



City of San Marcos

City Council Work Session

March 3, 2026



Receive a staff presentation regarding the current status of American Rescue Plan (ARP) Funding, and provide direction to the City Manager.



Purpose

- Provide update on pandemic funding received.
- Provide recommendation and receive direction on proposed reallocation of ARPA funding.

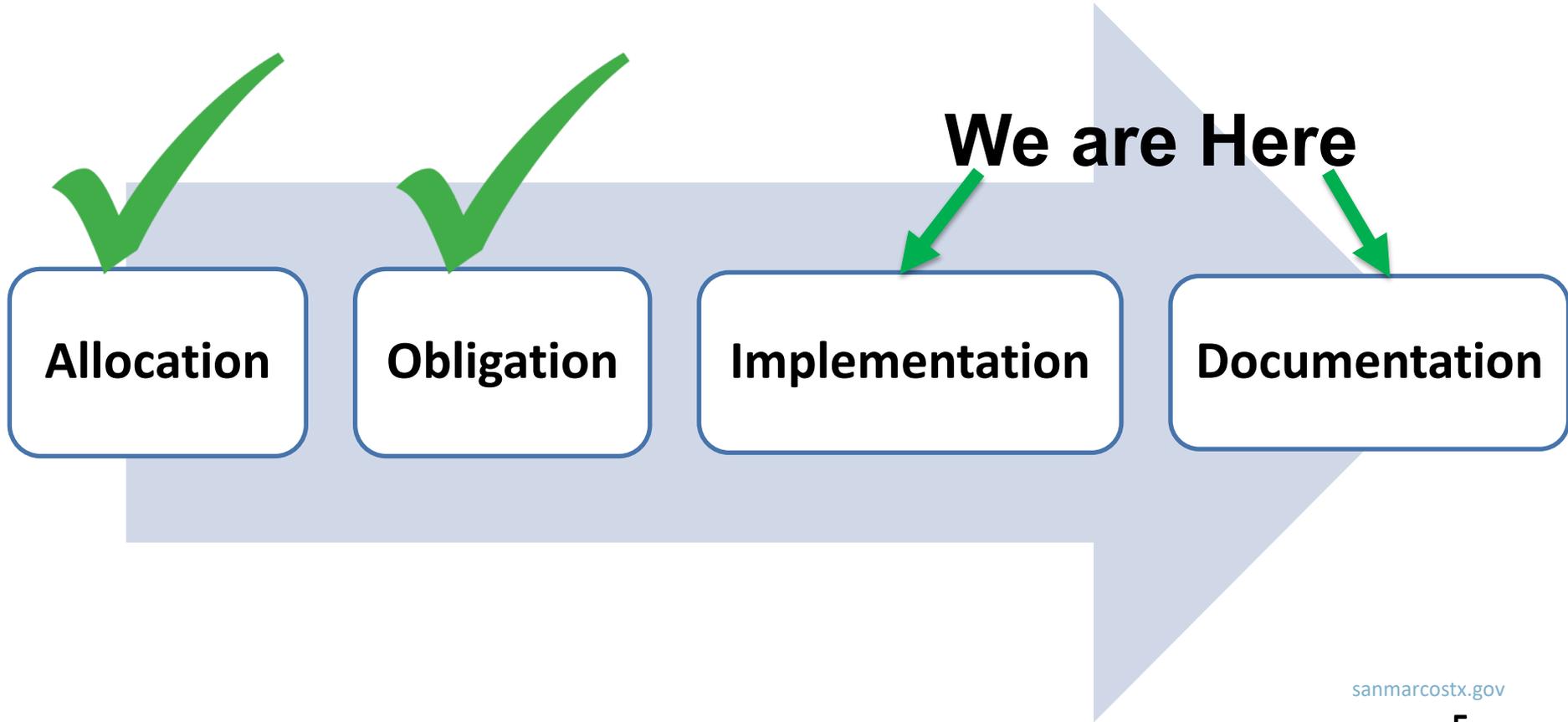


Progress to Date

- December 31, 2024: Deadline to have all funds obligated
- August 5, 2025: City Council reallocated ARPA funding

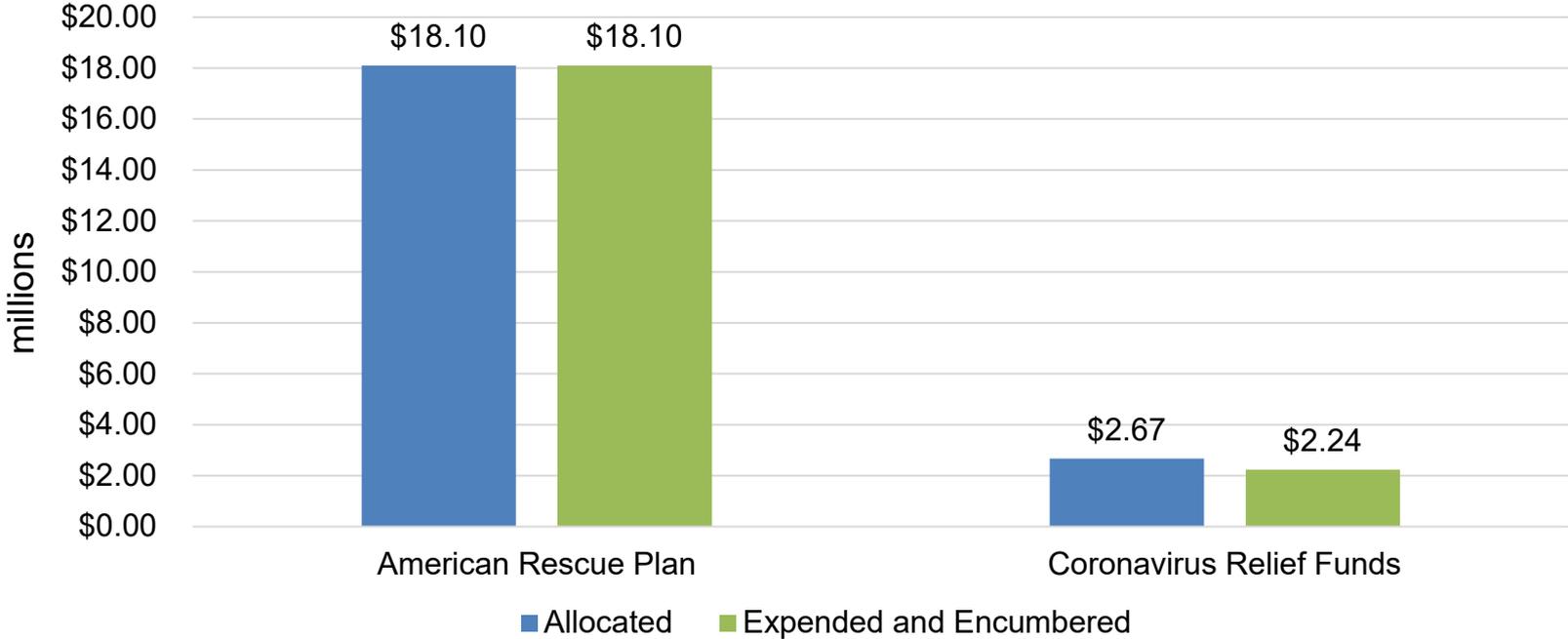
note: all funds must be spent by December 31, 2026

Progress to Date





American Rescue Plan Act and Coronavirus Relief Funds Funding Allocated, Expended and Encumbered as of December 31, 2025

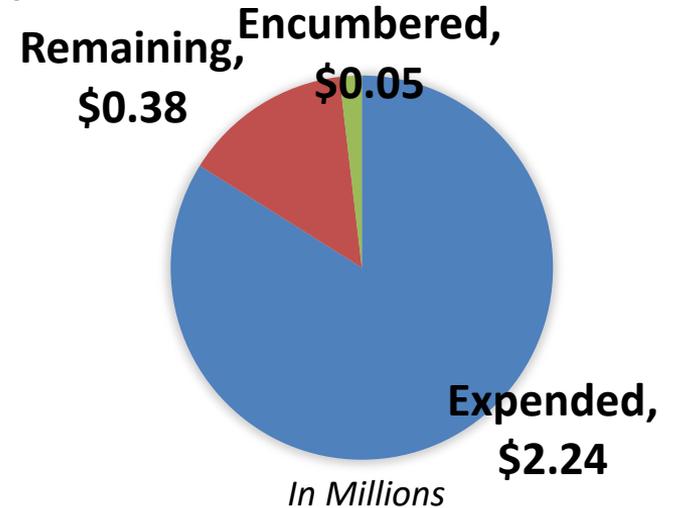




Coronavirus Relief Funds (freed up General Fund dollars)

- 85.71% spent and encumbered
- Fire sprinkler renovations for Cuauhtemoc Hall
- ARPA Consultant

\$2.67 MILLION ALLOCATED



sanmarcostx.gov



Coronavirus Relief Funds

(freed up General Fund dollars)

- Utility Bill Assistance - **\$1 Million fully expended**
- Rent-Mortgage Assistance - **\$173K expended (99%)**
- Ongoing Pandemic Expenses - **\$154K fully expended – included portion of replacement of Fire Engine 2**
- One-Time Grant Funds to Non-Profit Agencies – **went through HSAB process; \$640K allocated, \$442K spent and \$50K encumbered**
- One-Time Non-Profit Capacity Building and HMIS Licenses – **being spent on agreement with Southside Community Center for programs based on Homeless Needs Assessment; about \$219K expended**
- Accounting Software Training - **\$35,782 of \$100K has been expended**
- Childcare Assistance - **\$97,264 of \$100K has been expended**
- VFW Hall and Cuauhtemoc Hall Sprinkler Upgrades - **agreement with Cuauhtemoc Hall was approved - \$120K of \$165K has been expended**



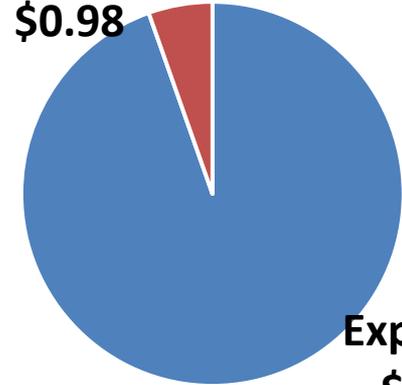
ARPA Funding

- 94.6% spent
- 5.4% encumbered
- Youth Activity Scholarships
- BR3T Rental and Utility Assistance
- Translation Services and Outreach
- Home Repair and Rehabilitation through Operation Triage and Mission Able
- Southside Community Center

\$18.1 MILLION ALLOCATED

Encumbered,

\$0.98



Expended,
\$17.12

In Millions



ARPA Funding

- Stormwater Improvements at Older City Facilities
- Hull/Grove St Stormwater Infrastructure
- Briarwood & River Ridge Improvements
- HSAB Programs
- Digital and Email Marketing
- Meeting Campaign
- Vision Data & Management Dashboard
- Mermaid Festival 2021 & 2022
- Nosotros La Gente
- Downtown Events
- Digital Campaigns/Marketing
- BIG Grant
- Small Business Counseling Program
- Business Retention & Expansion
- Training & Professional Development
- Minority Small Business Stabilization
- Owner Occupied Housing Rehab Program
- Shelter/Transitional Housing
- Addressing Cancer Together
- Translation Services & Outreach
- Together for a Cause
- Critical Systems/Security Hardware Upgrades
- Parks Public Wi-Fi Expansion
- Christus Santa Rosa Hospital
- KZSM Radio
- City Facilities Air Improvements
- Chatbot
- PD Internet Connection Improvements
- Telephone Licenses/Support
- FARO Laser Measurement System
- Community Grant Assistance
- Partnership with Prevent a Litter of Central Texas
- Eviction Prevention Services
- Downtown Staffing
- Cybersecurity Analyst



ARPA Funding (continued)

- Cyber Security - Intrusion Prevention System
- Fire/Police/EMS Dispatch Consoles
- Dunbar Park Public Restrooms Facilities
- Implementation of Classification and Compensation Study
- Police Headquarters Radio Reception
- Youth Activity Scholarships
- Cybersecurity Analysts
- Mental Health Clinician Collaboration
- Antivirus Technology Software
- Arizona Senior Center Renovations
- Price Senior Center Improvements
- Workforce Training Center Renovations
- Quail Creek/Eastside Regional Park Acquisition
- Video Conferencing Resources for City Facilities
- Home Repair and Rehabilitation
- Mobile Message Signs, LED Message Signs, Neighborhood Signage
- LCRA Radio Tower for Southeastern Portion of City
- Unhoused Camp Clean Up
- Tree Removal Program for Private Property
- ARP Grant Consultant
- Equity Program Coordinator
- Gap to fund replacement of Fire Engine 2
- One-Time Non-Profit Capacity Building
- Public Service Center – Emergency Operations Center Upgrade
- Downtown Events
- Umland Road Quiet Zone Improvements
- Hays County Food Bank New Facility
- Generator for San Marcos High School
- Support for Parent Liaison Program at SMCISD
- Caregiver Support
- HSAB Programs
- Mental Health Diversion and Support
- Single Use Beverage Container Ban Implementation
- BR3T Rental and Utility Assistance sanmarcostx.gov

Recommended Reallocation



FUNDING AVAILABLE	
Owner Occupied Housing Rehabilitation Program	\$245,599.63
Cybersecurity Position	\$73,997.42
Caregiver Support	\$402.95
TOTAL	\$320,000.00

Recommended Reallocation



ADDITIONAL FUNDING RECOMMENDED	
ARPA Grant Consultant	\$120,000.00
Additional for Operation Triage and Mission Able	\$200,000.00
TOTAL	\$320,000.00

Note: All available funding must be reallocated to projects and programs already funded by ARPA



Projects with Available Funding



ARPA: Available Funding

Owner Occupied Housing Rehab Program \$245,599.63

- Spending available CDBG funding first.
- Zeroing out line item.

Cybersecurity Position \$73,997.42

- This position is currently vacant.

Caregiver Support \$402.95

- Have distributed over \$50,000 in diapers.
- Zeroing out line item.



Additional Funding Recommended

ARPA: Additional Funding Recommended



Additional for Home Rehab and Repair through Operation Triage and Mission Able \$200,000.00

- Organizations have repaired or rehabbed over 100 homes in our community.

Additional for ARPA Grant Consultant \$120,000.00

- Consultant continues to work with staff and outside organizations to maintain compliance and close out the 78 projects and programs that received funding.



Next Steps

- Bring back a Resolution allocating available funds from American Rescue Plan Act projects.
- City staff will continue implementing projects, and ARPA consultant will continue documentation once funds have been expended.



Council Direction

- Proceed with proposed allocation of remaining American Rescue Plan funds?

Recommended Reallocation



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Questions and Discussion

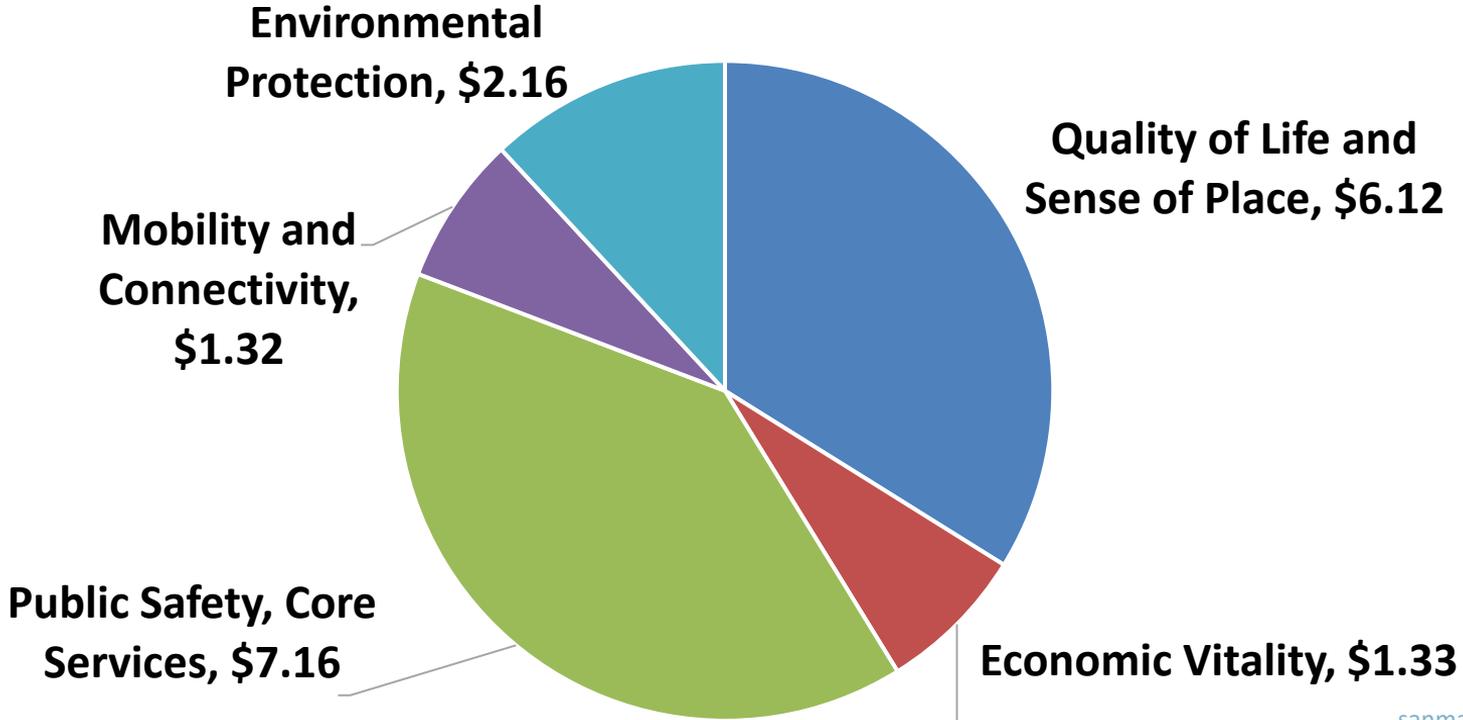


Additional Backup

ARPA Funding – by Strategic Goal



\$18.1 MILLION ALLOCATED



ARPA Funding – by Strategic Goal

Quality of Life and Sense of Place \$6,124,346



Almost \$1.9 Million toward Home Repair/Rehab and Tree Removal Programs

Over \$865K toward programs for those experiencing homelessness



ARPA Funding – by Strategic Goal

Economic Vitality \$1,329,823



**Over \$630K toward Businesses
(Minority Business Stabilization Fund,
BIG Grant, and Small Business Counseling)**

**Over \$450K toward Tourism-Related
Activities and Events**



ARPA Funding – by Strategic Goal



Public Safety, Core Services & Fiscal Excellence \$7,162,267



Over \$1.0 Million toward software and staff dedicated to cybersecurity

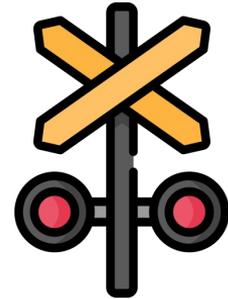
Almost \$1.0 Million toward mental health clinician, mental health diversion and support, and medical services



ARPA Funding – by Strategic Goal

Mobility and Connectivity \$1,324,000

Over \$1.3 Million toward railroad quiet zone improvements – includes Umland Road and reimplementing quiet zones throughout the City



ARPA Funding – by Strategic Goal

Environmental Protection \$2,161,045

**Over \$1.8 Million toward
stormwater improvement
projects**



**\$150K toward implementation of the
single-use beverage container ban**