

CITY OF MERCED
NOTICE OF OPPORTUNITY TO REVIEW AND COMMENT for
SUBSTANTIAL AMENDMENT #3 TO THE 2019 ANNUAL ACTION PLAN; and
SUBSTANTIAL AMENDMENT #1 TO THE 2024 ANNUAL ACTION PLAN

This Notice serves to notify City of Merced residents and interested stakeholders of: 1) proposed amendments to the U.S. Department of Housing and Urban Development (HUD) 2019 and 2024 Annual Action Plans; 2) an opportunity to review and comment on the proposed changes; and, 3) the anticipated date of the City Council meeting to approve the proposals. Amendment information is summarized below, and more details are provided on the City of Merced Housing Division website (see below).

1A. PROPOSED 3rd SUBSTANTIAL AMENDMENT TO THE 2019 ANNUAL ACTION PLAN

Between April and September 2020, HUD allocated a total of \$1,193,573 of Coronavirus Community Development Block Grant (CDBG-CV) funds to the City in two separate rounds of funding authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act (Public Law 116-136) to prevent, prepare for, and respond to the effects of the COVID-19 Coronavirus pandemic. After a needs assessment in Spring 2020, the City substantially amended its 2019 Annual Action Plan twice to allocate the funds to short-term rental assistance, food bank assistance, and microenterprise/small business assistance programs to respond to highest community need. As of December 2024, these programs are no longer able to spend the funds, indicating that community's needs have shifted back to pre-Pandemic levels. Approximately \$470,109.69 of CDBG-CV funds remain. The City wishes to reallocate remaining CDBG-CV funds to activities that would help prevent and prepare for the next pandemic. Eligible activities include reconstructing degraded water lines in low- to moderate-income concentrated areas of the city, which ensures potable water delivery to homes. A water and sewer main improvement project that was approved in the 2023 Annual Action Plan needs additional funding to complete, and the remaining CDBG-CV funds are proposed for this project. Other alterations to the 2019 Plan will be minor text and annual goal changes related to the reallocation of funds.

1B. PROPOSED 1st AMENDMENT TO THE 2024 ANNUAL ACTION PLAN

The 2024 Annual Action Plan was approved at the August 5, 2024, City Council Meeting. At this meeting, the City Council approved all proposed projects except one that involved acquisition and rehabilitation of a 1-4 unit residential structures for subsequent rental to low- to moderate-income (LMI) households. The City Council requested that City staff begin an amendment process to be able to consider alternative use(s) for the \$703,656 CDBG funds tentatively approved for the acquisition-rehab activities. Suggested alternative projects will be posted for public review on the Housing Division's website listed below. Additionally, the City expects that HUD will be returning \$307,913.40 of prior-year CDBG funds to the City during the 2024 program year. The City is proposing to re-allocate these funds to the same water and sewer main project noted above. Other alterations to the 2024 Plan will be minor text and annual goal changes related to amended projects and added funds.

2. OPPORTUNITY TO REVIEW AND COMMENT – January 3 to February 3, 2025

A SUMMARY OF THE PROPOSED CHANGES IS AVAILABLE FOR PUBLIC REVIEW FOR A MINIMUM PERIOD OF 30 DAYS FROM THE PUBLISH DATE OF THIS NOTICE. Preliminary amended drafts of the 2019 and 2024 Annual Action Plans might also be ready to view during this period. Ways documents can be viewed: 1) website: www.cityofmerced.org/housing, then follow the links posted to download/view; 2) by email: housing@cityofmerced.org (allow 1-2 business days for response); and, 3) in person at the Housing Division office. THE PUBLIC MAY PROVIDE COMMENT ON THE PROPOSED AMENDMENTS DURING THE REVIEW/COMMENT PERIOD (THRU 5PM ON 2/3/25). Written comments may be submitted by, 1) emailing: housing@cityofmerced.org; 2) mailing to: Merced City Housing Division-Public Comments, 678 W 18th Street, Merced CA 95340; or, 3) submitted on paper/dictated in person to Housing Division staff. Housing Division office location: 2nd Floor Merced Civic Center/City Hall, 678 W. 18th Street, Merced. Business hours: Monday-Friday 9am-5pm, closed noon-1pm (closed 1/20/25 for holiday). The Civic Center is ADA accessible.

