

# G1 Review of Past Accomplishments

To develop appropriate programs to address the housing issues identified in the 2024-2032 Housing Element (6<sup>th</sup> cycle), the City of Merced has reviewed the housing programs adopted in the 2015-2022 Housing Element (5<sup>th</sup> cycle) and evaluated the effectiveness of these programs in delivering housing services and assistance. Table 1 summarizes the City’s progress toward the previous Regional Housing Needs Allocation (RHNA) and Table 2 provides a detailed program-level assessment of housing accomplishments over the 5<sup>th</sup> cycle planning period. Programs that are routine staff functions with no specific actions and no direct City involvement are not continued as housing programs in the 6<sup>th</sup> Cycle Housing Element.

## G1.1 Effectiveness in Addressing Special Needs

The City was successful in facilitating the development of housing for special needs groups during the 5<sup>th</sup> Cycle Housing Element. Several programs were incorporated during the 5<sup>th</sup> cycle that identified specific solutions to housing for special needs groups such as seniors, homeless, female-headed households, large families, low-income households, and/or persons with disabilities. This includes Program H1.3.a and H1.3.b in which the City worked with the Central Valley Coalition for Affordable Housing to enter into joint development agreements to develop the affordable housing project at Childs and B Street to support special needs groups. In addition, the City has also worked with the Community Housing Development Organization and UP Holdings to provide and develop transitional and special needs supportive housing per Program H1.7.b. The City also continues to work with Housing Authority of the Merced County, the Community Action Agency, the Salvation Army, Continuum of Care partners, Merced Rescue Mission, and Sierra Saving Grave to implement Program H3.1.b, which encourages the City to coordinate with local agencies to provide housing assistance to extremely low-, very low-, and low-income households.

## G1.2 Quantified Objectives

Table G1-1 summarizes the City’s progress toward meeting the previous 5<sup>th</sup> Cycle Housing Element RHNA, as well as objectives to rehabilitate and conserve/preserve existing housing stock. The City of Merced, although it had a compliant 5<sup>th</sup> Cycle Housing Element Site Inventory, did not reach its 5<sup>th</sup> cycle RHNA goals in the Extremely Low-, Very Low-, Low-, and Moderate-Income categories.

**Table G1-1 Quantified Housing Objective and Achieved Accomplishments**

	New Construction		Rehabilitation		Preservation (At-Risk Units)	
	RHNA (2016-2024)	Actual	Objectives	Actual	Objectives	Actual
Extremely Low-Income	-	-	-	-	-	-
Very Low-Income	1,351	58	-	-	-	-
Low-Income	966	61	-	-	-	-
Moderate-Income	886	733	-	-	-	-
Above Moderate-Income	2,348	2,490	-	-	-	-
<b>Total</b>	<b>5,551</b>	<b>3,342</b>	-	-	-	-

## G1.3 Review of Past Accomplishments

Table G1-2 provides a detailed program-level assessment of housing accomplishments during the 5<sup>th</sup> Cycle Housing Element planning period.

**Table G1-2 Review of Past Accomplishments**

Program	Program Objectives	Progress and Continued Appropriateness
<p>Program H1.1.a - Evaluate for Multi-Family Housing Development</p>	<p>The City will complete evaluation of vacant and underutilized parcels throughout the City to determine suitability and feasibility for potential multi-family development, considering at least, but not limited to, location, size, circulation, and available infrastructure. Staff will monitor and evaluate whether the higher density sites are providing realistic development opportunities for low-income households through the general plan annual review process (Government Code 65400). In addition, staff will work to educate the public and decision-makers about affordable housing, especially multi-family developments, to help alleviate “NIMBYism” when developments are proposed and to ensure decisions regarding developments are made based on adopted plans and policies. The City will encourage developments devoted exclusively to Senior housing.</p>	<p>The City maintains a listing of vacant sites for residential development. The City strives to update the list on an annual basis. In 2023, the City completed a Residential Infill Study, which is a complete list of vacant and developable land for residential development. Each parcel has a score, rating its proximity to schools, parks, and bus stops as well as available infrastructure. The Infill Report is publicly available on the City’s webpage. The City recently reviewed Table 9.4.4 and 9.4.8 of the Housing Element and concluded that the City still has sufficient land designated for multifamily development to meet the RHNA requirement for extremely low-, very low-, and low-income households. The City advises developers of multifamily projects to host neighborhood meetings to help educate the neighborhood on their project. The City participates in these meetings by answering questions and helping to provide education about multifamily projects. In 2021, City staff attended two such meetings. The Planning Department provides information at the front counter and on the Planning Department website to educate the public about NIMBYism. The City also provides a Tentative Subdivision Activity List and Development Activity List on the Planning Department website. Additionally, the City has streamlined the approval process for many projects requiring a discretionary review from requiring a Conditional Use Permit before the Planning Commission or a Site Plan Review Permit to a staff-level approval is required.</p> <p><b>Continued Appropriateness:</b> Program H1.1.a will be refined and incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 2.</p>

Program	Program Objectives	Progress and Continued Appropriateness
<p>Program H1.1.b - Promote the use of Residential Planned Development Zoning</p>	<p>Expedite processing of Residential Planned Development (RPD) permits to encourage innovative site planning, multi-level developments, clustered housing design and planned open space. Evaluate the use of incentives, such as allowing higher densities, or other incentives determined to be appropriate, to developers providing childcare centers within their development. Provide more education to the public and decision-makers regarding the benefits of small lot developments.</p>	<p>The City's building permit review process has been streamlined to allow for master plan reviews. This allows the developer to submit specific house plans or in the case of multifamily development, specific building plans for review, then pull subsequent building permits with only a site plan and any other required documents for an expedited review. This process is used within all zones in the city. The City encourages higher-density developments and the inclusion of childcare centers within multifamily developments but has not yet developed an incentive program for such. The City is receptive to small lot developments and has included a section in the Zoning Ordinance (refined in 2016) to address small lot single-family homes.</p> <p><b>Continued Appropriateness:</b> Program H1.1.b is partially complete and will be refined and incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 7.</p>
<p>Program H1.1.c - Encourage Mixed Use Development</p>	<p>Expand the use of mixed-use residential/office/retail developments in the City's core downtown and other appropriate commercial centers to support both affordable housing and economic development goals through priority permit processing. Proposed amendments to the City's Zoning Ordinance would allow residential uses as a principally permitted use in Central Commercial (C-C) zone which encompasses most of the downtown area and would be consistent with the City's Downtown Strategy. The city will promote development consistent with the "Downtown Strategy." In addition, proposed changes in the Zoning Ordinance update would reduce the parking requirements for residential developments near approved transit stops. The use of other incentives will be reviewed.</p>	<p>In 2016, the City adopted a comprehensive update to the City's Zoning Code. This update included allowing multifamily development as a permitted use in the Central Commercial Zone (most of the downtown area). The update also included parking reductions for mixed-use developments and developments near transit stops. The City continues to promote development in the downtown area to include more housing and mixed-use developments. In 2020, the former Tioga Hotel, now renamed Tioga Apartments, opened its doors as an apartment complex in the downtown area providing approximately 79 units. Also, in 2020, a mixed-use development (The Hub) that included 200 market-rate units was approved in the northeast section of the City. This development is currently under construction and will be ready for tenants in 2024.</p> <p><b>Continued Appropriateness:</b> Program H1.1.c is ongoing and will be incorporated into the 6<sup>th</sup> Cycle Housing Element as part of the meaningful actions.</p>

Merced County Association of Governments  
**Merced County Multi-Jurisdictional Housing Element (2024-2032)**

Program	Program Objectives	Progress and Continued Appropriateness
<p>Program H1.1.d - Review and Update the City's Zoning Ordinance to Assure Compliance with State Law</p>	<p>Review Zoning Ordinance at least annually to assure compliance with state law. Complete comprehensive Zoning Ordinance update.</p>	<p>The City completed the comprehensive Zoning Code Update and the new Zoning Code became effective October 19, 2016. The City does an annual review to ensure compliance with state laws and would make any amendments necessary to implement any new laws. In 2019 the City refined the Accessory Dwelling Unit (ADU) Ordinance and made updates in 2020, 2021, and 2023 to comply with changes to state law. The City was awarded Senate Bill (SB) 2 Grant Funds which will be used to update the Zoning Code to provide provisions for tiny home development, expand the development of duplexes in single-family zones as a "by-right" development, streamline small-lot development, and update the tentative subdivision map process. The City also added a section into the ADU ordinance to allow tiny homes on wheels as ADU's. The City has also incorporated a procedure for reviewing SB 35 applications in 2020 but will be reviewing those procedures in 2023 and 2024.</p> <p><b>Continued Appropriateness:</b> Program H1.1.d is partially complete. The 6<sup>th</sup> Cycle Housing Element will identify further constraints in the Zoning Ordinance addressed in Housing Program 6.</p>
<p>Program H1.1.e - Encourage Alternate Housing Types</p>	<p>Through priority permit processing, encourage the development of alternate housing designs that can be built on smaller footprints. The Planning Division will inform potential developers of the benefits/cost savings of alternate housing designs and smaller footprints fostering a larger return on investment (ROI) with more units per acre, thus providing more affordable housing. Priority processing saves developers time and money to help keep development affordable and is also important for them to meet State and Federal tax credit deadlines. The City's "Small Lot Design Guidelines" have been incorporated in the comprehensive Zoning Ordinance update and setback requirements have been increased providing more open space to encourage the public to be more accepting of the small lot design concept. Additionally, staff will encourage developments to build 2 and 3-story houses to provide more floor area on a smaller lot.</p>	<p>The refined Zoning Code included a section on small lots to make the development of these lots easier for developers. This section provides development standards and guidelines for small lot developments. Small lot developments require Conditional Use Permit approval which can typically be obtained within 60 to 90 days, as opposed to a zone change process which could take up to four to six months. The City has also added a section to the Zoning Code for ADUs in compliance with state requirements. The City continues to update this ordinance in compliance with state law. Additionally, the City added a section to provide for the development of tiny homes and tiny homes on wheels as ADUs. The city developed Pre-Approved ADU, duplex, and triplex design programs so that residents can save design costs when building these types of homes</p> <p><b>Continued Appropriateness:</b> Program H1.1.e priority processing is ongoing with the adoption of the comprehensive Zoning Code in 2016 and will be incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Programs 5 and 6.</p>

Program	Program Objectives	Progress and Continued Appropriateness
<p>Program H1.1.f - Encourage the Use of the Density Bonus Provision to allow a 50% increase in the number of units allowed in medium and high density zones dedicated exclusively for Senior Housing, if at least 50% of the units are affordable to very low-income households.</p>	<p>Complete the adoption of the Draft Zoning Ordinance which includes a provision to allow a reduction in the number of parking spaces for “low demand” uses. Senior housing could be considered “low demand,” and be eligible for such a reduction.</p>	<p>The updated Zoning Code brought the City's Density Bonus requirements into compliance with state law. The City continues to monitor changes to the Density Bonus law and make updates as needed; the most recent changes were in 2023. The updated Zoning Code also has provisions for parking reductions when there is a low-demand use such as senior housing or when located near a transit stop.</p> <p><b>Continued Appropriateness:</b> Program H1.1.f is ongoing with the adoption of Zoning Ordinance update in 2016 and 2023, and will be incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 6.</p>
<p>Program H1.1.g - Work with UC Merced to Develop a Student Housing Plan</p>	<p>City staff will work with representatives of UC Merced to consider the development of a Student Housing Plan. The plan should address issues of student housing within residential neighborhoods. It should include programs to educate students on being good neighbors. It should also address the need to locate fraternity/sorority housing within Medium-High and High Density Zones until such time as they can be supported on campus.</p>	<p>This program was initiated in December 2018. The City has not initiated talks with University of California (UC), Merced specifically related to housing. However, there have been several private developers who have been working with UC Merced to help provide student housing. The City supports the efforts of developers to provide multifamily student housing developments. The City will work to make contact with UC Merced to discuss the issues related to student housing in residential neighborhoods. In 2021, the City Council directed staff to begin the process to annex the UC Merced Campus using the provisions of Assembly Bill (AB) 3312, which should lead to more coordination between the City and UC on many issues.</p> <p><b>Continued Appropriateness:</b> Program H1.1.g is incomplete and will be refined and incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 10.</p>
<p>Program H1.1.h - Encourage the use of the City's Lot Split Process (Parcel Map) to subdivide large parcels into smaller parcels that would be more likely to be developed for affordable housing.</p>	<p>Encourage developers of affordable housing to consider subdividing large lots into smaller lots more suitable for affordable housing. This process is done through staff-level approval with no public hearings before the City Council or Planning Commission. The process takes approximately 3 weeks.</p>	<p>The City's Lot Split process continues to be available to all property owners to create smaller parcels for development. Lot Split applications are reviewed by the Minor Subdivision Committee, a staff level committee, which helps to expedite the process.</p> <p><b>Continued Appropriateness:</b> Program H1.1.h is ongoing and will be incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 7.</p>

Merced County Association of Governments  
**Merced County Multi-Jurisdictional Housing Element (2024-2032)**

Program	Program Objectives	Progress and Continued Appropriateness
<p>Program H1.2.a - Review Design Standards, Update for Affordability</p>	<p>Deviations to improvement standards contained in the Subdivision Ordinance may currently be granted by the Planning Commission through the Tentative Subdivision Map process. To reduce the need for multiple case-by-case considerations, continue periodic review of infrastructure and road requirements. Identify potential revisions to reduce construction/improvement costs for new development without negative impact to quality or capacity.</p>	<p>The City's Engineering Department does an annual review of the City's Improvement Standards. The City is currently working on a comprehensive update of all the City Standards. It is anticipated that the revised City Standards would be adopted in 2022.</p> <p><b>Continued Appropriateness:</b> Program H1.2.a is ongoing and will be incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 6.</p>
<p>Program H1.2.b - Continue City Housing Program</p>	<p>Provide incentives to encourage affordable housing development through the use of grant funds such as CDBG and HOME funds.</p>	<p>The City continues to receive Community Development Block Grant Programs (CDBG) and HOME funds to be used to help develop new affordable housing and maintain existing affordable housing units. The Housing Division works with Habitat for Humanity, Merced/Stanislaus Counties to perform rehabilitation projects on owner-occupied single-family homes and works with developers to provide new affordable housing projects (both single-family and multifamily). Currently, the City is working with the Central Valley Coalition for Affordable Housing to construct a new 68-unit affordable housing apartment complex (Gateway Terrace II). It was expected that this project would begin construction prior to the end of 2020. However, due to an issue with the Environmental Review for the project, the project has been delayed. Construction is expected to begin in mid-2024. The City also works with the Merced Rescue Mission, Habitat for Humanity, Merced/Stanislaus Counties, and Sierra Saving Grace to provide housing assistance. The City has used HOME &amp; CDBG funds and a United States Department of Housing and Urban Development (HUD) 108 Loan to help fund one 119-unit affordable apartment complex at Childs &amp; B Street and is working to help fund the Mercy Village project on Park Avenue and Devonwood Apartments, a 156-unit multi-family affordable project on Devonwood Dr. The City is working with a developer on a Home Key project to provide 93 permanent supportive housing units that just opened its doors in December 2023. Also, the City is working with a developer to open a 21-unit container home project specifically to provide permanent homes for homeless veterans.</p> <p><b>Continued Appropriateness:</b> Program H1.2.b is ongoing and will be refined and incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 7.</p>

Program	Program Objectives	Progress and Continued Appropriateness
<p>Program H1.2.c - Conduct studies to identify the needs of disadvantaged communities per Senate Bill 244</p>	<p>As annexations occur, conduct studies to determine the needs of disadvantaged communities within the City Sphere of Influence in proximity to the proposed annexation. Identify the areas lacking sewer and/or water availability and those areas in need of other revitalization efforts and other infrastructure upgrades (sidewalks, fire hydrants, etc.). Ensure that land annexed into the city for development can be supplied by the City’s sewer and water facilities.</p>	<p>The City is currently working on two active annexations and has preliminary applications for five additional annexations. As part of the annexation process, the City will evaluate each area for disadvantaged communities. As part of the annexation process, an evaluation is conducted to ensure the city can supply adequate sewer and water to the annexation area. The City hired a consultant in 2023 to assist with an SB 244 analysis that is nearing completion.</p> <p><b>Continued Appropriateness:</b> Program H1.2.c shall continue as funds are available and as annexation occurs. This program will be incorporated into the 6<sup>th</sup> Cycle Housing Element as part of the AFFH meaningful actions.</p>
<p>Program H1.2.d - Pursue funding strategies to assist disadvantaged communities</p>	<p>Apply for funding such as the Community Revitalization and Investment Authority (AB 2) that focus on addressing distressed.</p>	<p>The City has not applied for any funds to date, but staff continue to monitor all available funding will apply when appropriate to do so.</p> <p><b>Continued Appropriateness:</b> Program H1.2.d is incomplete and will be refined and incorporated into the 6<sup>th</sup> Cycle Housing Element as part of the AFFH meaningful actions.</p>
<p>Program H1.3.a - Participate in Joint Development Agreements</p>	<p>Continue City staff exploration and pursuit of feasible development agreements for joint public/private development of affordable rental and ownership housing, including senior housing, “special needs” housing, farmworkers, supportive and transitional housing, or emergency shelters for the homeless within the city. Said development agreements shall ensure affordable housing mix, appropriate covenants of affordability terms, and conditional recapture provisions. Specifically, the city will invite developers of affordable housing to participate in Joint Development Agreements. Special focus will be placed on agreements for the development of housing for extremely low income households. The City’s goal is to execute one agreement annually to achieve 50 units of low-mod housing. Use development agreements to encourage the construction of childcare centers within affordable housing developments.</p>	<p>The City continues to work with the Central Valley Coalition for Affordable Housing and enters into joint development agreements to provide affordable housing. Such agreements are being used for the Development of the 119-unit affordable apartment project at Childs &amp; B Street. This development will provide units for extremely low- and very low-income households as well as permanent supportive housing units. The City went out for a Request For Proposal in 2021 to find qualified affordable housing developers. A number of developers responded and the City is working with them to bring forth developments for affordable housing. Projects include 1213 V Street, that just opened 96 units of permanent supportive housing for formerly homeless people. Several other developers have projects in various stages of pre-development with the City, most are expected to start construction in 2023 or 2024.</p> <p><b>Continued Appropriateness:</b> Program H1.3.a is ongoing and will be revised and incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 7.</p>

Merced County Association of Governments  
**Merced County Multi-Jurisdictional Housing Element (2024-2032)**

Program	Program Objectives	Progress and Continued Appropriateness
<p>Program H1.3.b - Encourage the construction of childcare centers within new housing developments through the use of Joint Development Agreements.</p>	<p>The city recognizes the need for quality childcare. In addition, the city recognizes the large amount of traffic and emissions produced by the numerous trips families make throughout the city in going to and from childcare centers. The city also recognizes that many families who need affordable housing, especially female-headed households, need childcare on-site (within apartment complexes) or within close proximity to their home or transit services.</p>	<p>This program was initiated in December 2019. The City encourages development of childcare centers within all housing developments. However, an incentive program has not been developed.</p> <p><b>Continued Appropriateness:</b> Program H1.3.b is incomplete and will be refined incorporated into the 6<sup>th</sup> Cycle Housing Element as part of the AFFH meaningful actions.</p>
<p>Program H1.4 - One-Stop Permit Center Fast Tracked Processing</p>	<p>Continue the City's current procedures for processing development proposals and approving permits; accelerating the approval process for affordable and senior housing developments.</p>	<p>Procedures remain in place to expedite the approval process for affordable and senior housing. City staff review these procedures every two years to determine if changes or updates to the current procedures need to be made. The City has incorporated a review process in compliance with SB 35. In addition, the City submitted an application for SB 2 funding and was awarded funding for various projects to promote housing. An application for Local Early Action Planning (LEAP) funding was submitted and received in 2021. The City committed to developing an "off-the-shelf" plan for ADUs and pre-designed duplex units to help expedite the development process and reduce development costs; those projects were completed in 2023.</p> <p><b>Continued Appropriateness:</b> This is a routine procedure for the City. Therefore, this program will not be carried over into the 6<sup>th</sup> Cycle Housing Element.</p>
<p>Program H1.5.a - Encourage Homeowners to Construct Second Units</p>	<p>Continue to publicize the Second Unit Ordinance and the income benefits of second unit construction to homeowners in the city. Link this promotion with information on the availability of low-interest rehabilitation loans and other funding programs to support second unit development and provide technical support as necessary to interested homeowners. Provide information on second units and their benefits via the City's website, monthly newsletter, and brochures at the front counter.</p>	<p>The City provides information to customers when they inquire about building second units, now known as ADUs. The City's Zoning Code, which includes the regulations for ADUs, is available on the City's website. The City adopted a refined ADU ordinance in 2019, 2021, and continues to update the ordinance to be in compliance with state law, the most recent update being in 2023. The Ordinance now includes provisions for using tiny homes on wheels as ADUs.</p> <p><b>Continued Appropriateness:</b> Program H1.5.a is ongoing and will be incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 5.</p>



Program	Program Objectives	Progress and Continued Appropriateness
<p>Program H1.6.a - Apply for Funding to Support New Housing Construction</p>	<p>Continue to seek potential funding sources and actively pursue funding for affordable housing.</p>	<p>The City continues to actively seek different funding opportunities to help support the development of affordable housing. The City currently receives CDBG and HOME funds, as well as Cal-Home First-Time Home Buyer funds. The City received funds from the Affordable Housing Sustainable Communities (AHSC) program through the California Department of Housing and Community Development for the Childs &amp; B Street project. The City has also received American Rescue Plan Act funds, of which a portion has been designated for affordable housing development. The City was awarded over \$28 Million for two Homekey projects. The City also has a five-year Permanent Local Housing Allocation grant for affordable housing.</p> <p><b>Continued Appropriateness:</b> Program H1.6.a is ongoing and will be incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 1 and 7.</p>
<p>Program H1.6.b - Provide Assistance for Private and Nonprofit Applicants to State and Federal Programs</p>	<p>Assist private individuals and nonprofit organizations in applying for State and Federal funds at least once each year. Assistance may take the form of information referral, consultation regarding program applications, and/or lobbying by local officials on behalf of the applicant. Special focus will be given to applicants applying for funding to assist in the development of extremely-low income housing.</p>	<p>The City has assisted in assembling the funding for the Childs and B Street project. The City has also consulted other developers on possible funding opportunities and assists with completing forms needed for developers to receive federal and state tax credits.</p> <p><b>Continued Appropriateness:</b> Program H1.6.b is ongoing and will be incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 10.</p>
<p>Program H1.7.a - Continue Continuum of Care Development and Participation</p>	<p>The City will continue to work with Merced County and the Merced County Association of Governments to implement the Continuum of Care to address the homeless issues in Merced. The city will continue to research funding opportunities for homeless and transitional shelters and will work with other agencies to ensure the needs of the homeless community are met.</p>	<p>The City continues to participate in the Continuum of Care through the Housing Department. Typically, City employees have participated in the annual Homeless Count, but due to COVID-19, that count was not performed in 2020 or 2021.</p> <p><b>Continued Appropriateness:</b> Program H1.7.a is ongoing and will be incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 10.</p>
<p>Program H1.7.b - Promote and Develop Housing to Meet Special Needs</p>	<p>Assist private and nonprofit developers, such as the Central Valley Coalition for Affordable Housing, by identifying potential sites and financial resources for the construction of housing to meet special needs. Such projects might include, but are not limited to: senior housing, including congregate care facilities; housing for people with physical and mental disabilities; transitional housing for the homeless; an emergency shelter for</p>	<p>The Housing Program works with the City's Community Housing Development Organization (CHDO) to complete at least one project annually to provide housing to those with special needs. The City will continue to work with the CHDO and any other agencies in an effort to provide more affordable housing for extremely low-, very low-, low income-, and special needs households. The City worked to help develop the Childs &amp; B Street Project in conjunction with a private developer and the Central Valley Coalition for Affordable Housing.</p>

Merced County Association of Governments  
**Merced County Multi-Jurisdictional Housing Element (2024-2032)**

Program	Program Objectives	Progress and Continued Appropriateness
	<p>the homeless; and housing for large families, extremely low-income families, and farmworkers. The City will provide further assistance to the identified need of additional emergency shelter facilities by applying for Proposition 46 funding to provide for such facilities or by supporting other agency applications.</p>	<p>This project provides 119 units for affordable housing, including 30 permanent supportive housing units. Additionally, the City worked with UPHoldings to develop a Homekey project for 95 permanent supportive housing units.</p> <p><b>Continued Appropriateness:</b> Program H1.7.b will be incorporated into the 6th Cycle Housing Element as Housing Program 10.</p>
<p>Program H1.7.c - Assist in Obtaining Funding for Farmworker Housing</p>	<p>The City shall apply for or support applications for funding for farm worker housing. The City shall periodically review available funding programs to identify additional funding sources for farmworker housing.</p>	<p>The city has not identified any funding specifically available for farmworkers but supported a developer with an application for which they were awarded a grant for farmworker housing. The city will continue to monitor funding opportunities and will apply when appropriate.</p> <p><b>Continued Appropriateness:</b> Program H1.7.c will be monitored annually and incorporated into the 6th Cycle Housing Element as Housing Program 11.</p>
<p>Program H1.7.d - Assess the need for Farmworker Housing</p>	<p>Work with farm owners and central labor providers to determine the number of farmworkers who may need housing. The resulting report should address permanent workers, seasonal resident works, and migrant workers.</p>	<p>This program was initiated in December 2019. Due to limited staff and resources, the City has not met with farm owners and central labor providers to date.</p> <p><b>Continued Appropriateness:</b> Program H1.7.d is incomplete and will be refined and incorporated into the 6<sup>th</sup> Cycle Housing Element, as Housing Program 11.</p>
<p>Program H1.7.e - Provide incentives for the development of farmworker housing</p>	<p>Provide fast-track permit processing: offer a reduction in the number of parking spaces required based on the number of vehicles used for transportation; Explore the use of modified site development standards, e.g. - street widths, paving, curbs/gutters, placement of public works improvements, or landscaping.</p>	<p>The City has not received any applications for farmworker housing to apply any of these processes.</p> <p><b>Continued Appropriateness:</b> Program H1.7.e is ongoing and will be incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 11.</p>
<p>Program H1.7.f - Consider amending the Zoning Ordinance to allow a reduction in parking requirements for persons with disabilities.</p>	<p>Complete the adoption of the Draft Zoning Ordinance which includes a section to allow the reduction in required parking spaces for uses considered to be “low demand.” This could include parking requirements for developments for persons with disabilities.</p>	<p>This program was initiated in December 2016 and completed with the adoption of the Zoning Code Update in 2016.</p> <p><b>Continued Appropriateness:</b> Program H1.7.f was completed in 2016 and will not be incorporated into the 6<sup>th</sup> Cycle Housing Element.</p>

Program	Program Objectives	Progress and Continued Appropriateness
<p>Program H1.8.a - In-fill and Multi-family Lot Inventory</p>	<p>Develop an inventory of available infill and multi-family lots. The inventory will include location, parcel sizes, amenities, and available infrastructure. The city will keep said inventory current and information will be made available to developers.</p>	<p>The City has developed an inventory of available infill and multifamily lots and refines it as needed and makes it available to the public. Most recently an Infill Study was completed and posted online for the public to use.</p> <p><b>Continued Appropriateness:</b> Program H1.8.a will be monitored as needed and incorporated into the 6<sup>th</sup> Cycle Housing Element, as Housing Program 2.</p>
<p>Program H1.8.b- Prioritize City efforts to encourage residential development by focusing on in-fill development and densification within the existing City Limits.</p>	<p>City staff will encourage development within the existing City Limits and especially within the City’s Core Area. Staff will analyze vacant and underutilized land to identify constraints to in-fill development. Using the information found in the analysis, staff will develop an “In-fill Strategy.” Staff will work with neighborhood and business groups, as well as with other interested organizations, to identify and address their concerns and preferences related to in-fill development. In addition, staff shall consider providing incentives such as reduced fees or priority permitting for in-fill developments, especially within the City’s Core Area.</p>	<p>City staff continue to work with developers to develop infill sites. The city has approved entitlements for two apartment projects in 2021 totaling 160 units. The Infill Study was completed in 2023 , the City is making good progress with the implementation of this policy. The city provides a Tentative Subdivision Map Activity list and a Development Activity list on the Planning Department website to provide information on current developments and future subdivisions.</p> <p><b>Continued Appropriateness:</b> Program H1.8.b is ongoing and will be refined and incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 2.</p>
<p>Program H1.8.c - Provide Ample Land Through Planned Annexations</p>	<p>The City will continue to monitor residential land availability and encourage and pursue annexations as necessary to maintain a 10-year supply of zoned vacant residential property.</p>	<p>The city is currently working on an annexation that would include 540 apartment units, plus an additional 30 units as part of a mixed-use development. The city is also working on another small annexation that includes 13.5 acres of land designated for multifamily development. The city has incorporated a preliminary application process to allow the City Council to review preliminary annexation applications and provide direction on the applications. The City is currently processing five preliminary applications, all of which would include land for housing.</p> <p><b>Continued Appropriateness:</b> The Site Inventory does not include any sites that would require annexation. Therefore, this program will not be carried over into the 6<sup>th</sup> Cycle Housing Element.</p>

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**Merced County Multi-Jurisdictional Housing Element (2024-2032)**

Program	Program Objectives	Progress and Continued Appropriateness
<p>Program H2.1.a - Continue the Housing Rehabilitation Loan Program</p>	<p>Continue to allocate monies from the City's Affordable Housing Program and expand the City's Housing Rehabilitation Grant Program.</p>	<p>The City continues to receive CDBG and HOME funds which are used to help develop new affordable housing and maintain existing affordable housing units. The Housing Program works with Habitat for Humanity, Merced/Stanislaus Counties to perform rehabilitation projects on owner-occupied single-family homes and works with developers to provide new affordable housing projects (both single-family and multifamily). Currently, the city is working with the Central Valley Coalition for Affordable Housing to construct a new 68-unit affordable housing apartment complex (Gateway Terrace II). It was expected that this project would begin construction prior to the end of 2022. However, due to an issue with the Environmental Review for the project, the project has been delayed. Construction is expected to begin in mid-2024. The City also works with Sierra Saving Grace and the Merced Rescue Mission to provide funding for housing assistance.</p> <p><b>Continued Appropriateness:</b> Program H2.1.a is ongoing and will be incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Programs 7 and 9.</p>
<p>Program H2.1.b - Identify and Notify Owners of Substandard Units</p>	<p>Notify property owners regarding available rehabilitation programs to remedy code violations.</p>	<p>The City's Code Enforcement Officers work with the Inspection Services Department to identify substandard housing. Property owners are given an opportunity to correct violations and may be eligible for funding through the Housing Division. The City's Building and Housing Board of Appeals hears appeals regarding citations issued by the Code Enforcement officers related to substandard housing.</p> <p><b>Continued Appropriateness:</b> Program H2.1.b is continuous and will be incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 9.</p>
<p>Program H2.1.c - Provide Public Information on Preventative Maintenance and Energy Conservation</p>	<p>Utilize information dissemination programs such as the City's website and monthly newsletter to educate the public on low-cost preventative maintenance, as well as energy conservation measures, they can take to prolong the life and quality of their home and reduce their long-term utility and maintenance costs.</p>	<p>The city continues to provide information on homeowner maintenance through the dissemination of brochures and information on the City's website.</p> <p><b>Continued Appropriateness:</b> Program H2.1.c is ongoing and will be incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 9.</p>

Program	Program Objectives	Progress and Continued Appropriateness
Program H2.1.d – Conservation of At-Risk Units	The city will continue to contact owners and operators of such units at least annually to monitor when/if the units are being considered for conversion. The city will, as needed, assist potential non-profit buyers to apply for California Housing Finance Agency funding to purchase and operate “At-Risk” facilities for continued affordability. The City will investigate possible incentive programs to encourage property owners to keep their properties affordable. Staff will work with the Housing Authority to determine if they offer programs that will assist property owners in maintaining their property as affordable units.	The City continues to monitor units that have a covenant for affordability and make contact with property owners as needed when units are considered to be “at-risk” of losing their affordability. An annual review is done to ensure existing affordable units are maintained as affordable.  <b>Continued Appropriateness:</b> Program H2.1.d will be monitored annually and incorporated into the 6 <sup>th</sup> Cycle Housing Element as Housing Program 8.
Program H2.1.e - Energy Conservation	The City shall continue to assist low-income homeowners and renters in securing energy audits through local utility companies. Informational flyers should be provided at City offices and other public buildings to advertise funding sources for making any necessary changes such as energy conservation fixtures and devices. All projects funded through the Housing Program shall be designed to meet all state energy efficiency standards. The City will also continue to promote its participation in the HERO program.	The City Housing Division continues to provide information on energy efficiency and to ensure that all projects undertaken through the Housing Department meet the minimum energy standards required by the California Energy Code.  <b>Continued Appropriateness:</b> Program H2.1.e is ongoing and will be incorporated into the 6 <sup>th</sup> Cycle Housing Element as Housing Program 9 and 12.
Program H2.1.f - Encourage Energy Conservation and Weatherization	The City will continue to assist low/moderate income families in obtaining information and participating in the Community Action Agency's weatherization program.	The City Housing Program continues to refer homeowners to the Community Action Agency for assistance with energy conservation and weatherization. Additionally, any new projects constructed through the Housing Program are constructed to meet current energy conservation standards.  <b>Continued Appropriateness:</b> Program H2.1.f is ongoing and will be incorporated into the 6 <sup>th</sup> Cycle Housing Element as Housing Program 12.
Program H2.2 - Apply for State and Federal Funds to Support Housing Conservation and Rehabilitation	Identify and apply for funding at the State and Federal levels to help finance housing conservation and rehabilitation in the City.	The City Housing Program Supervisor, Management Analyst, and Development Services Director review funding opportunities and apply for funds when appropriate. The City currently receives CDBG and HOME funds to assist in the rehabilitation and conservation of existing housing units for income eligible households. The City is currently applying for REAP 2.0 funding to support Planning efforts.  <b>Continued Appropriateness:</b> Program H1.7 will be reviewed annually and incorporated into the 6 <sup>th</sup> Cycle Housing Element as Housing Program 11.

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Program	Program Objectives	Progress and Continued Appropriateness
<p>Program H3.1.a - Pursue State and Federal Funds for Down Payment Assistance</p>	<p>Continue the City’s revolving loan fund and grant fund programs to provide low-interest loans to first-time low and moderate-income homebuyers. Expand utilization of the loan program to provide an “affordability gap” between housing prices and household incomes to sustain a live/work environment. The loan program is funded through state, CDBG, and HOME funds. There are established guidelines setting forth terms and conditions for loans. Annually review loan amount caps, need for requirement changes, etc., to meet changing housing markets. The City will continue to apply annually, or as available, for CalHome and BEGIN, and NSP funds. The city will explore and pursue all other available funding as it becomes available. The city will strive to assist at least one developer annually to apply for state and/or federal tax credits. Funding assistance is identified at the beginning of each fiscal year through the Housing Program’s Annual Action Plan.</p>	<p>This program was initiated in 2015-2016. In 2021, the City applied for \$2.5 million in CalHome funds for down payment assistance, owner occupied rehabilitation, ADUs and JADUs, and mobile homeowner-occupied rehabilitation. In 2021, the city completed its Permanent Local Housing Allocation Plan, which included two years of funding in the amount of \$1.3 million in support of 67 supportive units on Park Avenue. The city received Cares Act Money through the federal Coronavirus Relief Funding. These funds were distributed to Sierra Saving Grace and Salvation Army to provide mortgage, rental, and utility assistance.</p> <p><b>Continued Appropriateness:</b> Program H3.1.a will be monitored annually and incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 14.</p>
<p>H3.1.b - Coordinate with Local Agencies to Provide Housing Assistance to Extremely Low, Very Low, and Low Income Households</p>	<p>Work with other agencies to assist in identifying and procuring funding for extremely-low, very-low, and low-income rental programs. Examples of other agencies include, but are not limited to, Housing Authority (Housing Choice/Section 8), Community Action and Salvation Army (displaced person’s temporary assistance and limited financial grants), and Continuum of Care partners (transitional housing and homeless shelters).</p>	<p>The City continues to work with the Housing Authority of Merced County, the Community Action Agency, the Salvation Army, and other Continuum of Care partners to provide funding for income-eligible households. Recently, the City incorporated a program in conjunction with the Merced Rescue Mission and Sierra Saving Grace to provide deposit assistance for income-eligible households to obtain permanent rental houses.</p> <p><b>Continued Appropriateness:</b> Program H3.1.b is ongoing and will be incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 10.</p>
<p>Program H3.1.c - Minimize Governmental Constraints on Housing Development, Improvements, and Maintenance</p>	<p>Review governmental processes and regulations to identify any potential constraints to the development, improvement, or maintenance to housing.</p>	<p>The program was initiated in 2016. The City continues to review development processes and regulations to identify any potential constraints. The adoption of the updated Zoning Code in October 2016 eliminated some of the previous constraints by bringing the City’s Zoning Code into compliance with state requirements. The Housing Division completed an update of the City’s Analysis of Impediments to Housing in 2020. The city is reviewing that document and working on addressing any areas that may need to be improved as a result of the analysis.</p> <p><b>Continued Appropriateness:</b> The identification of governmental constraints to the</p>

Program	Program Objectives	Progress and Continued Appropriateness
<p>Program H4.1.a - Provide Ongoing Public Information on Affordable Housing Issues and Programs</p>	<p>Establish a community notification list including, but not limited to, Housing Authority, Chamber of Commerce, schools, grocery and drug stores, PSAs, Community Resource Counsel, civic and service organizations, and community centers. Distribute information flyers and give public presentations on affordable housing issues and programs in the City of Merced to such groups, in addition to City residents, developers, and local lenders, by placing program brochures, copies of City documents, and other pertinent information in the City libraries and at the Merced Civic Center. In addition, make this information available to community-based groups serving lower income residents, such as the Lao Family Community Center, and add information to the city website. Consider a program for builders' and developers' informational meetings to explain available programs and designations, as well as a program to educate first time homebuyers on the process of purchasing a home.</p>	<p>development of housing was completed as part of this Housing Element (Chapter G4, <i>Housing Constraints Analysis</i>). Therefore, this program will not be carried over into the 6<sup>th</sup> Cycle Housing Element.</p> <p>The Housing Division provides information on its website regarding available programs, current plans, and other information for tenants, landlords, and property owners. During the COVID-19 Pandemic, outreach has been limited, but Housing staff utilized several online survey tools and virtual meetings. As COVID-19 restrictions are reduced additional outreach can be accomplished. All required public notices are also available on the Housing Division website. All notices required under the HUD Community Outreach Guidelines are provided in English, Spanish, and Hmong. The notices are published in two local newspapers as well as on the City's website.</p> <p><b>Continued Appropriateness:</b> Program H4.1.a is ongoing and will be incorporated into the 6<sup>th</sup> Cycle Housing Element as part of several different programs related to resources and housing programs for residents, including Housing Programs 5, 10, 12, and 14.</p>
<p>Program H4.1.b - Establish a Tenant and Landlord Education Program</p>	<p>Continue to work with the County Housing Authority, the Merced County Rental Housing Association, and other relevant organizations. Provide sponsorship of Fair Housing and Tenant/Landlord relationships and rights workshops to educate tenants and landlords on their rights and responsibilities.</p>	<p>Fair housing matters are referred to Project Sentinel, which is the outside agency contracted to handle fair housing issues. Additionally, contact information is provided to Central California Legal Services for tenant/landlord disputes, and issues of substandard housing in the City of Merced are referred to the City's Code Enforcement Department.</p> <p><b>Continued Appropriateness:</b> Program H4.1.b is ongoing and will be incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 14.</p>
<p>Program H6.1.a - Use CDBG funds for fair housing enforcement, education, and technical assistance activities.</p>	<p>Continue to contract with an outside agency to provide Fair Housing information to the City's residents.</p>	<p>The City continues to contract with an outside agency (Project Sentinel) for fair housing enforcement.</p> <p><b>Continued Appropriateness:</b> Program H6.1.a is ongoing and will be incorporated into the 6<sup>th</sup> Cycle Housing Element as Housing Program 14.</p>

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Program	Program Objectives	Progress and Continued Appropriateness
<p>Program H6.1.b - Prepare a HUD Consolidated Plan every 5 years</p>	<p>Prepare a Consolidated Plan every 5 years to include certification that the city will affirmatively further fair housing, conduct an analysis to identify impediments to fair housing choice, and take actions to overcome the effects of any impediments identified.</p>	<p>The City Council approved the Consolidated Plan covering 2020 to 2024 on November 16, 2020, and it was approved by HUD in 2021.</p> <p><b>Continued Appropriateness:</b> The City prepares a Consolidated Plan every five years to identify and address impediments to fair housing choice. As this is a routine function of the City, this program will not be carried over into the 6<sup>th</sup> Cycle Housing Element.</p>
<p>Program H6.1.c - Prepare an Analysis of Impediments to Fair Housing every 5 to 7 years</p>	<p>Prepare and Analysis of Impediments (AI) every 5 to 7 years and take steps to address all barriers to affordable housing identified in the report.</p>	<p>The City Council approved the most recent Analysis of Impediments on November 16, 2020. The city continues to review the impediments identified and work on ways to remove or reduce those impediments. It takes five to seven years to prepare the report. Actions to address barriers to affordable housing are an ongoing task.</p> <p><b>Continued Appropriateness:</b> The City prepares an Analysis of Impediments to Fair Housing approximately every five years to identify and address impediments to fair housing choice. As this is a routine function of the City, this program will not be carried over into the 6<sup>th</sup> Cycle Housing Element.</p>
<p>Program H6.2 - Ensure all new, multifamily construction meets the accessibility requirements of the federal and State fair housing acts through local permitting and approval processes.</p>	<p>Review all applications for multifamily construction to ensure all federal and State fair housing acts are being complied with. This shall be done through building permit review or other review as required (i.e., CUP, etc.).</p>	<p>All multifamily housing projects are reviewed during the entitlement process and building permit process to ensure compliance with all federal and state fair housing laws.</p> <p><b>Continued Appropriateness:</b> This is a routine procedure performed during the entitlement and building permit process for all multifamily development. Therefore, this program will not be carried over into the 6<sup>th</sup> Cycle Housing Element.</p>
<p>Program H6.3 - Encourage a range of housing types to be constructed in subdivisions and large developments</p>	<p>Promote Neighborhoods that contain a variety of housing types, as allowed by the R-1, R-2, R-3, R-4, and P-D zones of the Merced Zoning Ordinance.</p>	<p>The City's Zoning Code allows a wide range of housing types. In 2021, 734 single-family homes and 160 multifamily units received entitlement permits.</p> <p><b>Continued Appropriateness:</b> Program H6.3 is ongoing and will be refined and incorporated into the 6<sup>th</sup> Cycle Housing Element as part of the AFFH meaningful actions.</p>