



July 16, 2021

*Submitted via email*

Merced City Council  
Mayor Matthew Serratto  
Councilmember Jesse Ornelas  
Councilmember Fernando Echeverria  
Councilmember Bertha Perez  
Councilmember Kevin Blake  
Councilmember Sarah Boyle  
Councilmember Delray Shelton

**RE: Merced Residents' Funding Priorities for the American Rescue Plan Act**

Dear Mayor Serratto and Councilmembers,

The convergence of the global pandemic, widespread economic uncertainty, and the ensuing clarion call for racial justice have led us to a historic and unprecedented moment for righting some of the most persistent and pervasive challenges today, including but not limited to: an increasingly fragile safety net, rising housing costs, segregation, inequitable access to essential municipal services, and a far-reaching health crisis. In addition, increased costs in food, gasoline and other basic needs shifted resources for household goods making it more difficult for low-income households to make ends meet during the pandemic. Though the issues are seemingly endless, the American Rescue Plan funds offer a unique and incredibly important opportunity to invest in the needs of Merced residents, especially in low-income communities and communities of color which have been historically excluded. To this end, Leadership Counsel for Justice and Accountability and the undersigned organizations urge you to prioritize new investments for young people of color, immigrants and refugees, and low-income communities, which have been hardest hit by the COVID-19 pandemic.

The American Rescue Plan must effectively benefit communities that have been most impacted by COVID-19 and fund critical services and infrastructure that create healthy communities - housing, healthcare, rental and utility assistance, food access, youth investment, and environmental justice - and address the inequitable impacts of the pandemic on low-income Black and Brown communities due to persistent structural and institutionalized racism.

As a result, we urge the Merced City Council to prioritize allocations of its approximately \$27 million in American Rescue Plan Act funds to the following areas:

1. Allocate \$5 million towards an affordable housing trust fund for pre-development costs for affordable housing projects and other programs, policies and tools that facilitate equitable development of affordable housing throughout the City of Merced, including:
  - a. Inclusionary Zoning - residents have expressed strong interest in creating a policy that requires market-rate developers to sell or rent a portion/percentage of their new units at below-market rates to income qualified households. Inclusionary Zoning promotes residential integration and mixed-income neighborhoods by tying affordable housing to market-rate housing development to ensure simultaneous development.
  - b. Housing Rehabilitation - funds should be made available to eligible low income households who want to rehabilitate their homes to bring it up to code standards and install weatherization and/or energy retrofit systems such as replacing or repairing AC units to maintain safe temperatures during heatwaves.
  - c. Housing Rights Education and Eviction Protection Program: these programs would include community outreach and education on tenants' rights, investigation of rights violations and landlord responsibilities.
  - d. Tenant Assistance and Temporary Housing: this would include some protected resources for emergency circumstances that require financial assistance or temporary housing for tenants. These programs could include rental assistance or temporary relocation.
  - e. Community Oversight Committee: the affordable housing trust fund must be community led with priorities identified by residents. Tenants should have decision making authority and oversight on all activities and programs related to the trust fund.
2. Allocate \$500,000 towards completing a Municipal Service Review for the City of Merced and its surrounding sphere of influence, as required by SB 244.
3. Allocate \$500,000 towards infrastructural upgrades and extension of water and wastewater services for fringe communities.
4. Allocate \$13 per hour of premium pay for agricultural, restaurant, grocery store, meat packaging and retail pharmacy workers for a maximum of \$25,000 for each eligible worker for essential work performed during the COVID-19 public health emergency.
5. Allocate \$2.5 million dollars towards the establishment of a guaranteed income program for young people that live in the city of Merced. This pilot program would provide monthly stipends of \$400 over a two-year span for 250 youth between the ages of 18-24, especially those who are impacted by the juvenile, foster, and criminal justice systems.
6. Allocate \$500,000 to create a Youth Employment pilot program for Merced youth by building on the successful models of the past. Program description – create a summer

jobs program specifically for 100 Merced City high school youth. The program would operate for six weeks, and the youth would receive 192 hours of on-the-job work experience and be paid \$15 an hour. In addition, young people would receive the support services they need for work, such as bus passes and uniforms.

In addition to the funds we are requesting, we would also like to assert that no federal funds be allocated towards law enforcement, juvenile facilities, probation, or adult jails. We know these are one time funds, and that this federal disbursement is a baseline that will not completely mitigate the impacts of COVID-19 on BIPOC youth and communities. Thus, we urge this City Council to prioritize these funds for the community priorities above in order to invest in equitable and healthy futures for communities most impacted by the pandemic. Thank you for the opportunity to provide comments on American Rescue Plan Act funding. Please do not hesitate to reach out to us should you have any questions.

Respectfully,

Sheng Xiong  
Policy Advocate  
Leadership Counsel for Justice and Accountability