual Plan includes one or more specifically identified CDBG- assisted activities which are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

06/28/2018

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☒ This certification is applicable.

Specific HOME Certifications

The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance -- If it plans to provide tenant-based rental assistance, the tenant-based rental assistance is an essential element of its consolidated plan.

Eligible Activities and Costs -- It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR §§92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in §92.214.

Subsidy layering -- Before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing;

06/28/2018

Signature/Authorized Official

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☒ This certification does not apply.

☐ This certification is applicable.

Emergency Solutions Grants Certifications

The Emergency Solutions Grants Program recipient certifies that:

Major rehabilitation/conversion/renovation – If an emergency shelter's rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation.

If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion.

In all other cases where ESG funds are used for renovation, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

Essential Services and Operating Costs – In the case of assistance involving shelter operations or essential services related to street outreach or emergency shelter, the recipient will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the recipient serves the same type of persons (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

Renovation – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

Supportive Services – The recipient will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, victim services, counseling, supervision, and other services essential for achieving independent living), and other Federal, State, local, and private assistance available for these individuals.

Matching Funds – The recipient will obtain matching amounts required under 24 CFR 576.201.

Confidentiality – The recipient has established and is implementing procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement – To the maximum extent practicable, the recipient will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted under the program.

Consolidated Plan – All activities the recipient undertakes with assistance under ESG are consistent with its consolidated plan.

Discharge Policy – The recipient will establish and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.

06/28/2018

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☐ This certification is applicable.

Housing Opportunities for Persons With AIDS (HOPWA) Certifications

The HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under that program shall be operated for the purpose specified in the consolidated plan:

1. For a period of not less than 10 years in the case of assistance involving new construction, substantial rehabilitation, or acquisition of a facility,
2. For a period of not less than 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

06/28/2018

Signature/Authorized Official

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☐ This certification does not apply.

☒ This certification is applicable.

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING CERTIFICATION:

Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

06/28/2018

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