

City of San Marcos, Texas
Community Development Block Grant
Draft Action Plan for Program Year 2026-2027

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Executive Summary

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

1. Introduction

Explain the purpose of the Action Plan

The City of San Marcos receives Community Development Block Grant (CDBG) funds each year from the U.S. Department of Housing and Urban Development (HUD). The new funding year, Program Year 2025, will begin October 1, 2025, and end September 30, 2026. In order to receive the funding, the City must create an Action Plan which details how the funds will be allocated and who will benefit from the funded programs and projects and establishes performance goals for each project or program. The City will receive \$774,306 for the 2026-2027 Program Year.

The mission of the CDBG Program is to promote the development of viable urban communities by providing decent housing, a suitable living environment, and expanded economic opportunities, principally for persons of low and moderate incomes. Each funded project or program must meet one of the National Objectives:

- Benefit to low- and moderate-income persons,
- Aid in the prevention or elimination of slums or blight, or
- Meet a need having a particular urgency.

2. Summarize the objectives and outcomes identified in the Plan

The proposed projects for next year's CDBG funding focus on housing repair and rehabilitation and services for children and families, plus the addition of an amenity to one park. These projects support the HUD objectives of providing decent, affordable housing and creating suitable living environments. Proposed outcomes include home repair for 109 households, services to more than 6,000 families and children, and park improvements that benefit 625 nearby households. The services include rental assistance, advocates for foster children, access to food, family support programs, transitional housing, and emergency assistance.

3. Evaluation of past performance

City staff reached out to other home repair providers to encourage applications for funding because the City's home repair program has been on hold and is only just about to be re-started. Having additional home repair programs funded will move the funding to the community faster this year.

4. Summary of Citizen Participation Process and consultation process

All required notifications were provided, and City staff also made efforts to broaden citizen participation ~~as described here~~. Funding priorities were discussed at town hall meetings in various locations around the city. The Planning Department Newsletter and a newspaper article created more awareness of the CDBG public process. All notices are translated into Spanish, which is the predominant second language in San Marcos in addition to English. All meetings are advertised with the contact information for language and disability accommodation. City staff consulted with a number of agencies to obtain updates on programs and activities related to public housing, homelessness, general public services, workforce development, and community resilience.

5. Summary of public comments

Comments and suggestions received have been considered at each step in the process of creating the action plan. Within the restrictions of the CDBG Entitlement funding, priorities have been set and projects and programs funded specifically to address public input, in balance with the data from the various studies and plans which have also informed the City's funding choices.

In summary, comments received indicated that:

- The top priority for CDBG funding should be affordable housing (since CDBG public services funding is limited to 15%).
- Additional spending priorities include public services, mental health, and homelessness.

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

All comments and views were received and considered. Some funding suggestions were not eligible for CDBG funding or exceeded the 15% limitation on public services funding.

7. Summary

The City will receive \$774,306 for the 2026-2027 Program Year. The mission of the CDBG Program is to promote the development of viable urban communities by providing decent housing, a suitable living environment, and expanded economic opportunities, principally for persons of low and moderate incomes. The proposed projects for next year's CDBG funding focus on housing repair and rehabilitation and services for children and families, plus the addition of an amenity to one park. All required notifications were provided, and City staff also made efforts to broaden citizen participation. City staff also consulted with a number of agencies to obtain updates on programs and activities. Comments and suggestions received have been considered at each step in the process of creating the action plan.

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

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

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

Agency Role	Name	Department/Agency
Housing and Community Development Manager fulfills the role of CDBG Administrator	Carol Griffith	Planning and Development Services Department, City of San Marcos, Texas

Narrative (optional)

The San Marcos City Council is the governing body for the City, with the City Manager or her designee authorized to act on behalf of the Council in matters pertaining to CDBG.

The City's Planning and Development Services Department-Community Initiatives Division staff members are responsible for the day-to-day administration of the grant. Draws from IDIS and financial reporting are handled through the City's Finance department.

Action Plan Public Contact Information

For more information, contact:

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

1. Introduction

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))

The City’s primary roles in the grant funding, affordable housing, homelessness, and public service arenas are 1) to participate with interested parties and agencies in open discussion, information gathering, and implementation, and 2) to provide funding for projects that support the community’s highest priorities as determined through public processes.

In October 2025, at the direction of City Council through the Strategic Plan and budget process, the City Manager established the Office of Community Support and Resource Navigation to focus on underlying factors contributing to crime and quality of life, and to connect residents to resources and support services. A key element to this work is continuing to engage with community members in meaningful ways, building trust, and strengthening partnerships to serve city residents. This Office has:

- In partnership with the City’s Utility Billing Division, ~~E~~established contracts with multiple San Marcos agencies to provide intake and assistance for paying utility bills, utilizing funds from donations by SMTX Utilities customers and city funding. Moving the process to multiple organizations has greatly increased the ability of residents to obtain assistance.
- Enhanced direct coordination between the City, service agencies, and other governmental entities.
- Created and implemented resource navigation strategy to include a more robust list of resources on the City’s website, toolkits, and more intentional flow of communication with residents and community partners.
- Evaluating a variety of data sources to bring together analysis of crime data, housing, homelessness, animal welfare to use this data in shaping new policies and solutions, in collaboration with other City departments and local agencies.
- Led town halls and community meetings, such as Dream Sessions, to engage community members and community partners on a variety of topics to capture their feedback, challenges, barriers, and experiences.
- Launched participatory budgeting process to engage residents in planning and making decisions on projects and City service delivery.

The library, as a public entity, is a natural liaison between the community and various non-profit providers. The San Marcos Public Library has several dozen programs that leverage these collaborative partnerships, such as Community Action, St. Davids Foundation, Greater San Marcos Youth Council, San Marcos Queer Council, Dunbar Heritage Association, Hays County Master Gardeners, Volunteer Legal Services of Austin, Austin Tenants Council, Workforce Solutions, and others that provide a rich array of community programming all year long.

City staff from various departments are active members of the Homeless Coalition of Hays County, the SMTX Mental Health Coalition, Community Organizations Active in Disaster, the Hays Interagency Group, San Marcos Area Chamber of Commerce, and Healthy Hays. Leadership and direction for these groups are provided by the participating public services agencies.

Ongoing, the City's CDBG staff works closely with San Marcos Housing Authority and local organizations that provide services to City residents by sharing information on grant and training opportunities, as well as community data. The city's open application process allows agencies and City departments to apply for CDBG funding. The City also provides approximately \$750,000 annually in general funds to local non-profit organizations through an annual open application process.

The City waives development and permit fees for Housing authority projects, construction, and rehabilitation of affordable housing. The City has participated in the renovation of non-profit community center facilities.

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 San Marcos and Hays County are covered under the Texas Balance of State Continuum of Care run by the Texas Homeless Network (THN). THN has published the 2021-24 Texas Homeless Network Texas Balance of State Continuum of Care Strategic Plan that helps guide progress in general. THN also manages the HMIS used by any agencies within their area.

Over the past several years, THN has provided intense training and resources on HMIS, Coordinated Entry, case management, rapid-rehousing, transitional shelter, and other topics that are involved with creating a local structure to provide services to people who are unhoused. THN has worked directly with the Homeless Coalition of Hays County, Southside Community Center, and H.O.M.E. Center. [Community of Action Inc. of Central Texas has recently hired a part time Community Liaison, who is working on standardization of data and preparation for future grant applications to support Continuum of Care efforts.](#)

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 San Marcos does not receive ESG funds.

The City of San Marcos and Hays County are covered under the Texas Balance of State Continuum of Care run by the Texas Homeless Network (THN). THN manages the HMIS used by any agencies within their area, and provides the required policies and procedures. THN has provided training to the H.O.M.E. Center, Southside Community Center, and the member agencies of the Homeless Coalition of Hays County on HMIS,

along with training on coordinated entry and guidance on best practices and policies and procedures. San Marcos agencies and the City are currently researching funding for HMIS and programs focused on homelessness that are offered through THN and the Texas Department of Housing and Community Affairs.

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

Organization	Organization Type	Action Plan Section	How Consulted; Anticipated Outcomes or Areas for Coordination
City Engineering and Capital Improvements Department	Planning Organization, Resilience	AP-85 Other Actions	Interviewed Director and the Senior Engineer who is designated as Floodplain Administrator; gathered info on resiliency and hazard mitigation
City of San Marcos Animal Services	Services-Health, Homeless	AP-65 Homeless and other Special Needs Activities	Interviewed; updated info on homelessness initiatives
City of San Marcos Economic Development Division	Services-Employment, Business Leaders and Civic Leaders	AP-85 Other Actions	Interviewed Business Retention Coordinator; to obtain info on current ED activities
City of San Marcos Environmental Health and Safety Manager	Services-Homeless, Health Agency; Affordable Housing	AP-55 Affordable Housing, AP-65 Homeless and other Special Needs Activities	Interviewed; updated info on homelessness initiatives
City of San Marcos Library	Services-Homeless, Education, Workforce Development	AP-65 Homeless and other Special Needs Activities	Interviewed; updated info on homelessness initiatives
City of San Marcos Police Department Mental Health Unit	Services-Homeless	AP-65 Homeless and other Special Needs Activities	Interviewed; updated info on homelessness and mental health initiatives
City of San Marcos Senior Program Coordinator	Services-Elderly	AP-85 Other Actions	Interviewed; update on services for seniors

City Planning and Development Services Department	Planning Organization, Grantee Dept	AP-55 Affordable Housing, AP-75 Barriers to Affordable Housing	Staff creating the action plan updated information on strategic planning and housing initiatives
CASA of Central Texas, Inc.	Services – Children, Victims of Domestic Violence, Child Welfare Agency	AP-65 Homeless and other Special Needs Activities	Interviewed, surveyed, reviewed plan; statistics and info on needs of abuse survivors and families
Community Action of Central Texas, Inc	Services-Children, Elderly, Health, Homeless, Education, Workforce Development	AP-65 Homeless and other Special Needs Activities, AP-85 Other Actions	Interviewed; continued coordination with a major service agency; update on services for seniors
Connected Nation Texas	Planning Organization, Broadband	AP-85 Other Actions	Reviewed state program info online; checking for updated broadband information
Greater San Marcos Youth Council	Services – Children, Victims of Domestic Violence, Child Welfare Agency	AP-65 Homeless and other Special Needs Activities	Interviewed; surveyed; statistics and info on needs of abuse survivors
Hays Caldwell Women's Center	Services-Victims of Domestic Violence, Homeless	AP-65 Homeless and other Special Needs Activities	Interviewed; statistics and info on needs of abuse survivors
Hays County Food Bank	Services-Homeless, Health Agency	AP-65 Homeless and other Special Needs Activities	Interviewed; updated info on homelessness initiatives
Hays County Health Department	County Government, Health Agency	AP-65 Homeless and other Special Needs Activities, AP-85 Other Actions	Reviewed plan; gathered info for needs assessment sections
Hays County Veterans Services Office	Services-Veterans, Homeless	AP-65 Homeless and other Special Needs Activities	Interviewed; received insight into the needs of veterans, especially homeless veterans

Hill Country MHDD	Services-Persons with Disabilities, Public Funded Institution/System of Care, Health Agency, Other Government - Local	AP-65 Homeless and other Special Needs Activities	Interviewed; surveyed; update on services for people with disabilities
HOME Center	Services-Homeless	AP-65 Homeless and other Special Needs Activities	Interviewed; provided and update on HOME Centers homeless outreach and services
Homeless Coalition of Hays County	Services-Homeless	AP-65 Homeless and other Special Needs Activities	Interviewed; updated info on homelessness initiatives
Outsiders Anonymous	Services-Health, Homeless	AP-65 Homeless and other Special Needs Activities	Interviewed; update on services for people with substance addiction issues
San Marcos Consolidated ISD	Services-Education, Other Local Government Agency	AP-65 Homeless and other Special Needs Activities	Surveyed; update on ISD response to homelessness
San Marcos Housing Authority	Public Housing Authority, Services-Housing, Children, Elderly	AP-60 Public Housing	Interviewed; continued coordination of plans and actions
Scheib Opportunity Center	Publicly Funded Institution/System of Care, Services-Persons with Disabilities	AP-65 Homeless and other Special Needs Activities	Reviewed application; update on services for people with disabilities
Southside Community Center	Services-Homeless	AP-65 Homeless and other Special Needs Activities	Interviewed; updated info on homelessness initiatives
Texas Homeless Network	Services-Homeless, Continuum of Care; State/Federal Affiliate	AP-65 Homeless and other Special Needs Activities	Interviewed; gathered statistics and maintained working relationship

Texas Rio Grande Legal Aid	Housing, Services-Fair Housing	AP-65 Homeless and other Special Needs Activities	Sent survey; to receive information on recent programs in San Marcos
The Hays Caldwell Economic Development Partnership	Services-Employment, Business Leaders and Civic Leaders	AP-85 Other Actions	Reviewed website for information about workforce development
Vivent Health	Services-Persons with HIV/AIDS	AP-65 Homeless and other Special Needs Activities	Interviewed; update on services for people with HIV/AIDS
Workforce Solutions Rural Capital Area	Regional Organization, Services-Employment, Children; Business Leaders, Civic Leaders, Other Government - State	AP-85 Other Actions	Reviewed website for information about workforce development

Table 2 – Agencies, groups, organizations who participated

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

All agency types were consulted.

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?
2019 Draft Strategic Housing Action Plan	Planning and Development Services - City of San Marcos	Affordable housing needs assessment and strategies
National Broadband Map	Federal Communications Commission	Confirming broadband availability, speeds to ensure San Marcos has access
2017 Analysis of Impediments to Fair Housing	Planning and Development Services - City of San Marcos	Actions related to affordable housing and fair housing issues
2025 City Council Strategic Plan	City Council - City of San Marcos	Prioritizing allocation of funds

2020-2024 Texas Balance of State Continuum of Care Strategic Plan	Texas Homeless Network	Homelessness needs assessment and strategies
2024 Funding Agreement between City of San Marcos and Southside Community Center	Neighborhood Enhancement - City of San Marcos	Homelessness needs assessment and strategies
2023 Homelessness Services Needs Assessment and Recommended Strategic Action Steps for The City of San Marcos (Marbut Consulting)	Neighborhood Enhancement - City of San Marcos	Homelessness needs assessment and strategies
2022 Report: Assessing the Needs of the Community to Keep Homelessness Rare, Brief, and Non-Recurring (Texas State)	Neighborhood Enhancement - City of San Marcos	Homelessness needs assessment and strategies
2024 HCWC Impact Report	Hays Caldwell Women’s Center	Services to survivors of domestic abuse
2023 Hays County Community Health Assessment and Community Health Implementation Plan	Hays County Health Department	Community needs assessment and service strategies
2023 Community Action Needs Assessment	Community Action Inc of Central Texas	Provision of public services, poverty reducing strategies, workforce development
2019 Housing Needs Assessment	Planning and Development Services - City of San Marcos	Affordable housing needs assessment and strategies
2020-2024 Five Year Plan: San Marcos Public Housing Authority	San Marcos Public Housing Authority	Public housing programs and services
City of San Marcos Hazard Mitigation Plan	Emergency Management – City of San Marcos	Risk assessment and mitigation
Hays County Hazard Mitigation Plan	Hays County Emergency Management Department	Risk assessment and mitigation
Social Vulnerability Index	Center for Disease Control and Prevention	Planning for how a disaster could impact San Marcos residents
2025 Hays County Resource Directory	Hays County Health Department	Provision of public services

San Marcos Police Department Resource Guide	Police Department - City of San Marcos	Provision of public services
Community Action Service Brochure	Community Action Inc of Central Texas	Provision of public services, poverty reducing strategies, workforce development
Workforce Solutions Rural Capital website	Workforce Solutions Rural Capital	Coordinating workforce development initiatives

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

AP-12 Participation – 91.105, 91.200(c)

1. Summary of Citizen participation process, Efforts made to broaden citizen participation, and How the participation process impacted goal setting

1) Citizen Participation Process

See table below

2) Efforts made to broaden citizen participation

The City of San Marcos has ongoing efforts to broaden awareness of City events and programs. The Communications Office and Office of Community Support and Resource Navigation, in particular, have worked with City departments to ensure information is clearly provided to the public. Funding priorities were discussed in two rounds of town hall meetings in various locations around the city. These town hall meetings were publicized through social media, City newsletters, digital signage, and press releases. In addition, the monthly Planning Department Newsletter and a newspaper article created more awareness of the CDBG public process.

3) How citizen participation impacted goal setting

Comments and suggestions received have been considered at each step in the process of creating the action plan. Within the restrictions of the CDBG Entitlement funding, priorities have been set and projects and programs funded specifically to address public input, in balance with the data from the various studies and plans which have also informed the City's funding choices.

4) Highlight efforts to encourage participation from various populations

All notices are translated into Spanish, which is the predominant second language in San Marcos in addition to English. All meetings are advertised with the contact information for language and disability accommodation.

5) Summary of technical assistance provided to groups seeking funding assistance

City staff provided technical assistance on the application process to Calaboose Museum - Mitchell Center, Central Texas Food Bank, Habitat for Humanity, and Frameworks CDC. City staff answered questions about Personal Responsibility and Work Opportunity Act reporting from the Salvation Army, Southside Community Center, and the Society of St Vincent de Paul. City staff reviewed one potential project submitted by the CIP/Engineering Department for review.

Citizen Participation Outreach

NOTICES	Notification Date	Dates	Mode of Outreach	Target of Outreach	Summary of response / attendance	Summary of comments received	Location
Courtesy Email to Agencies	Notice	01/12/26	Email	non-profit agencies	NA	NA	Email
Notice to Department Directors	Notice	01/12/26	Email	City Department Directors	one proposed project reviewed	top priority for CDBG this year is Affordable Housing	Email
Notice of Funds Available	Notice	01/18/26	Display Ad	non-profit agencies, stakeholders, general public	no response	none	Classified Section of Newspaper
Display Ad/Notice of Public Hearing 1	Notice	01/18/26	Display Ad	non-profit agencies, stakeholders, general public	no response	none	Main Section of Newspaper
Courtesy Email to Agencies	Notice	01/30/26	Email	non-profit agencies	NA	NA	Email
Notice of Public Hearing 2	Notice	03/22/26	Display Ad	general public, non profit agencies	no response	none	Classified Section of Newspaper
Notice of 30 Day Comment Period/Council Decision	Notice	04/26/26	Display Ad	general public	NA	NA	Classified Section of Newspaper
Town Hall Flyer	Notice	December-January	Website, Paper Distribution, Social Media	general public	NA	NA	City Website and Social Media, various locations

MEETINGS	Notification Date	Dates	Mode of Outreach	Target of Outreach	Summary of response / attendance	Summary of comments received	Location
Town Hall Meetings	December- January <u>November – December 2025</u>	01/08/26, 01/14/26	<u>-Social Media</u> <u>Newsletters</u> <u>NewsHub</u> <u>Listserv and networks</u> <u>Digital signage</u> <u>Press Release</u>	<u>General Public</u>	85 attendees	<u>Participants stated that access to housing and supporting public services and mental health are high priorities. They also requested increased resources for our increasing population of human beings experiencing homelessness as well as increased educational opportunities for our community on how to approach, help and express empathy towards our fellow citizens.</u>	San Marcos Public Library, Sinai Pentecostal Church, Dunbar Recreation Center
Participant/ Stakeholder Workshop	01/12/26, 01/18/26, 01/30/26	02/05/26	<u>-Newspaper display ad, email to contact list of potential applicants</u>	<u>-General Public, Potential Applicants</u>	22 attendees	process is clear	Workshop held online

MEETINGS	Notification Date	Dates	Mode of Outreach	Target of Outreach	Summary of response / attendance	Summary of comments received	Location
Application Period	01/12/26, 01/18/26, 01/30/26	02/01/26- 03/02/26			17 applications received	NA	NA
Public Hearing 1	01/18/26	03/03/26	-Newspaper display ad, email to contact list of potential applicants	General Public	no response	none	City Council Meeting Public Hearing on potential uses for CDBG funding in general, and community needs
Public Hearing 2	03/22/26	04/07/26	-Newspaper public notice ad	General Public	no response	none	City Council Meeting Public Hearing on activities proposed for funding
30 day comment period	04/26/26	05/05/26- 06/06/26	-Newspaper public notice ad	General Public	1 commenter	A City staff member provided additional information on current programs and services, and this information was added to the Action Plan.	Online, On paper at Library and City Hall
Town Hall Meetings	April-May, 2026	05/26/26, 06/03/26, 06/08/26	Social Media Newsletters NewsHub	General Public	83 attendees	The highest priority for funding among attendees was	Zoom, San Marcos Public Library, Centro

			Listserv and networks Digital signage Press Release Print Flyer Distribution at events including SMTX2026			social services. Social services funding, especially the City's human services grants program generated discussion, along with the City's other social service programs through CDBG, utility payment assistance and resident services. Resident services through the library, neighborhood enhancement, parks, and police were also considered very important.	Cultural Hispano de San Marcos
City Council Decision	04/26/26	07/07/26	-Newspaper public notice ad	General Public	PENDING	PENDING	City Council Meeting
ADDITIONAL PUBLICITY	Notification Date	Dates	Mode of Outreach	Target of Outreach			
Planning Dept Newsletter - February		February	Email, Planning Web Page	March 3 Public Hearing 1			

Planning Dept Newsletter - April		April	Email, Planning Web Page	April 7 Public Hearing 2			
Planning Dept Newsletter - May		May	Email, Planning Web Page	May-June Public Comment Period			
Community Impact Newspaper Article		03/12/26	Newspaper Article	general public			
CDBG web page updates		Various	CDBG Web Page	general public			

Table 4 – Citizen Participation Outreach

Expected Resources

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

Introduction

The City of San Marcos has been allocated about \$774,306 in CDBG entitlement funds for the 2026-2027 program year. The city accepts applications from local agencies and city departments for projects and programs that are evaluated by a review committee based on scoring criteria. City Council chooses the final slate of funding recipients after hearing the staff recommendation. CDBG funds are generally used by the organizations and departments for specific projects or programs within the much larger scope of services they offer. Each entity has an array of additional resources they use in partnership with the CDBG funds, including fee-based activities, philanthropic and personal contributions, and other local, state, and federal grants.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 2 (2026-2027)				Expected Amount Available Remainder of ConPlan (3 Years)	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	Federal	Affordable Housing, Public Services, Public Facilities, Administration	\$774,306	\$0	\$0	\$774,306	\$2.2 million	CDBG entitlement funds to be used for high priority needs
Public Housing Authority	Federal	Section 8 Vouchers	\$1.5 million	\$0	\$0	\$1.5 million	\$4.5 million	General purpose housing assistance vouchers

Public Housing Authority	Federal	Public Housing Units	\$4 million	\$0	\$0	\$4 million	\$12 million	Public housing units, services provided to residents, and funding for capital improvements
Public Services	City	Human Services Advisory Board Grants	\$750,000	\$0	\$0	\$750,000	\$2.2 million	General fund money granted to local social service agencies through a competitive process
Public Services	City	Utility Assistance	\$120,000	\$0	\$0	\$120,000	\$360,000	Local utility funding passed through local services agencies to beneficiaries

Table 1 - 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

The City and local agencies synergistically leverage the impact of all resources by combining funding sources to create larger, more impactful programs than could otherwise be possible.

No match is required for CDBG funding.

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

City management routinely evaluates City-owned land to determine whether it would be a good fit for the creation of affordable housing. The City does not have funding for housing construction at this time, but has donated land to Habitat for Humanity at times in the past.

Discussion

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

City Council reviewed the Proposed Funding of \$740,000 at their meeting on April 7, 2026, and directed that the information below be published for public comment.

	Goal Name	Recommended Allocation	Quantity	Category
1	Housing Repair and Rehabilitation	\$406,000	104 households	Affordable Housing
2	Services for Children and Families	\$111,000	5,413 people	Public Services (Maximum 15%)
3	Public Facilities and Infrastructure	\$0		Non-Housing Community Development
4	Park Improvements	\$75,000	625 households	Non-Housing Community Development
5	Administration	\$148,000	Not applicable	Administration (Maximum 20%)
	Total	\$740,000		

HUD announced the actual allocation for San Marcos of \$774,306 after the agenda was posted for the April 7, 2026, City Council Meeting. The application review committee is recommending the Additional Proposed Funding of \$34,306, for review by City Council at their meeting on July 7, 2026.

	Goal Name	Proposed Additional Funding	Quantity	Category
1	Housing Repair and Rehabilitation	\$22,300	5 households	Affordable Housing
2	Services for Children and Families	\$5,145	940 people	Public Services (Maximum 15%)
3	Public Facilities and Infrastructure			Non-Housing Community Development
4	Park Improvements			Non-Housing Community Development
5	Administration	\$6,861	Not applicable	Administration (Maximum 20%)
	Total	\$34,306		

Sort Order	1
Goal Name	Housing Repair and Rehabilitation
Description	Rehabilitation, repair, and emergency repair of single family homes and 100% owned duplexes, in order to provide suitable living environments, preserve affordable housing stock, and create generational wealth. Installation and repairs that increase energy efficiency, to reduce current utility bills. Owners, including landlords, must meet 80% Area Median Income restriction.
Funding	\$406,000 original estimate + \$22,300 proposed additional = \$428,300
Quantity	104 original estimate + 5 proposed additional = 109
Unit	household housing unit
Needs Addressed	Affordable Housing
Start Year	2026
End Year	2028
Geographic Area	Citywide
HUD Category	Affordable Housing
HUD Goal Outcome Indicator	homeowner housing rehabilitated, rental units rehabilitated
HUD Objective	provide decent affordable housing
HUD Outcome	affordability
Sort Order	2
Goal Name	Services for Children and Families
Description	Services to survivors of domestic abuse and families who are struggling, in order to create long-term, psychologically supportive, suitable living environments. Emergency assistance for the general population for current needs, including food, shelter, supplies, medicine, ID cards, transportation, etc.
Funding	\$111,000 original estimate + \$5,145 proposed additional = \$116,145
Quantity	5,413 original estimate + 940 proposed additional = 6,353
Unit	persons assisted
Needs Addressed	Public Services
Start Year	2026
End Year	2027
Geographic Area	Citywide

HUD Category	Non-Homeless Special Needs
HUD Goal Outcome Indicator	public service activities other than low/mod housing benefit
HUD Objective	create suitable living environments
HUD Outcome	availability/accessibility
Sort Order	3
Goal Name	Public Facilities and Infrastructure
Description	Improve or create public facilities and infrastructure, in order to provide benefits to the general public
Funding	\$0 for the 2026-2027 year
Quantity	0
Unit	households assisted
Needs Addressed	Public Facilities
Start Year	
End Year	
Geographic Area	Citywide
HUD Category	Non-Housing Community Development
HUD Goal Outcome Indicator	public facility or infrastructure activities for low/mod benefit
HUD Objective	create suitable living environments
HUD Outcome	availability/accessibility
Sort Order	4
Goal Name	Park Improvements
Description	Improve or create parks and open spaces, in order to provide benefits to the general public
Funding	\$75,000
Quantity	625
Unit	households assisted
Needs Addressed	Public Facilities
Start Year	2026
End Year	2027
Geographic Area	Citywide
HUD Category	Non-Housing Community Development

HUD Goal Outcome Indicator	public facility or infrastructure activities for low/mod benefit
HUD Objective	create suitable living environments
HUD Outcome	availability/accessibility
Sort Order	5
Goal Name	Administration
Description	Salaries and benefits for City staff who administer the CDBG grant, tracked by the half hour and assigned to the applicable funding source
Funding	\$148,000 original estimate + \$6,861 proposed additional = \$154,861
Quantity	na
Unit	na
Needs Addressed	Administration
Start Year	2026
End Year	2027
Geographic Area	Citywide
HUD Category	Other: Administration
HUD Goal Outcome Indicator	other: administration
HUD Objective	na
HUD Outcome	na

Projects

AP-35 Projects – 91.220(d)

Introduction

The City held an open application period from February 1 through March 2 to solicit proposed projects for the CDBG funding. Each project must be able to meet a combination of requirements per the grant's federal regulations and HUD's guidance. The Code of Federal Regulations (24 CFR 570) lists activities that are eligible for the funding. No more than 15% of the annual grant can be spent on public services (that is, social services), and no more than 20% can be spent on staff salaries, benefits, and supplies for administering the grant. Each activity should meet one of the local priorities needs selected by City Council in the five year Consolidated Plan: Affordable Housing, Public Services, and Public Facilities.

All activities must meet a National Objective for the CDBG program. All projects listed below meet the National Objective of benefitting people who have low to moderate incomes. All San Marcos project beneficiaries must have incomes lower than or equal to 80% of the area median income.

Projects

INITIAL PROPOSAL

City Council reviewed the Proposed Funding of \$740,000 at their meeting on April 7, 2026, and directed that the information below be published for public comment.

Project Name	Agency	Category	Recommended Allocation
Rental Assistance	Blanco River Regional Recovery Team	Public Services	\$25,000
Court Appointed Special Advocates	CASA of Central Texas, Inc.	Public Services	\$23,000
Nutrition Access	Central Texas Food Bank	Public Services	\$10,000
Family and Youth Support	Greater San Marcos Youth Council	Public Services	\$13,000
Safe Start Housing Assistance	Hays-Caldwell Women’s Center	Public Services	\$15,000
Transitional Housing	Hays County - Mental Health Court	Public Services	\$5,000
Pathways to HOME for Veterans/Disabled	H.O.M.E. Center	Public Services	\$5,000
Emergency Assistance	Salvation Army of San Marcos	Public Services	\$15,000
Dunbar History Walk Lighting	City - Destination Services	Park Improvements	\$75,000
Home Energy Efficiency Improvements	Combined Community Action	Affordable Housing	\$75,000
Home Repair (Major Repairs)	Habitat for Humanity	Affordable Housing	\$91,000
Home Repair (Targeted Critical Repairs)	Mission Able	Affordable Housing	\$240,000
Administration	City – Planning and Development Services	Non-Housing Community Development	\$148,000
		TOTAL	\$740,000

Table 3a - Project Information – Original Estimate

INTERIM PROPOSAL – PUBLISHED FOR COMMENT

HUD announced the actual allocation for San Marcos of \$774,306 after the agenda was posted for the April 7, 2026, City Council Meeting. The application review committee is recommending the Additional Proposed Funding of \$34,306, for review by City Council at their meeting on July 7, 2026.

Program	Agency	Category	Proposed Additional Funding
Rental Assistance	Blanco River Regional Recovery Team	Public Services	
Court Appointed Special Advocates	CASA of Central Texas, Inc.	Public Services	
Nutrition Access	Central Texas Food Bank	Public Services	\$1,852
Family and Youth Support	Greater San Marcos Youth Council	Public Services	
Safe Start Housing Assistance	Hays-Caldwell Women’s Center	Public Services	
Transitional Housing	Hays County - Mental Health Court	Public Services	
Pathways to HOME for Veterans/Disabled	H.O.M.E. Center	Public Services	\$3,293
Emergency Assistance	Salvation Army of San Marcos	Public Services	
Dunbar History Walk Lighting	City - Destination Services	Park Improvements	
Home Energy Efficiency Improvements	Combined Community Action	Affordable Housing	\$8,079
Home Repair (Major Repairs)	Habitat for Humanity	Affordable Housing	\$5,042
Home Repair (Targeted Critical Repairs)	Mission Able	Affordable Housing	\$9,179
Administration	City – Planning and Development Services	Non-Housing Community Development	\$6,861
		TOTAL	\$34,306

Table 3b - Project Information – Proposed Additional

FINAL PROPOSAL

After the Action Plan was published for comment, one of the housing repair applicants withdrew their application. The CDBG staff review committee met and created the following final proposal, moving the recommended allocation from that program to other housing repair applicants.

<u>Project Name</u>	<u>Agency</u>	<u>Category</u>	<u>Requested</u>	<u>Recommended Allocation</u>
<u>Rental Assistance</u>	<u>Blanco River Regional Recovery Team</u>	<u>Public Services</u>	<u>\$30,000</u>	<u>\$25,000</u>
<u>Court Appointed Special Advocates</u>	<u>CASA of Central Texas, Inc.</u>	<u>Public Services</u>	<u>\$60,000</u>	<u>\$23,000</u>
<u>Nutrition Access</u>	<u>Central Texas Food Bank</u>	<u>Public Services</u>	<u>\$125,000</u>	<u>\$11,850</u>
<u>Family and Youth Support</u>	<u>Greater San Marcos Youth Council</u>	<u>Public Services</u>	<u>\$28,500</u>	<u>\$13,000</u>
<u>Safe Start Housing Assistance</u>	<u>Hays-Caldwell Women’s Center</u>	<u>Public Services</u>	<u>\$35,000</u>	<u>\$15,000</u>
<u>Transitional Housing</u>	<u>Hays County - Mental Health Court</u>	<u>Public Services</u>	<u>\$18,000</u>	<u>\$5,000</u>
<u>Pathways to HOME for Veterans/Disabled</u>	<u>H.O.M.E. Center</u>	<u>Public Services</u>	<u>\$30,000</u>	<u>\$8,296</u>
<u>Emergency Assistance</u>	<u>Salvation Army of San Marcos</u>	<u>Public Services</u>	<u>\$25,000</u>	<u>\$15,000</u>
<u>Dunbar History Walk Lighting</u>	<u>City - Destination Services</u>	<u>Park Improvements</u>	<u>\$75,000</u>	<u>\$75,000</u>
<u>Home Energy Efficiency Improvements</u>	<u>Combined Community Action</u>	<u>Affordable Housing</u>	<u>\$220,000</u>	<u>\$85,000</u>
<u>Home Repair (Major Repairs)</u>	<u>Habitat for Humanity</u>	<u>Affordable Housing</u>	<u>\$137,500</u>	<u>\$137,500</u>
<u>Home Repair (Major Repairs)</u>	<u>City - Community Initiatives</u>	<u>Affordable Housing</u>	<u>\$250,000</u>	<u>\$205,800</u>
<u>Administration</u>	<u>City – Planning and Development Services</u>	<u>Non-Housing Community Development</u>	<u>\$154,861</u>	<u>\$154,860</u>
<u>-</u>	<u>-</u>	<u>TOTAL</u>	<u>\$1,538,861</u>	<u>\$774,306</u>

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

The staff review committee first considered the City Council's overall priorities for CDBG Funding, as stated in the Consolidated Plan: Affordable Housing, Public Services, and Public Facilities. Affordable Housing is a serious ongoing need in San Marcos, and it was decided that spreading the available funding among the proposed programs would move the funding to the community faster than funding one program. In addition, each home repair program has a specific focus for the funding, which provides a blend of services. Public Services consistently scores as a high need in any needs assessment performed within the community; however, funding through CDBG for that purpose is limited to 15% of the total grant. The committee members decided to balance long term assistance through case management with short term assistance for immediate impact. The committee felt that the park lighting project could add an amenity to a public facility for use by residents of the area, and support the community-initiated Dunbar History Walk at the same time, by coincidentally providing a location for plaques honoring neighborhood contributors.

AP-38 Project Summary

Project Summary Information

Project Name	Rental Assistance
Agency	Blanco River Regional Recovery Team
Target Area	Citywide
Goals Supported	Services for Children and Families
Needs Addressed	Public Services
Recommended Allocation	\$25,000
Description	Case management and financial counseling to support rental assistance
Target Date	2026-2027
Number Served	83
Type	People
HUD Activity	05K Tenant/Landlord Counseling
Project Name	Court Appointed Special Advocates
Agency	CASA of Central Texas, Inc.
Target Area	Citywide
Goals Supported	Services for Children and Families
Needs Addressed	Public Services
Recommended Allocation	\$23,000
Description	Training for volunteer advocates for children in foster care
Target Date	2026-2027
Number Served	27
Type	People
HUD Activity	05N Abused and Neglected Children Services

Project Name	Nutrition Access
Agency	Central Texas Food Bank
Target Area	Citywide
Goals Supported	Services for Children and Families
Needs Addressed	Public Services
Recommended Allocation	\$11,850
Description	Bulk food for distribution
Target Date	2026-2027
Number Served	5,926
Type	People
HUD Activity	05W Food Banks
Project Name	Family and Youth Support
Agency	Greater San Marcos Youth Council
Target Area	Citywide
Goals Supported	Services for Children and Families
Needs Addressed	Public Services
Recommended Allocation	\$13,000
Description	Family counseling and education, crisis hotline
Target Date	2026-2027
Number Served	98
Type	People
HUD Activity	05O Mental Health Services

Project Name	Safe Start Housing Assistance
Agency	Hays-Caldwell Women's Center
Target Area	Citywide
Goals Supported	Services for Children and Families
Needs Addressed	Public Services
Recommended Allocation	\$15,000
Description	Support, resources, and rental assistance
Target Date	2026-2027
Number Served	161
Type	People
HUD Activity	05G Services for Victims of Domestic Violence or Sexual Assault
Project Name	Transitional Housing
Agency	Hays County - Mental Health Court
Target Area	Citywide
Goals Supported	Services for Children and Families
Needs Addressed	Public Services
Recommended Allocation	\$5,000
Description	Rental assistance in transitional housing with supportive services
Target Date	2026-2027
Number Served	2
Type	People
HUD Activity	05O Mental Health Services

Project Name	Pathways to HOME for Veterans/Disabled
Agency	H.O.M.E. Center
Target Area	Citywide
Goals Supported	Services for Children and Families
Needs Addressed	Public Services
Recommended Allocation	\$8,295
Description	Transportation, medical needs, health education
Target Date	2026-2027
Number Served	35
Type	People
HUD Activity	05Q Subsistence Payments
Project Name	Emergency Assistance
Agency	Salvation Army of San Marcos
Target Area	Citywide
Goals Supported	Services for Children and Families
Needs Addressed	Public Services
Recommended Allocation	\$15,000
Description	Short term assistance for immediate needs, ID cards, prescriptions
Target Date	2026-2027
Number Served	21
Type	People
HUD Activity	05Q Subsistence Payments

Project Name	Dunbar History Walk Lighting
Agency	City - Destination Services
Target Area	Near Dunbar Park
Goals Supported	Park Improvements
Needs Addressed	Public Facilities
Recommended Allocation	\$75,000
Description	Bollards and lighting for Dunbar Park sidewalk loop
Target Date	2026-2027
Number Served	625
Type	Households
HUD Activity	03F Parks, Recreational Facilities
Project Name	Home Energy Efficiency Improvements
Agency	Combined Community Action
Target Area	Citywide
Goals Supported	Housing Repair and Rehabilitation
Needs Addressed	Affordable Housing
Recommended Allocation	\$85,000
Description	Installation of energy efficiency measures in single family homes
Target Date	2026-2028
Number Served	6
Type	Households
HUD Activity	14F Energy Efficiency Improvements

Project Name	Home Repair (Major Repairs)
Agency	Habitat for Humanity
Target Area	Citywide
Goals Supported	Housing Repair and Rehabilitation
Needs Addressed	Affordable Housing
Recommended Allocation	\$137,500
Description	Major repairs to maintain safety and independent living in single family homes
Target Date	2026-2027
Number Served	5
Type	Households
HUD Activity	14A Rehabilitation; Single-Unit Residential
Project Name	Home Repair (Major Repairs)
Agency	City of San Marcos – Community Initiatives Division
Target Area	Citywide
Goals Supported	Housing Repair and Rehabilitation
Needs Addressed	Affordable Housing
Recommended Allocation	\$205,800
Description	Major repairs to maintain safety and independent living in single family homes
Target Date	2026-2027
Number Served	4
Type	Households
HUD Activity	14A Rehabilitation; Single-Unit Residential

Project Name	Administration
Agency	City – Planning and Development Services
Target Area	Citywide
Goals Supported	Administration
Needs Addressed	Administration
Recommended Allocation	\$154,861
Description	City staff hours or consultant time spent on the CDBG grant
Target Date	2026-2027
Number Served	NA
Type	NA
HUD Activity	21A General Program Administration

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

Until recently, almost the entire city of San Marcos was classified as low-to-moderate income using census and American Community Survey data; therefore, the City has not set geographic priority areas. Recent new home developments outside the traditionally developed areas of San Marcos have targeted a higher income audience. When projects are considered that benefit an area of town, a map is created to ensure that the area served by the proposed project is more than 51% low to moderate income and primarily residential.

Geographic Distribution

Target Area	Percentage of Funds
Citywide	100%

Table 4 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The table in Section SP-10 of the 2025-2029 Consolidated Plan shows the City's low/mod population percentages by census block group. As can be seen on the table, the percent of population with low to moderate incomes is above 25% in all but three block groups, and higher than 40% in all but seven. These seven block groups are scattered in southwest, far southeast, northwest, and far northwest San Marcos. This distribution of low-to-moderate income individuals makes it equitable to allocate investments city-wide, where they can benefit the greatest number of citizens instead of focusing on particular census tracts or block groups.

Discussion

The new single family housing developments that are marketed to higher income individuals are easily distinguishable from the remainder of the city. All programs funded by CDBG in San Marcos require that beneficiaries have income of 80% of the area median or lower.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The City is committed to providing affordable housing of choice to low-to moderate-income families by:

- educating the public on fair housing issues and rights
- maintaining the value of existing housing by assisting with rehabilitation and repair
- providing funding for utility assistance
- supporting the creation of programs for rental assistance by other agencies, including providing funding when available

One Year Goals for the Number of Households to be Supported

Homeless	161
Non-Homeless	192 97
Special-Needs	2
Total	355 260

Table 6 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through

Rental Assistance	246
The Production of New Units	0
Rehab of Existing Units	109 14
Acquisition of Existing Units	0
Total	355 260

Table 7 - One Year Goals for Affordable Housing by Support Type

Discussion

The 2019 Housing Needs Assessment found the following to be the primary issues in affordable housing:

- Reduction in Cost Burden: Additional affordable rentals for residents earning less than \$25,000

Update: The City continues to support efforts to provide affordable rental units, such as through the Housing Tax Credit program.

- Displacement prevention

Update: Over the past few years, the City has allocated more than \$1 million in CDBG-Coronavirus Response and American Rescue Plan Act funding to rental and utility assistance in an effort to stabilize households that are facing eviction.

- Increased Home Ownership: Starter homes and family homes priced near or below \$200,000 and increased ownership product diversity.

Update: The City’s Development Code and Housing Strategic Action Plan continue to be evaluated to consider how to foster increased ownership product diversity.

- Improved Housing Stock Condition: Improve condition and accessibility of existing housing stock

Update: Over the past few years, the City has spent more than \$2 million in CDBG Entitlement and American Rescue Plan Act funding on housing rehabilitation and repair. The need for home repair and rehabilitation is substantial and widespread in San Marcos and continues to be a high priority. Need greatly exceeds existing funding.

No regulatory barriers have been specifically identified in various San Marcos needs assessments; however, the City continues to look for ways to improve processes and provide support for resolution of affordable housing issues.

AP-60 Public Housing – 91.220(h)

Introduction

The San Marcos Housing Authority (“Housing Authority”) provides decent, safe, and affordable housing for approximately 632 low-income households, including elderly and disabled.

A five-member Board of Commissioners oversees the Housing Authority. The Mayor appoints the Board, which includes one Resident Commissioner. Commissioners are the governing body of the Housing Authority and must work closely with the Executive Director and local officials; they also communicate with the community regarding their needs, concerns, and successes. Via their leadership, commissioners enable the housing agency to fulfill its mission of providing affordable, safe, and sanitary housing in a sustainable, thriving community.

The City works closely with the Housing Authority regarding public housing issues. The City’s Mayor and Council members appoint the Housing Authority Commissioners.

Additional public housing and Section 8 vouchers are definitely needed in San Marcos, as is evidenced by the long waiting lists both programs typically maintain, especially for public housing 1- and 2-bedroom units to serve elderly households, single individuals, and small families. As of April, 2026, the waiting lists included:

- Public Housing: 96 applicants
- Housing Choice Voucher (Section 8): 85 applicants
- Springtown Villa: 48 applicants

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

The San Marcos Housing Authority will continue to pursue entrepreneurial opportunities to address emerging trends and respond to challenges of the future. Housing Authority staff will continue to work towards the six goals and related objectives in the Housing Authority’s Five Year Plan. The six goals are:

1. Expand the supply of assisted housing
2. Improve the quality of assisted housing
3. Increase assisted housing choices
4. Provide an improved living environment
5. Promote self-sufficiency and asset development of assisted households.

In addition, these actions will continue to be taken by the San Marcos Public Housing Authority:

- Maximize resources and efforts to continually improve the efficiency and effectiveness of the housing authority's performance
- Improve rental assistance to address the need for affordable housing
- Reduce public housing vacancies
- Promote Homeownership through education about saving

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

Each public housing complex has a resident Council or Assembly group which holds periodic meetings to provide information on programs, gather input, and encourage communication among residents. Springtown Villa, Poder and KAD Learning Center and Chapultepec have active Resident Assembly's. Chapultepec maintains a Program Coordinating Committee as part of the Family Self Sufficiency program and has a resident involved with this. Resident organizations are actively supported by the Housing Authority Resident Services department. Service coordinators collaborate with other organizations in support of social gatherings, presentations, and fundraising efforts.

The Resident Services office publishes a quarterly newsletter, which is distributed to all residents. It is also published on the Housing Authority website. The newsletter, occasional flyers, public hearings, postings at Housing Authority buildings, and the website are the various means used by the Housing Authority to share information with residents and give them an opportunity to be involved. Resident Services is currently working on establishing a social media platform to allow residents to stay informed about their community and events.

The Housing Authority provides a variety of programs and continues to partner with local agencies, faith-based organizations, Texas State University, and the City to bring resources to its residents.

A youth development program normally serves about 40 youth at two sites providing mentors, tutors, homework assistance, computer access, and social opportunities. This program is conducted with the help of volunteer students from Texas State University. Nutrition services are provided through the Texas State Nutrition Class. Goals of the program include:

- Providing a safe environment where youth can get help with schoolwork
- Helping youth learn personal responsibility, goal setting, communication skills, and the importance of community involvement
- Helping children develop or improve social skills

The Family Self-Sufficiency program provides residents an opportunity to learn new life and career skills, to save for future needs, get connected with educational and training resources and, ideally, to move out of public housing. Formerly only open to residents at one of the locations, it was later made available to public housing residents at all sites. About 75 families participate annually. Homeownership is a goal

of many families participating in the Family Self-Sufficiency (FSS) program. First-time homebuyer presentations are included in FSS classes on a regular basis. Helping participants improve their credit scores and manage their budgets more effectively is a major focus of the program. This is essential for participants to be able to secure financing. The FSS Escrow account and other asset-building activities help participants to be able to have the necessary down-payment for a home when they are ready to buy. The significant increase of private-market housing costs has made homeownership and even apartment rentals much less affordable, even for FSS graduates. More graduates choose to remain in housing while they can. The Low-Income Tax Credit Housing program has put apartment rentals into the reach of more families but new units in this program have not kept up with the growing demand for affordable housing in this area.

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

The San Marcos Housing Authority is NOT designated as troubled.

Discussion

The Housing Authority has been providing affordable housing since 1950. The resident services program consists of several initiatives designed to support self-sufficiency and family development, elderly and disabled services, youth services, and resident organizations and community development. Public housing developments include Allen Wood Homes, C. M. Allen Homes, Porter Homes, Chapultepec Homes, and 27 homes on scattered sites. Springtown Villas is a project-based Section 8 facility for seniors and persons with a disability. Overall, the 289 public housing units that are owned and managed by the San Marcos Public Housing Authority in fulfillment of their Approved Public Housing Agency Plan are considered to be in good condition and the Housing Authority follows a program of routine maintenance.

In the Housing Choice Voucher Program, landlord participation can fluctuate. The Housing Authority takes the following steps to maintain program capacity:

- Conducts ongoing landlord outreach and recruitment, including direct engagement with property owners and management companies
- Provides education and support to prospective landlords regarding program requirements and benefits
- Maintains competitive payment standards (within HUD-approved limits) to encourage participation
- Utilizes rent reasonableness determinations to ensure proposed rents remain aligned with the local market
- Supports participating landlords and tenants to promote successful tenancies and reduce turnover

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

Introduction

HOMELESSNESS STRATEGIC ACTION PLAN

In 2022, the City contracted with Marbut Consulting to create a strategic plan with implementation steps, entitled "Homelessness Services Needs Assessment and Recommended Strategic Action Steps for The City of San Marcos" (2023 Plan). This 2023 Plan was completed in May, 2023, and presented to City Council in July, 2023. The 2023 Plan includes the following recommended Strategic Actions.

A. Stop the Growth

1. Create Residency-based Customized Service Tracks for All Services and Clinical Tracks.

B. Improve the Overall System Through Increased Effectiveness and Efficiencies

2. Expand the Police Department's Homeless Outreach Team (HOTeam), and Centralize Outreach, Intake, and Navigation Within the HOTeam:
 - a. Add 4 Case Management Navigators to the HOTeam,
 - b. Dedicate 2 SMPD Officers Full-time to the HOTeam,
 - c. Utilize and Integrate City Marshals on the HOTeam Whenever Possible.
3. Become Martin v. Boise Compliant, and then Have a Zero Tolerance of Encampments.
4. Transform Information Management from a Data Tracking Model to a Case Management Tool.
5. Whenever Possible, Separate Families with Children from Non-family Single Adults.

C. Expand Capacity

6. Expand Southside Community Center Housing and Services, and provide funding.
7. Re-activate Salvation Army Assistance Program.
8. Proactively Source New housing of All Types.
9. Provide Targeted Grants to San Marcos and Hays CISDs for McKinney-Vento Students.

D. For Future Consideration

10. Possibly Create a Right-sized Homelessness Assistance Center.

Since 2023, the City has invested in many of these steps as described below.

2025-2029 HUD CONSOLIDATED PLAN, SECTION SP-60 HOMELESSNESS STRATEGY

Section SP-60 of the 2025-2029 HUD Consolidated Plan identifies the following strategies in process of implementation:

1. **City:** Support the Police Department’s Mental Health Unit and HOTeam
2. **Homeless Coalition of Hays County:** Begin a Case Conferencing Committee for key people in organizations that conduct case management for people who are unhoused.
3. **HOME Center:** Increase services related to medical and mental health appointments and access to food. HOME Center uses HMIS as a case management tool.
4. **Southside Community Center:** Continue to use City ARPA and other funding for staff to provide case management, create policies and procedures toward a coordination entry process, expand access to transitional housing, and begin using HMIS for case management.

SERVICE PROVIDERS’ ONE YEAR GOALS

San Marcos area service providers are working toward having a formal Hays County Coordinated Entry System in place in the next few years. San Marcos service providers are making intentional progress toward system-level coordination through meeting and daily interaction among members of the Case Conferencing Committee (listed below). The Community Liaison at Community Action Inc of Central Texas (CAI) is developing and interim case tracking system for now. In addition, CAI, Blanco River Regional Recovery Team (BR3T), Southside Community Center, Hays Caldwell Women’s Center, H.O.M.E. Center, and Breaking Bread Outreach Ministries meet monthly with Texas Homeless Network to design and implement a formal Coordinated Entry system in the future. The goal of Coordinated Entry is to create a “no wrong door” approach that ensures individuals and families experiencing a housing crisis can access assessment, referrals, and housing interventions quickly and consistently across agencies.

Case management for individuals and families is increasingly emphasized to assist people in avoiding or exiting homelessness.

Agencies and the City are also focused on finding additional funding to support these efforts.

City management and the City Council are considering combining several homelessness and housing issues committees into one, with a focus on keeping people housed and in safe housing, with case management to help make housing transition into permanent lifestyle changes. The City is evaluating using a risk terrain model as a tool -to bring together analysis of crime data, housing, homelessness, and animal welfare, and consider the effect of this environment to ~~to use this data in shaping new policies~~ shape strategy and program design.

Homelessness initiatives will be moving to the Office of Community Support and Resource Navigation. Tenant rights and support will remain with the Neighborhood Enhancement Department.

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**

Daily Services

Some people who are unhoused go to two locations in San Marcos because of the services they offer daily: Southside Community Center and the San Marcos Public Library. Staff at each location reach out to the people who show up, to connect them with services they need.

Southside Community Center (“Southside”) provides a range of Daily Services to anyone in need. These include breakfast six days each week, dinner every day year-round, showers, laundry, hygiene kits, lockers, and mail services. Southside also operates the only regularly activated weather shelter in all of Hays County, which is open daily when the weather dictates (above 100 or below 35 for three or more consecutive hours). All of these services are available to anyone who comes to Southside’s physical location. Only mail services and lockers require more than signing in for the particular service. These two require a photo identification so that mail and locker access are only delivered to the correct individual. Across these programs, Southside primarily serves people living below the poverty line, many of whom are unhoused or unstable in their housing.

Southside staff perform their own needs assessment for people who show up for daily services, and help connect people to resources. One possibility over the next few years is formalizing Southside as the central hub or first stop for people who are unhoused. In this concept, Southside would be able to provide shelter for a few days while staff conduct a needs assessment using HMIS and Coordinated Entry tools, and then create a personal plan of action and help connect people to the next step for their situation.

The San Marcos Public Library provides many services for people who are unhoused. In fact, all staff have completed training specifically for providing trauma-informed services to people who are experiencing homelessness. Library employees encounter unhoused people often in the library because it provides a free sitting area in a climate-controlled building, which is especially important during extreme temperatures during the summer and winters. The Library welcomes people to relax, read, use the restroom and water fountain, and soak up the air conditioning.

The Library provides library cards with photos which can sometimes be used as identification for those who do not have other forms of photo identification. The library also provides job and computer training services to all residents, including those who are unhoused.

Another especially helpful area of Library services is access to computers and Wi-Fi, which is an important way for people to connect with their community, find services, and seek employment. Library staff include a fulltime Digital Navigator as well as reference librarians and services that are always available to help people use the free internet, as well as print and scan - which is especially important for those seeking services.

The Library offers job fairs, one-on-one career coaching, resume making, computer classes especially for job seekers. It also offers resources such as legal aid and programs. These services range from preventing eviction to getting people on a path to creating and sustaining generational wealth.

Through a partnership with Via Hope, the Library hosts a part time mental health peer support specialist who can work with people one on one. She has helped numerous people who have been experiencing homelessness in the two years that she has been at the Library.

Case Management

At Southside, case management includes listening to a client's story, providing resources from Southside, offering referrals to other agencies, and registering for workshops and sessions with partner agencies; for shelter clients it also includes social and /emotional support, housing navigation, financial literacy, and budgeting. –For qualified individuals in Emergency Assistance and Eviction Prevention, case management includes financial payments to utility companies or landlords.

Southside has one full-time and one part-time case manager, ~~and two interns~~; they work with Transitional Housing/Eviction Prevention and Emergency Assistance clients, respectively. In addition, the Housing Program Manager provides triage case management for individuals who are not enrolled in any of ~~our~~ Southside's programs and ~~usually~~ need specific support.

In 2025, Southside served more than 600 unique individuals in the Housing Stability Program, all of whom participated in at least one case management meeting. Each tier of the program provides different levels of case management:

- Emergency Assistance: one-time appointment
- Eviction Prevention: one to three months of case management
- Transitional Housing: sixty days of case management from Southside Community Center ~~combined with sixty days of housing navigation case management from BR3T~~ as well as housing navigation and deposit assistance through BR3T.

~~As of April, 2026, Southside had~~ On average, Southside has twelve clients receiving case management in Eviction Prevention or Transitional Housing, and ~~were holding~~ twelve Emergency Assistance appointments weekly.

The Hays County Veterans Services Office reaches out to people who are unhoused to offer food and water. In particular, staff tries to establish a rapport with unhoused veterans and assist with filing for Veterans Administration benefits on their behalf.

H.O.M.E. Center staff and a volunteer - including three Mental Health Peer Support Specialists, two of whom are also Community Health Workers – go into the community to find people who are unhoused, assess their needs, and offer assistance. H.O.M.E. Center conducted 157 assessments in the past year. Also in the past year, Mental Health & Recovery Workers with H.O.M.E. Center provided 967 hours of interactions with clients and conducted 628 interactions. Community Health Workers spent 214 total hours with clients with a total of 94 interactions assisting clients with navigating their health care needs, going to medical appointments and applying for medical services. H.O.M.E. Center conducted 833 case management hours, including assisting with 217 applications for various local, state and federal benefits including disability benefits for SSDI and veteran benefits. The combined number of referrals from H.O.M.E. Center volunteers and staff was 664 referrals.

H.O.M.E. Center provided 621 vehicle transports with company vehicles and personal staff vehicles. Transports were conducted for enrolling clients into area services, housing navigation, nutrition related services, temporary shelter navigation, mental health appointments, probation related appointments/activities, job related activities and medical appointments.

During the next 12 months, H.O.M.E. Center will conduct medical health assessments to assist clients with navigating medical related issues, assist clients with obtaining mental health care, provide mental health peer support to clients in street outreach and continue to provide this service to clients once they become housed, provide transportation to clients who are unhoused to assist them with navigating medical and mental health care, assist clients with housing navigation to find apartments, shelters or other facilities that meet their needs.

Additional Outreach and Needs Assessments

The San Marcos Police Department Mental Health Unit aids individuals suffering from mental health illness and crisis through counseling and diversion, medical help and stabilization, coordination for placement in mental health facilities or treatment centers and connecting individuals with resources and referrals for continuity of care. Working in conjunction with the Mental Health Unit, the multi-departmental Homeless Outreach Team (HOT) is comprised of Police Officers, City Marshals, and Code Compliance staff who provide direct outreach to homeless residents. These City staff also work to support area businesses and help them cope with and understand homelessness.

The combined team's goals are striving to assist those experiencing homelessness or mental health challenges by connecting them to resources and services. This is accomplished by seeking out the most appropriate or beneficial resource to each person and helping them overcome barriers to receiving assistance.

The Hays County Food Bank launched the Van Go program in March 2025, going around like an ice cream truck with Go Bag food for people who have no kitchen access. Food Bank staff have located many people in the county who previously were not registered for any services. The staff only directly work with them for food related needs, and refer people to other organizations for assessment and services.

Breaking Bread is another organization conducting direct street outreach to locate people who are unhoused and offer help.

One major function of the Homeless Coalition of Hays County is conducting the annual Point in Time Count each January to attempt to gauge the scale of homelessness in Hays County. Results are tabulated by the Texas Homeless Network, and the Coalition is now presenting them to each City Council and the Hays County Commissioners Court. The Coalition is also working with the county to improve the processes for human services funding.

- **Addressing the emergency shelter and transitional housing needs of homeless persons**

Agencies throughout San Marcos are working to increase the amount of personalized case management that is available to help people make the transition to permanent housing. Providing people the ability to live independently in a sustainable manner is one of the goals of all the local service agencies.

Transitional Housing

For the past several years Hays-Caldwell Women's Center has operated a highly successful transitional housing program with 18 units on a secure campus. Childcare, Head Start, and additional support services are provided to the residents to help them transition from situations of domestic abuse to independent living.

Emergency Assistance

The Housing Stability Program at Southside provides housing support to Hays County residents across three programs: Emergency Assistance, Rehousing, and Eviction Prevention. Through Emergency Assistance at Southside and other service agencies such as the Salvation Army and Society of St Vincent de Paul, clients receive a one-time or short term payments for rent or utility bills paid directly to landlords or utility companies. These programs are designed for those who have had a small, short-term setback in payments but are otherwise stable.

In addition to proactive street outreach, H.O.M.E. Center provides emergency response, as well as short term stays in motel rooms for people who have severe disabilities, life threatening medical conditions or those rapidly transitioning into housing. Last year H.O.M.E. Center paid more than \$22,569 for motel rooms for households experiencing emergency or crisis situations.

- **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 Mission of the **Homeless Coalition of Hays County** is uniting to find and close housing gaps in our Hays County communities through communication, cooperation, coordination, and collaboration. The coalition itself does not provide direct services, but it is a coalition of agencies that do. For the Homeless Coalition the 2025 goal, spilling into 2026, has been to work with the county and its municipalities to improve emergency and disaster preparedness plans to more explicitly include homeless community members. Coalition members have seen progress in this area, especially ramping up after the most recent winter freeze. Also, the coalition started its Case Conferencing group in July 2025 which helps identify gaps and resources for individuals who are getting assistance from different agencies.

Clients in Southside Community Center's **Rehousing Program** spend up to sixty days in Southside's on-site shelter. During this time, they are expected to work or find employment, while saving to prepare for their first months in permanent housing. These clients receive case management twice weekly. At the end of the temporary shelter stay, Southside helps move clients into permanent housing with deposits covered by BR3T. This program combined two previous programs in November 2025: Temporary Shelter and Rapid Rehousing. Rapid Rehousing as a specific goal has been especially problematic due to the lack of very low rent housing in San Marcos. The combination of providing temporary shelter for several months and then providing assistance for moving into more permanent housing attempts to work around this issue.

The **Helping Hands Warehouse** created by the City's Neighborhood Enhancement Department supports San Marcos residents who are transitioning out of homelessness or facing temporary hardships. The warehouse accepts donations and offers essential household items, furniture, appliances, and more. The recipients assisted are those referred by non-profit organizations, San Marcos Police Department, Hays-Caldwell Women's Center, and other agencies.

The **San Marcos Regional Animal Shelter** provides pet food and dog collars to the pets of homeless residents. The Animal Shelter holds the pets of San Marcos residents during temporary incarceration, when needed. The Fureget Me Not Program provides pet food and all types of supply assistance to pet owners in need. The Animal Shelter provides pet owner financial assistance to help with pet deposits and pet rent, grooming, boarding for temporarily unhoused pet owners and their pets, emergency medical care, vaccinations, and wellness. These programs help prevent owner surrender and keep pets with their people.

Prevent a Litter San Marcos (PALS) also provides support to community members with a pet food pantry and low cost vaccine and neuter/spay services.

Pathways to HOME is a housing stabilization and supportive services program operated by H.O.M.E. Center that assists low-income veterans and individuals with disabilities in San Marcos who are experiencing homelessness or are at risk of losing housing. Services include individualized case management, housing navigation, assistance accessing financial resources, transportation to medical and behavioral health appointments, mental health peer support, healthcare education, assistance with applying for disability and veteran benefits, including coordination of required medical assessments.

Through this project, H.O.M.E Center has moved households out of homelessness and has provided continual support as part of their stabilization plan. Individuals who are veterans or those with disabilities receive ongoing supportive services as long as income and need exist. H.O.M.E. Center staff and volunteers educate individuals and households on obtaining area, state, and federal services. In 2025, H.O.M.E. Center assisted 35 households with their transition from homelessness into stable housing and 19 veterans with case management and assistance with applications for services.

- **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.**

San Marcos does not have a homeless discharge coordination policy and does not qualify for Emergency Solutions Grant funding. Steps are being taken by various service providers to set up processes that would help qualify San Marcos for ESG funding through the Texas Department of Housing and Community Affairs (TDHCA).

San Marcos has very limited formal supportive housing, but agencies are exploring funding that could support it. The Strategic Plan within the Consolidated Plan does not have specific goals or objectives for supportive housing.

Hill Country Mental Health and Developmental Disabilities Centers provide some options for individuals who are active in their services. They offer a Direct Monetary Funding program which can provide up to \$500 to individuals who need expedient monetary assistance to avoid homelessness. They also have a housing assistance program which provides longer term (up to a year) of housing aide for individuals who are identified as homeless or at high risk of becoming homeless. This support also provides a transitional plan which focuses on the individual's ability to become self-sufficient within the funding time frame. In addition to these direct funding programs, Hill Country MHDD provides case management services to assist individuals in connecting with local resources as needed. They also provide counseling, skills training, and

psychosocial rehab services to support individuals with managing symptoms, finding, and maintaining employment, or filing for disability benefits, if appropriate.

Community Action Inc. of Central Texas (CAI) provides a wide variety of resources that help all the above listed categories of people avoid becoming homeless. CAI is well connected with other service entities to coordinate services and provide referrals.

- For low-income individuals, CAI provides a utility assistance program to help pay for electric, gas, and water bills.
- Case management services are also offered to help low-income families move towards self-sufficiency. That could include assistance with rent, transportation, outstanding bills, financial and career counseling, and other types of support.
- One-time emergency funding is sometimes available to those exiting institutions and looking for housing. That could include help with first month's rent and/or deposit.
- For adults who are able to work, CAI partners with Austin Community College and other training providers (including Texas Fire Academy) to offer free, online and in person, vocational and career training programs. When planning these programs, CAI partners with Greater San Marcos Partnership and Texas Workforce Commission to be informed of the employment trends and to know the latest jobs that are in demand. CAI partners with the San Marcos Public Library, SMCISD, and others for space to provide training in person.
- For people needing assistance with childcare,
 - CAI offers a Head Start and Early Head Start program for families with children between the ages birth-to-five for those who qualify.
 - CAI's Home Visiting program is also available that provides intensive and comprehensive home-based child development services.
- Lastly, for those who need medical or health care, CAI's Community Health Services provides a variety of services that include reproductive health services, breast and cervical cancer screening and services, Medicaid enrollment navigation and HIV/ AIDS case management services, including assistance with short-term and long-term housing.

In Southside Community Center's **Eviction Prevention Program**, clients receive financial assistance for one to three months depending on their level of need. During the time they receive financial support, they also meet regularly with a case manager who connects them with community resources. This program is designed for those at risk of homelessness due to temporary challenges like job loss, illness, major car repairs, and the like and began in July 2025.

Sunrise Village is a 100-unit community owned by Southside Community Center for low-income, independent seniors. Sunrise offers the cheapest rent in San Marcos to accommodate the needs of this population. Since income is relatively low, Sunrise depends on donations and volunteers to support additional programming services. This grant funding is intended to support the partial salary of a fourth staff member,

accessibility retrofits, emergency call systems repairs, Sunrise bus maintenance, lunch and learn programs, and temporary hotel stays during emergencies.

The **Hays County Veterans Services Office** helps veterans in Hays County receive the Veterans Administration benefits they have earned. This Office receives referrals from veterans groups and non-profits, conducts outreach during extreme weather, and partners with Southside and law enforcement to identify and serve unhoused veterans. This agency was awarded sixteen housing vouchers from the Veterans Administration which are administered by the San Marcos Housing Authority.

BR3T provides rental and utility assistance through a variety of funding sources, including American Rescue Plan Act funding through the City. Staff also provide some case management and budgeting review to help their clients prevent homelessness or the need for rental and utility assistance.

- **Discussion**

The Hays County Food Bank was a featured presenter at the statewide Texas Homeless Network Annual Conference, and H.O.M.E. Center was recognized at the conference as an outstanding local organization.

In November 2025, the Hays County Food Bank partnered with United Way of Hays and Caldwell Counties to provide the first annual Thanksgiving meal for community members, with special outreach to agencies providing homeless services. The agencies are planning to hold the dinner again in November 2026.

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

Introduction:

Housing affordability is a key component to the quality of life of San Marcos residents. Affordable housing is generally accepted to mean that no more than 30% of a household's gross annual income is spent on housing, including utilities. A housing cost burden exists when the household's housing costs exceeds 30% of their income.

The 2013 Analysis of Impediments to Fair Housing (AI) analyzed five major categories and found the following impediments in San Marcos:

1. Real Estate - a lack of affordability and insufficient Income
2. Public Policy - a lack of public awareness of fair housing rights (also a recommendation for the City to create inclusionary zoning)
3. Neighborhood Conditions - limited resources to assist lower income, elderly and indigent homeowners maintain their homes and stability in neighborhoods
4. Banking, Finance, and Insurance Related - large numbers of foreclosures in the real estate market; and predatory lending
5. Socioeconomic - poverty and low-income

The most recent Analysis of Impediments to Fair Housing Choice, adopted June 6, 2017, did not find any regulatory barriers. This 2017 Analysis of Impediments to Fair Housing found three impediments that create barriers to affordable housing:

1. Lack of affordability of the housing stock
2. Insufficient income for the local cost of housing
3. Low-income residents have limited resources to maintain homes and neighborhood stability

The San Marcos Housing Needs Assessment, created in 2019, also analyzed whether regulatory barriers are negatively impacting the availability of affordable housing. The City's Development Code was reviewed by Root Policy Research as part of the 2019 needs assessment to determine if any of these could be creating barriers to affordable housing development. Below is a summary of information from the needs assessment. No regulatory barriers were identified. This Needs Assessment found the following top core housing needs:

1. Additional affordable rentals for residents earning less than \$25,000
2. Displacement prevention
3. Starter homes and family homes priced near or below \$200,000 and increased ownership product diversity
4. Improve condition and accessibility of existing housing stock

The information from the 2019 Housing Needs Assessment has informed recommendations for the draft Housing Strategic Action Plan and the Vision SMTX Comprehensive Plan approved in October, 2024.

Actions 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

The 3 impediments identified in the 2017 AI have been addressed as follows:

1. Lack of affordability
 - a. CDBG funded a homebuyer program for closing cost and down payment assistance for several years. The City now funds this program for City employees.
 - b. The City waives construction permitting and impact fees for Habitat for Humanity housing construction and City or non-profit rehabilitation projects.
 - c. This impediment was also addressed in the recent update of the City’s Development Codes. Zoning and development codes were amended to better accommodate affordable housing types such as duplexes, condominiums, and accessory dwelling units.
2. Insufficient income
 - a. The City’s Economic Development staff coordinate with the Greater San Marcos Partnership and the San Marcos Area Chamber of Commerce to bring new business to San Marcos and support the growth of existing businesses.
 - b. The City provides a \$35,000 homestead exemption for homeowners sixty-five and older or with a disability, thus reducing their property tax burden.
 - c. The Utilities Conservation Department provides rebates for installations that reduce utilities costs, including efficient HVAC systems, insulation, EnergyStar windows and doors, and solar photovoltaic systems.
 - d. The City also provided funding to local non-profits for utility assistance.
3. Limited resources for housing maintenance
 - a. CDBG Entitlement provides funding for housing rehabilitation and emergency repair programs.
 - b. The City waives construction permitting fees for CDBG-funded housing rehabilitation projects.
 - c. Every spring semester through the Texas State University student initiative “Bobcat Build”, students volunteer their time to complete various service projects throughout the community such as landscaping, painting, or clean-ups at residents’ homes, local schools, parks, churches, and neighborhoods with nearly 4,500 volunteers annually at over 300 jobsites within the San Marcos community.

- d. The City sponsors neighborhood-wide cleanup activities, and provides opportunities for brush drop-off, household hazardous waste collection, and a recycling program through Green Guy Recycling that accepts tires, Freon-containing appliances, and electronics.

City staff continue to update the City's Development Code. Ongoing, the City takes into consideration the effect development codes can have on housing affordability and continues to seek ways to ensure maximum flexibility. The Development Code has a section on Affordable Housing that includes development incentives, standards for an affordability period for both rental and for-sale units receiving development incentives, and definitions of eligibility.

As described in the 2025-2029 Consolidated Plan Section SP-55, the City has developed a Strategic Housing Action Plan with 4 goals, 6 strategies, and 23 action items to address the top needs in San Marcos. A status update was presented to City Council in 2024, and funding was provided in the 2025-2026 City Budget for a staff position to support Affordable Housing strategies, including the update and adoption of this Plan. The Plan includes implementation steps that will then be carried out. The current draft contains the following implementation steps for the first three years.

Clear Path Permitting - Implementation Steps:

1. Appoint a dedicated case manager for projects that include housing identified as a need in the community.
2. Develop a pre-review group made up of staff members from Planning and Development Services and Engineering and Capital Improvements Departments.
3. Implement a prioritization strategy for permit reviews.

Shared Equity - Implementation Steps:

1. Obtain legal advice on the creation of a land trust and other forms of shared equity.
2. Set up the land trust.
3. Determine the land that will be used for the first project of the land trust.

Land Banking - Implementation Steps:

1. Review City-owned property and determine appropriateness for use as affordable housing.
2. Identify properties that are appropriate for affordable housing in the tax-delinquent rolls.
3. Identify properties that are appropriate for affordable housing owned by government and non-profit partners.

Accommodate Growth through Appropriate Zoning - Implementation Steps:

Identify areas in High and Medium Intensity Zones from the Comprehensive Plan that are vacant or underdeveloped and are appropriate for higher density zoning districts.

Owner Occupied Housing Rehabilitation - Implementation Steps:

1. Expand existing housing rehabilitation programs including, but not limited to a revolving loan fund for both major and minor repairs

The City Council's 2025 Strategic Plan includes the following initiatives, and City staff are assigned to ensure that action is taken on each item over the next 12 months. Updates are provided quarterly to City Council and posted on the City's website.

Outcome Statement: Facilitate safe and affordable housing for all, including those experiencing or who are at risk of homelessness or displacement.

I. Update Housing Data and Adopt Strategic Housing Action Plan.

II. Continue implementation of the recommendations from the Homeless Needs Assessment.

III. Develop and implement strategies and protections to ensure the provision of safe and affordable housing through collaboration with residents. This can include a Tenant's Bill of Rights, continuing the contract with Texas RioGrande Legal Aid, dedicated staffing, and a commission.

IV. Identify and implement additional methods to provide affordable housing and assess current programs.

V. Update the Affordable Workforce Housing Policy.

Discussion:

Affordable housing issues continue to be a top priority for the City of San Marcos.

AP-85 Other Actions – 91.220(k)

Introduction:

In 2023, Community Action, Inc. of Central Texas (CAI), created a Community Needs Assessment to measure the basic needs of the residents of Hays, Caldwell, and Blanco counties. To create the assessment tools, CAI used the official Community Needs Assessment Guide provided by the Texas Department of Housing and Community Affairs for both qualitative and quantitative surveys. A survey asked respondents what they considered the most important needs in seven domains: employment, education and cognitive development, income and asset building, housing, health and social/behavioral development, civic engagement and community involvement, and emergency assistance. The community needs assessment resulted in CAI identifying the following six major needs for Hays County:

- Medical Needs: Access to affordable health & dental care
- Housing Needs: Assistance Paying Utility Bills
- Employment Needs: Assistance finding work that pays enough to support a family
- Housing Needs: Access to Affordable Housing
- Counseling Services for Adults (mental health and well-being)
- Family Support Needs: Financial Education, Budgeting, Credit Counseling

The 2025-2029 Consolidated Plan Section SP-40 listed the following gaps in the provision of services identified in the 2023 Health Assessment Community Survey created by Hays County:

- job skills training and job readiness
- mental health counseling for uninsured individuals
- housing for low-income households
- access to information about available resources

This Action Plan and the 2025-2029 Consolidated Plan include a variety of ways in which the City is taking action to meet these and other needs identified in San Marcos. In addition, this plan describes the jurisdiction's planned actions to carry out the following strategies outlined in the Consolidated Plan Section SP-40:

- Foster and maintain affordable housing
- Evaluate and reduce lead-based paint hazards
- Reduce the number of poverty-level families

- Develop institutional structure
- Enhance coordination

Actions planned to address obstacles to meeting underserved needs

Obstacles identified in the two 2023 Assessments described above and how the City and others are taking action to assist people in overcoming them:

Obstacles

- Medical Needs: access to affordable health & dental care
- Housing Needs: access to affordable housing
- Housing for low-income households
- Counseling Services for Adults (mental health and well-being)
- Mental health counseling for uninsured individuals

Actions

The City provides approximately \$750,000 annually to local non profit organizations through Human Services Grants using general fund dollars. A volunteer Human Services Advisory Board reviews applications and makes recommendations to City Council on how to allocate the funding to agencies to support access to resources, including those listed above.

Obstacle:

- Family Support Needs: Financial Education, Budgeting, Credit Counseling

Actions:

Several agencies that provide funding for rent, deposits, utilities, and medical expenses – including the Salvation Army, BR3T, and Community Action Inc of Central Texas – require people who are receiving funding to attend at least one counseling session on budgeting. In addition, BCL of Texas offers both in-person and online financial management education, including the NeighborWorks “Realizing the American Dream” home buyer education course and the BCL Financial Empowerment and Home Ownership classes.

Obstacle:

- Housing Needs: Assistance Paying Utility Bills

Action:

Within the past two years, the City of San Marcos Office of Community Support and Resource Navigation established contracts with multiple San Marcos agencies to provide intake and assistance for paying utility bills, utilizing funds from donations by SMTX Utilities customers and city and federal funding. Moving the process to multiple organizations has greatly increased the ability of residents to obtain assistance.

Obstacles:

- Employment Needs: Assistance finding work that pays enough to support a family
- Job skills training and job readiness

Actions:

Workforce Solutions Rural Capital Area (Texas Workforce Commission) is a community partnership providing no-cost recruitment and employment services to businesses and job seekers in the Rural Capital Area of Texas, a nine county region. It works to actively involve industry and business leaders in workforce development decisions, program creation, and customized training; while also providing assessment, training, and placement of job seekers.

San Marcos Public Library Workforce Programs are based on the understanding that upskilling workers and providing workforce development training is vital to ensuring local businesses have workers. Library staff assist with:

- Finding new job postings
- Resume and cover letter writing
- Interview preparation
- Grant and other application assistance
- General research assistance
- Job skills with technology tools

The mission of Community Action Inc of Central Texas is to help Central Texans improve economic self-reliance through a wide range of services and community partnerships. The Adult Education Program offers courses tailored for adults to develop foundational educational skills, improve workplace literacy, enhance digital literacy, facilitate English language acquisition, and achieve a High School Equivalency (GED®) diploma. These classes are designed to support learners in attaining essential competencies for personal development, employment, and ongoing educational opportunities.

The City's Economic and Local Business Development Department hosted the regional "Future Careers Expo" job fair in January 2026 in partnership with the Cities of Buda, Kyle, Lockhart, Luling; the Hays Caldwell Economic Development Partnership; and Workforce Solutions Rural Capital Area. More than 30 employers participated and more than 250 job seekers attended. A third of employers were San Marcos businesses and approximately 130 job seekers lived in San Marcos. The Department is planning the next job fair for first quarter 2027 in partnership with Workforce Solutions Rural Capital Area.

Last year the City celebrated the grand opening of the expanded workforce training facility on City Hall's complex. The building was previously occupied by Fleet Services. This training program began at the Library in 2023. It is a partnership between the City of San Marcos, Austin Community College (ACC), and Community Action Inc. of Central Texas, and currently supports HVAC training through ACC's Skilled Trades Program. Additional courses in automotive maintenance, plumbing, and welding are expected to follow.

Obstacle:

- Access to information about available resources

Action:

The San Marcos Public Library has long published a list of resources for San Marcos residents on the Library website. Within the past two years, the City created an Office of Community Support and Resource Navigation. The Manager has reviewed coordination among San Marcos service providers and has enhanced the Library's list. In addition, Hays County publishes a list of resources. Agencies and the San Marcos Police Department have ready access to these lists to cross-coordinate, and keep simplified versions on paper to hand out to interested people.

[The Office of Community Support and Resource Navigation also provides direct resource navigation with residents, offering information and warm hand-offs to community agencies.](#)

Actions planned to foster and maintain affordable housing

Home rehabilitation and repair is a top priority for the San Marcos City Council, as shown by their approval of \$800,000 in ARPA one-time funds, and approval for many years of \$200,000 to \$350,000 in annual CDBG Entitlement Funding for that purpose. In 2026, City staff will finish revising the City's Housing Rehabilitation and Repair program based on lessons learned, and will procure contractors. Then work can begin on approximately 7 houses (which have been selected) with Program Year 2024-2025 CDBG funding and 4-5 houses (selection pending) with Program Year 2025-2026 CDBG funding.

For the Program 2026-2027 year, as the Action Plan is posted for public comment, the current proposal is to fund housing repair and energy efficiency/weatherization improvements through several other organizations, so the funding can be moved into the community concurrently with the City's prior years CDBG funding.

Affordable housing is generally accepted to mean that no more than 30% of a household's gross annual income is spent on housing, including utilities. Several studies in the past several years have reviewed the housing market in San Marcos and have determined that for the most part regulatory barriers to affordable housing have been removed in San Marcos.

The City is in the process of developing a Strategic Housing Action Plan with four goals, six strategies, and 23 action items to address the top housing needs in San Marcos, which center on a conflict between housing prices and local income. (Housing prices are being pushed upward due to high demand overflowing from Austin, but the cost of living does not match the typical income of a family in San Marcos.) The Strategic Housing Action Plan includes recommendations for an enhancement to the permitting process and for zoning additional land for higher density uses – proactive measures that go beyond simply removing barriers.

Along with finalizing the Strategic Housing Action Plan, City staff will be reviewing the City's Affordable/Workforce Housing Policy and proposing updates to the document. This policy includes the requirements to gain the City's support for Low Income Housing Tax Credit (LIHTC) projects, among various other policies.

The City offers a \$35,000 homestead exemption for elderly and disabled homeowners, and several rebate and incentive programs to help lower utility bills to reduce housing cost burden.

San Marcos Housing Authority (SMHA) is not expecting any housing units to be lost from inventory during the next year. SMHA staff will continue to pursue entrepreneurial opportunities to address emerging trends and respond to challenges of the future.

Landlord participation in the Housing Voucher Program can fluctuate, and SMHA takes the following proactive steps to encourage participation in the program and maintain capacity:

- Conducts ongoing landlord outreach and recruitment, including direct engagement with property owners and management companies
- Provides education and support to prospective landlords regarding program requirements and benefits
- Maintains competitive payment standards (within HUD-approved limits) to encourage participation
- Utilizes rent reasonableness determinations to ensure proposed rents remain aligned with the local market
- Supports participating landlords and tenants to promote successful tenancies and reduce turnover.

Actions planned to reduce lead-based paint hazards

Data provided by Comprehensive Housing Affordability Strategy (CHAS) for 2016-2020 for housing built before 1980 occupied by families with low to moderate income who have children age 6 or younger present shows to be only 25 owner occupied homes and 270 renter occupied; houses with young children present are of primary concern regarding lead based paint exposure. Overall, about 2,640 of owner occupied

structures (38%) and 3,465 renter occupied structures (21%) were constructed before 1980 and could have lead based paint hazards, which are preferably cleared before someone with a child moves in.

All houses that were constructed before 1978 that participate in CDBG Entitlement funded housing repair and rehabilitation programs are tested for lead paint hazards by a qualified firm, and the test results determine which houses require lead-based paint interim control measures and clearance reports. Participants in these programs receive a copy of the “Protect Your Family from Lead in Your Home” booklet and related literature, and all documentation related to their home. These actions ensure that the City provides lead paint controls for any surfaces impacted by City-funded repair. Any federally funded home repair program clears lead paint in the areas disturbed by the home repair, and can also use funding to proactively clear lead paint from other areas of the home. Section 14.06 of the Community Initiatives Division Policy and Procedures Manual describes the procedures and the regulations that require them.

Actions planned to reduce the number of poverty-level families

As described in the Consolidated Plan, Section SP-70, each agency supported by the City’s CDBG Entitlement and General Fund (Human Services) dollars has as their specific goal the self-sufficiency of the people they serve. Except for emergency assistance and emergency shelter, programs offered by San Marcos agencies are focused on providing long term benefit that will keep people out of poverty: assistance gaining their GED or job skills, programs for the elderly so their caregivers can work, family development skills, and health services such as prescription assistance that help keep people in the workforce. The agencies and City have formed networks of resources, providing cross-referrals and facilitating access to resources outside the City that can help lift people out of poverty permanently.

See also the specific actions underway for workforce development described in the first question of this section.

Actions planned to develop institutional structure

Multiple local and regional non-profit and faith-based organizations serve a variety of purposes in public services, affordable housing, and economic development functions. The longevity of these local institutions has created a working network of support for the community that is supplemented by CDBG entitlement funds. The City will continue to fund social service programs that benefit the low to moderate income citizens of San Marcos using both CDBG and City Human Services funds.

The following improvements have recently been made regarding the gaps in services provided by the institutional delivery system that were listed in Section SP-40 of the Consolidated Plan.

JOB SKILLS TRAINING AND JOB READINESS

The City of San Marcos (City) is committed to the promotion of quality development in all parts of the city limits and to the improvement of quality of life for its citizens. The City recognizes the breadth and depth of business in San Marcos of varying categories, employee count, ownership status, age of business, and more that contribute to building a strong and vibrant city. Economic development is a team activity involving multiple departments such as Planning and Development Services, Engineering & Capital Improvements, Main Street, and the Library. Support is also provided through a number of community partners, including the Hays Caldwell Economic Development Partnership (HCEDP). HCEDP is contracted by the City of San Marcos to complement efforts of City staff in key areas of business attraction, small business development, and workforce development.

Additional City programs are also in process of creation to offer financial support to local businesses. These programs include the small business retention incentive and the sustainable resources grant. The Economic & Local Business Development Department has launched a short survey to gain a deeper understanding of the needs, challenges, and opportunities facing local businesses and those looking to expand to San Marcos.

Business Retention & Expansion Visits

City of San Marcos staff conduct business retention & expansion (BRE) visits. These confidential visits provide another platform for local businesses to share their future plans and current challenges. City staff can identify ways to help and bridge connections to local or state resources.

City Liaison

Staff serve as a liaison to businesses for city related questions. Staff help direct business and property owners to the appropriate city department. In particular, Main Street Staff actively foster positive relationships with downtown stakeholders in order to be a friendly face to the downtown business community. This includes distributing information and resources 2-3 times per month via The Scoop e-newsletter. Staff welcome new businesses to downtown and provide them with information regarding Main Street and City services, social media best practices, staff contact information, funding opportunities and business resources

Bridging the Gap Toolbox

Workforce Solutions Rural Capital Area offers a “Bridging the Gap Toolbox” of online training and tools designed to connect educators and industry leaders, equipping them with the tools needed to create meaningful partnerships that prepare students for real-world success. The Toolbox provides practical resources, strategies, and templates to help educators engage with employers, develop work-based learning opportunities, and align education with the needs of today’s workforce.

The Hays Caldwell Economic Development Partnership

The Hays Caldwell Economic Development Partnership is a 501(c)6 nonprofit that is contracted by the City of San Marcos to complement efforts of City staff in key areas of business attraction, small business development, and workforce development. The Hays Caldwell Economic Development Partnership works with City staff to attract new employers, assist existing companies to expand, fosters entrepreneurial growth, and ensures the continued development of our skilled workforce.

The San Marcos Area Chamber of Commerce

The Chamber strives to be the unified voice of business that advocates, promotes and inspires business and leaders in the Greater San Marcos Area. The Chamber is dedicated to fostering a strong connection between education and businesses, preparing students for the dynamic demands of the modern workforce. Through strategic partnerships and innovative programs, the chamber aims to develop, align, and retain the exceptional talent within San Marcos and Hays County through:

- Facilitating collaboration between educational institutions and industry stakeholders to ensure that curriculum and training align with current and future workforce demands.
- Providing resources and opportunities for students to explore career pathways aligned with the needs of our local businesses.

Supporting talent development initiatives that enhance the skills and capabilities of our future workforce.

Community Action, Inc. of Central Texas (CAI)

CAI has strengthened job skills training and job readiness opportunities through its Adult Education program, addressing workforce development gaps identified in the 2023 Hays County Health Assessment. Funded by the Texas Workforce Commission, the program provides residents with the skills needed for employment and career advancement in locally in demand occupations.

In addition to core services such as English as a Second Language (ESL) and high school equivalency (GED) preparation, CAI has expanded short term Integrated Education and Training (IET) courses designed specifically for individuals seeking immediate employment. Over the past year,

participants received training in Bookkeeping, Paraeducator, Certified Nurse Assistant (CNA), Phlebotomy, HVAC, Emergency Medical Technician (EMT), Security Guard, and Child Development Associate (CDA). All are aligned with the Rural Capital Area Workforce Development Board's in demand and target occupation list.

Based on the most recent assessment, CAI is further expanding offerings in 2025–2026 through partnerships with Austin Community College and Career Academy of Training to provide Automotive Technology and Certified Medical Assistant training, increasing access to higher wage employment pathways.

MENTAL HEALTH COUNSELING

To address gaps in mental health support, Community Action's Youth Services program has expanded community based mental health education and prevention efforts. Over the past year, CAI facilitated Mental Health First Aid (MHFA) trainings for more than 100 community members.

These trainings included suicide prevention, Youth Aware of Mental Health (YAM), and Counseling on Access to Lethal Means (CALM). MHFA equips participants with the skills to recognize signs of mental health or substance use challenges and to provide initial support and referrals until professional help is available. This expansion has increased community capacity to respond to mental health needs where formal counseling services are limited or inaccessible.

In 2025, the San Marcos Police Department reached a major milestone with all eligible frontline officers earning Mental Health Peace Officer (MHPO) certification, strengthening the department's ability to respond to mental health crises with skill and compassion. A total of 76 officers are now fully certified, reflecting a sustained investment in specialized training and community trust.

HOUSING FOR LOW INCOME HOUSEHOLDS

In response to ongoing housing instability and affordability challenges, Community Action launched a Tenant Based Rental Assistance (TBRA) program in January 2025, with services beginning in March 2025. The program provides temporary financial assistance to low income households for rent, security deposits, and utility costs for up to 24 months, paired with case management services.

Currently, CAI is serving 12 families through TBRA and anticipates increasing enrollment to 20 households by the end of 2027. Additionally, the Blanco River Regional Recovery Team (BR3T) is initiating a complementary TBRA program, which is expected to begin service delivery within the next three months. Together, these efforts are expanding access to housing stabilization resources for households most at risk of displacement.

ACCESS TO INFORMATION ABOUT AVAILABLE RESOURCES

Access to timely and accurate information about community resources has improved through coordinated outreach and navigation efforts.

The San Marcos Public Library has long published a list of resources for San Marcos residents on the Library website. Within the past two years, the City created an Office of Community Support and Resource Navigation. The Manager has reviewed coordination among San Marcos service providers and has enhanced the Library's list. In addition, Hays County publishes a list of resources. Agencies and the San Marcos Police Department have ready access to these lists to cross-coordinate, and keep simplified versions on paper to hand out to interested people.

In collaboration with local nonprofit partners, the San Marcos Public Library hosts an annual Community Resources Fair each December, connecting residents to information and services related to employment, education, health and wellness, childcare, and youth programs.

Additionally, beginning in October 2024, Community Action partnered with St. David's Foundation and CommuniCare to provide My Texas Benefits Navigators. These navigators assist eligible residents with enrolling in and accessing Medicaid, Marketplace coverage, CHIP, and SNAP benefits. The program hopes to continue and expand starting in October 2026 to include assistance with Social Security (SSI/SSDI), WIC enrollment, and Earned Income and Child Tax Credit access, further reducing barriers to essential supports.

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

RECENT IMPROVEMENTS IN COORDINATION OF CARE

Coordination of Care related to housing instability and homelessness in San Marcos has advanced significantly over the past year through stronger collaboration among local human service providers. Central to this progress is the Homeless Coalition of Hays County, which meets monthly at First Presbyterian Church in San Marcos and has grown to more than 40 organizational and individual members. Despite limited funding across many agencies, coalition partners have developed creative, cost-effective strategies to leverage shared resources and expand services for households experiencing homelessness.

For example, Community Action partners with BR3T by providing low-cost office space for key personnel, reducing overhead costs and supporting program sustainability. In addition, Community Action and Southside Community Center jointly fund and share a housing case manager, an arrangement that allows both organizations to provide services that neither could afford independently. This collaborative staffing model ensures continuity of care and reduces duplication of services while maximizing limited resources.

Another significant improvement has been the establishment of a monthly case conferencing committee through the Homeless Coalition. Case managers and direct service staff from multiple human service organizations across the county collaborate to address the most complex

and persistent housing barriers on a case-by-case basis. Since its launch in July, the committee has successfully resolved approximately 50 percent of its most challenging cases, demonstrating the effectiveness of coordinated problem-solving and shared accountability.

PLANNED IMPROVEMENTS IN COORDINATION OF CARE

San Marcos service providers are also making intentional progress toward system-level coordination through the development of a Hays County Coordinated Entry (CE) system. Community Action, BR3T, Southside Community Center, Hays Caldwell Women’s Center, HOME Center, and Breaking Bread Outreach Ministries meet monthly with Texas Homeless Network to design and implement this system. The goal of Coordinated Entry is to create a “no wrong door” approach that ensures individuals and families experiencing a housing crisis can access assessment, referrals, and housing interventions quickly and consistently across agencies.

Once the Coordinated Entry system is fully initiated, participating agencies plan to pursue HUD Continuum of Care and Emergency Solutions Grant funding, for which an established CE system is a prerequisite. This next phase will further strengthen coordination, formalize shared protocols, and expand the community’s capacity to respond effectively to homelessness and housing instability.

Hill Country MHDD continues to implement the following, described in the 2025 Hill Country MHDD Consolidated Local Service Plan.

Table 12: Intercept 4 Reentry

Intercept 4: Reentry Current Programs and Initiatives:	County(s)	Plans for Upcoming Two Years:
Mental Health Courts program	Hays, Comal, Blanco, Uvalde, and Medina counties.	Develop enhanced transition planning with jails utilizing Telepsych to improve reentry outcomes by organizing services around an individual's needs in advance of release.
Veteran Jail Diversion programs	Hays and Comal counties	
Texas Correctional Office on Offenders with Medical or Mental Impairments (TCOOMMI) program.		Monitor medication and prescription access upon release from jail or prison.
The TCOOMMI Intensive Case Management programs	Hays County for adult and youth and Comal County has an adult program.	Work on warm hand-offs from corrections to providers. Target increasing engagement in services.
The TCOOMMI Continuity of Care (COC) program is available in	all nineteen counties.	
PAP Program (Medications)	all nineteen counties.	

The City will continue to fund social service programs that benefit the low to moderate income citizens of San Marcos using both CDBG and City Human Services funds.

Case management and a coordinated response to homelessness are two major themes for the actions agencies will be focused on strategically over the next year. The local organizations also provide assistance geared toward preventing homelessness and leading toward self-sufficiency, filling needs identified on a case by case basis. They collaborate with each other, and several organizations provide case management for individuals seeking to become self-sufficient. Some funding has been provided by the City, donations, and foundations, but additional funding is needed. Local organizations continue to pursue funding, including private donations and grants, to provide for the needs in their areas of expertise, described above, through an informal network of support.

Discussion:

BROADBAND

The Federal Communication Commission's (FCC) 2025 National Broadband Map for San Marcos shows that almost 100% of the city has access to 100/20 download/upload speeds, and about 95% has access to 250/25. 100% of the City has access to 5G-NR 35/3mbps, 5G-NR 7/1 mbps, and 4G 5/1 mbps service. Internet service is available to the whole city at adequate speeds for home and work.

Yellowpages.com lists 30 broadband providers for fixed or mobile. This number of providers indicates sufficient competition in the city. The following four companies provide wireless service to 100% of the residential areas and most of the businesses in San Marcos: AT&T Inc., T-Mobile USA, Inc., Verizon Communications Inc., Dish Network Corporation. Satellite internet companies ViaSat, Inc. and Space Exploration Technologies Corporation provide fixed broadband service to 100% of San Marcos, and another satellite internet company Hughes Network Systems, LLC provides it to 86% of all residences and businesses in San Marcos. For wired options, Charter Communications (Spectrum) provides fixed broadband to 90% of the residences and 37% of businesses in San Marcos, and Radiate Holdings (Astound) serves 52% of residents and businesses.

RESILIENCE

The highest risk to San Marcos residents per the 2024 City Hazard Mitigation Plan is flooding: its frequency of occurrence is "highly likely" (defined as probable in the next year) and the potential severity is "substantial" (meaning the risk of multiple deaths, complete shutdown of facilities for 30 days or more, and more than 50% of property destroyed or damaged). City engineering staff continues to analyze the impact of the National Oceanic and Atmospheric Administration (NOAA) Atlas 14 Precipitation-Frequency Atlas. The completion of the City's analysis will result in the designation of City Regulated Floodplains in addition to the floodplains that currently show on Federal Emergency Management Agency (FEMA) maps, which do not take this additional information into account. The City has already revised development requirements to incorporate these new values in the design of new development projects. After analysis is complete, the City will use it to request updates of the FEMA maps.

The City has used CDBG-MIT (Mitigation) funding to install major stormwater infrastructure over the past few years in the areas most likely to flood. The remaining CDBG-MIT funding is now being used to update related plans such as the Stormwater Master Plan. This will enable the City to use future grants in the most effective way to reduce the risks associated with stormwater.

According to the Centers for Disease Control, social vulnerability refers to the demographic and socioeconomic factors (such as poverty, lack of access to transportation, and crowded housing) that adversely affect communities that encounter hazards and other community-level stressors. These stressors can include natural or human-caused disasters (such as tornadoes or chemical spills) or disease outbreaks (such as

COVID-19). The current CDC/ATSDR Social Vulnerability Index uses 16 U.S. Census variables from the 5-year American Community Survey (ACS) to identify communities that may need support before, during, or after disasters. These variables are grouped into four themes that cover four major areas of social vulnerability and then combined into a single measure of overall social vulnerability. The four themes are: socioeconomic status, household characteristics, racial and ethnic minority status, and housing type and transportation.

The CDC's map for Hays County shows a medium-high level of vulnerability overall. The racial and ethnic minority status theme had the highest percentage in the ranking, at 87%, followed by housing type and transportation at 74% and socioeconomic status at 71%. Household characteristics was the only low-risk theme, at 18%. This theme considers the number of multi-unit structures, crowding, and lack of vehicles (for example, it is more difficult to evacuate a dense city with very large multi-unit structures like New York City than San Marcos, with low rise apartments and quick vehicle access to highways. San Marcos' overall vulnerability index score is 67%.

Program Specific Requirements

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

Introduction:

The HUD allocation for San Marcos for the 2026-2027 program year is \$774,306. This amount was announced after the City Council agenda was posted for the 2nd public hearing, so staff presented the recommended allocations to projects for the earlier estimate of \$740,000, and announced that the actual amount will be \$774,306. The staff review committee is proposing to allocate the additional funding among the recommended projects, and this proposal is provided to the public in this draft Action Plan for a 30 day review and comment period. The proposal and all public comments will be provided to the City Council at the July 7 City Council meeting to consider the final allocation among projects.

The CDBG-MIT grant continues, with an expenditure deadline of December, 2032. All infrastructure construction planned so far has been completed. Current focus for this funding is updating and creating plans to assist with mitigating the risk of future disasters, especially flooding, which is the highest hazard risk for San Marcos.

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned for 2026-2027 CDBG funds are identified in the Projects Table. The City of San Marcos does not anticipate having program income next year; if it is received from the prior Homebuyer Assistance Program, it will be used first before drawing additional funds.

The City receives funding from HUD only for reimbursement of expenses incurred. The City does not receive lump sum distributions. No program income has been previously generated under a lump sum drawdown agreement for which a new agreement will be executed during the program year.

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	\$0.00
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	\$0.00
3. The amount of surplus funds from urban renewal settlements	\$0.00

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.	\$0.00
5. The amount of income from float-funded activities	\$0.00
Total Program Income	\$0.00

Other CDBG Requirements

1. The amount of urgent need activities	\$0.00
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low- and moderate-income.	100%
3. Overall Benefit: A consecutive period of 1, 2, or 3 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 Action Plan.	One: Program Year 2026-2027

No CDBG funding is planned to be spent on urgent need activities this program year.

An estimated 100% of CDBG funds will be used for activities that benefit people who have low to moderate incomes. This high estimate is possible because a high percentage of the households in the City of San Marcos are in the low to moderate income range and because the City focuses its programs and projects only on activities that specifically benefit low to moderate income people.

Overall Benefit: A consecutive period of 1, 2, or 3 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. One program year was included in this calculation, Program Year 2026-2027.