



City of San Marcos Action Plan for Disaster Recovery

Disaster Relief Appropriations Act of 2016
(Public Law 114-113, Approved Dec. 18th, 2015)



Revised March 3, 2020
Including Amendments 1 - 9

IV. Funding Allocation and Prioritization Method

The City anticipates expending all funds awarded within the six year required time frame. The City will identify specific project related timelines as each project plan is identified and finalized.

A. Budget Table

| City of San Marcos | | | | | |
|--|--|--|---------------------|--------------------|-----|
| Housing SF Owner Occupied Rehabilitation, | | | \$7,524,000 | | 22% |
| Reconstruction, Reconstruction on City | | | \$5,000,000 | | |
| Owned Property, or Buyout | | | | | |
| SF 1-4 Unit Rental Rehabilitation, Reconstruction, or Buyout | | | \$659,013 | | |
| Public Housing Authority Reimbursement Activity | | | \$864,987 | | |
| Single Family Owner Occupied Housing Reimbursement Activity | | | \$1,000,000 | | |
| Infrastructure - See below for itemized projects | | | \$12,540,000 | \$22,511,200 | 66% |
| Planning | | | \$3,762,000 | \$2,069,100 | 6% |
| Admin | | | \$1,254,000 | \$1,689,700 | 5% |
| | | | \$25,080,000 | \$33,794,00 | |

Action Plan Amendments

Substantial Amendment #9 changes the use of funds for the Blanco-Riverine project from infrastructure construction to acquisition. Construction funds will be provided by other sources. Substantial Amendment #8 to the Action Plan reallocates funds between activities and the addition of a Single Family Owner Occupied Housing Reimbursement Activity. Refined modeling of infrastructure activities indicated the need to increase the cost of some Infrastructure Activities and the need to close the Clarewood/Barbara Activity which was found to be ineffective in reducing flooding. The Clarewood/Barbara Activity was closed and the remaining funds \$2,325,000 were distributed to the Midtown/Aquarena Springs Activity (\$850,000) and the Blanco Gardens Activity (\$1,475,000). Also, the SF 1-4 Rental Rehabilitation, Reconstruction, Buyout Activity did not receive any eligible applicants over 2 years and 5 rounds of Application Intake, so the funds of \$1,000,000 from this activity were reallocated to the new Single family Owner Occupied Housing Reimbursement Activity. Planning funds of \$3,000,000 were reallocated to the Blanco Gardens Activity (\$1,596,987) and the Uhland Road Activity (\$1,403,013). The Blanco Riverine Activity funds were reduced by \$1,585,987 due to other grant funding for the activity, and the funds were reallocated to the Uhland Road Activity. Substantial Amendment No. 7 to the Action Plan allows for the reimbursement of cost of flood-related repairs and for funds not to exceed \$864,987 to be designated to the Public Housing Authority Activity. The Public Housing Authority was allocated \$864,987. The SF 1-4 Unit Rental Rehabilitation, Reconstruction, Buyout Activity was reduced by \$864,987 for a total of \$1,657,397. Substantial Amendment No. 6 expanded the Housing Project to include the addition of the Reconstruction on City Owned Property (RCOP) program under the Single Family Owner Occupied Housing activity and the budget was not altered.

Infrastructure Project Budget

Amendment #8

| | | |
|--------------------------|--------------|--------------|
| Midtown/Aquarena Springs | \$ 850,000 | \$1,700,000 |
| Blanco Gardens | \$ 5,000,000 | \$8,071,987 |
| Clarewood/Barbara | \$ 2,500,000 | \$175,000 |
| Uhland Road | \$ 4,190,000 | \$ 7,179,000 |
| Blanco Riverine | \$ 6,971,200 | \$5,385,213 |

The infrastructure projects were presented in Substantial Amendment No. 2 and Substantial Amendment No. 4 and are described in Appendix J of the Action Plan.

C. Management of Program Income

The City does not intend to undertake activities that will generate income, but in the event program income is generated, those funds will be used first before requesting or drawing down new CDBG Disaster Recovery funds. If program income is generated as a result of any activity or activities funded by this grants, the City will comply with the requirements found at 24 CFR 570.489.

V. Post Disaster Long Term Recovery Planning

The City will take an integrated approach when developing recovery projects relative to housing, infrastructure, economic revitalization, and overall community recovery.

households have incomes at or below 80% of the area median income);

- Enable the City to satisfy the federal requirement that at least 70% of the Funding benefit low moderate income persons;
- Address conditions that threaten the health and safety of either the occupants or the public;
- Contribute significantly to the long-term recovery and economic revitalization of the affected area; and
- Enhance hazard mitigation efforts to reduce the chance of loss in future floods or disaster events.

3. Threshold Factors and Eligibility Criteria

Each site must undergo a complete environmental review prior to any commitment of funds. No work can start on a site until the environmental assessment is complete. The City is responsible for the preparation of the environmental review and will provide notice when rehabilitation activities can commence.

Both the site and the homeowner/applicant must meet eligibility requirements as detailed below. This program is not intended to be a first-come, first-served program; prioritization criteria is established in the following Section 4. Potential applicants may be referred by other organizations or may apply directly to the program administrator.

a) **Owner Occupied Applicant Eligibility Requirements**

The following are threshold requirements, which must be met for an applicant to be eligible for assistance. Eligibility does not assure assistance, since a prioritization strategy will be used and it is expected that there will be more eligible applicants than can be served with available funds. Applicant's home must be located ~~within the updated 100-year floodplain~~ within the City limits of San Marcos and have been damaged as a result of one or both of the major two floods in 2015. Income eligibility. The annual household income will be calculated using the **Internal Revenue Service (IRS) Adjusted Gross Income Method** of income determination. To be eligible, the annual household income must be less than 80% of the Area Median Income for the appropriate household size. Proof of ownership. The applicant must have been the owner of the damaged home at the time of the flood(s) as well as the current owner. Standard proof of ownership is a valid deed of trust or warranty deed which cites the applicant's name and that is recorded in the county records. The Texas Administrative Code Section 54.3 allows alternative proof of ownership for the purposes of federally funded disaster recovery programs. Primary residency. The unit to be rehabilitated, reconstructed, or replaced must have been occupied by the applicant as the applicant's principal residence prior to May 23, 2015; for units impacted only by the All Saints Flood, principal residency must have been established prior to October 30, 2015. Principal residency for applicants can be documented through property tax homestead exemptions. If a homestead exemption was not in place at the time of the disaster, an Affidavit of Principal Residency (form to be provided by the City) may be utilized as an alternative method of verification of principal residency. The affidavit must be supported by documentation such as asset verification (income tax returns, credit check, etc.) or utility bills specific to the property address and name of the applicant which were active as of the applicable, above-referenced dates. **The Reconstruction on City Owned Property Activity includes the above criteria and the following additional criteria for eligibility for the activity:**(1) The homeowner must be located on property not eligible for rebuild by City or HUD policy. (2) The property is an ~~(3) HUD eligible unit and not covered by the Applicant's total analysis of the unit~~ obtain a waiver of liens that allow the City to have priority lien position in the property records upon the transfer of property.

- 1) Temporary Voluntary Relocation. The applicant must acknowledge that there are available resources (such as family or friends) that will allow the residents to temporarily relocate if necessary during the rehabilitation period. The City may consider providing temporary relocation assistance to households that qualify as very low income; i.e. 30% AMI or under.
- 2) Property taxes. Applicant must furnish evidence that property taxes are current, have an approved payment plan, or qualify for an exemption under current laws. If property taxes are not current, applicant must document that one of the following alternatives have been met:
 - The property owner qualified for and received tax deferral as allowed under Section 33.06 of the Texas Property Tax Code;

- The property owner qualified for and received a tax exemption pursuant to section 11.182 of the Texas Property Tax Code; or,
 - The applicant entered into a payment plan, and is current, with the applicable taxing authority.
- 3) Child support. All applicants and co-applicants must be current on payments for child support. If the applicant or co-applicant is not current on child support, that person will be required to enter into a payment plan. Any applicant that enters into a payment plan must supply a copy of the payment plan signed by all applicable parties, along with documentation that they are current on their payment plan.
 - 4) Residency status. The applicant and co-applicant must be U.S. citizens or a legal resident aliens.
 - 5) Mortgage Payments. The applicant must be current on mortgage payments, if applicable.

b) Single Family 1-4 Unit Rental Applicant Eligibility Requirements - The Single Family 1-4 Unit Rental applications will be taken on a first come-first served basis. Only homes that sustained substantial damage or were destroyed will be considered for program participation. The owner of the rental unit will need to certify that the rental unit(s) will be rented to low to moderate income households for a period of five years. The owner must also be able to show the following:

- 1) Applicant's home must be located **within the updated 100 year floodplain within the City limits of San Marcos and have been damaged as a result of one or both of the major two floods in 2015.**
- 2) Proof of ownership. The applicant must have been the owner of the damaged home at the time of the flood(s) as well as the current owner. Standard proof of ownership is a valid deed of trust or warranty deed which cites the applicant's name and that is recorded in the county records. The Texas Administrative Code Section 54.3 allows alternative proof of ownership for the purposes of federally funded disaster recovery programs.
- 3) Property taxes. Applicant must furnish evidence that property taxes are current, have an approved payment plan, or qualify for an exemption under current laws. If property taxes are not current, applicant must document that one of the following alternatives have been met.
- 4) **Below please note the Affordability period per amount of assistance per unit (except for the Reconstruction of City Owned Property activity, added to the Action Plan by Substantial Amendment No. 6 that has a 30 year affordability period):**

Affordability Period

| Amount of Assistance per unit | Length of Affordability Period |
|-------------------------------|--------------------------------|
| Less than \$15,000 | 5 years |
| \$15,001 to \$40,000 | 10 years |
| More than \$40,000 | 15 years |
| New Construction | 20 years |

Uniform Relocation Act requirements will apply to landlords that have tenants at the time of application. The City is exploring options on the best way to approach temporary relocation needs for tenants during the program planning process.

4. Owner Occupied Applicant Prioritization to Address provision of housing for all income groups and those at risk of homelessness

The following household characteristics indicate a funding priority:

- Household income. Priority is given to households with the lowest annual income as calculated.

| | | |
|---|----------------|------------------|
| | no elevation | \$45,000 |
| | with elevation | \$60,000 |
| Single Family Rental Reconstruction w/ elevation (1-4 Unit) | | \$196,000 |

D. Infrastructure

The City will designate \$12.5 million to infrastructure projects that will alleviate repetitive loss, inundation, and recurring flooding. Any match funding activities will be compliant with CDBG-DR eligibility requirements as well as other federal regulations that may apply. Activities undertaken will focus on projects under the FEMA Public Assistance Categories as listed in the Needs Assessment above, as well as address the Hazard Mitigation measures designed to reduce future repetitive losses. Eligible projects (defined by the Category they may fall under) may include but are not limited to : ***The projects highlighted in the blue color are projects that will be implemented using CDBG DR funds as directed by City Council.***

- A. Debris Removal (none proposed as this is an immediate Disaster Recovery level activity and not eligible for CDBG-DR funds);
- B. Emergency Protective Measures;
 - a. Develop early warning systems
 - b. Deploy Reverse Callback systems
 - c. Construct Flood gates and barriers
- C. ***Road Systems and Bridges; Midtown, Clarewood/Barbara (Activity Terminated), Blanco Gardens, Uhland Projects***
 - a. Culvert repair/replacement
 - b. Drainage ditch repair/replacement
 - c. At risk road segment repair/replacement
 - d. Bridge repair/replacement
- D. Water Control Facilities;
 - a. Repairs to water treatment plants
- E. Buildings, Contents, and Equipment;
 - a. Repair and replacement of City owned buildings, equipment, facilities and vehicles if not covered by insurance or another funding source
- F. ***Utilities; Midtown, Clarewood /Barbara (Activity Terminated), Blanco Gardens, Uhland Projects***
 - a. Storm sewer system upgrades
 - b. Creation of new drainage systems and lines
- G. Parks, recreation and other facilities; and
- H. Hazard Mitigation activities including land acquisition: ***Blanco Riverine Improvements***

The City may also elect to participate in a U.S. Army Corps of Engineers projects as well by contributing the Chief's Report, with a max contribution of \$250,000.00, but specific projects under this Activity have not currently been identified.

Potential flood recovery projects were included within the 10-year Capital Improvement Plan adopted by City Council and are attached in Appendix J. The projects were identified through the unmet needs process and are all located in the area most impacted by the floods and in census tracts meeting LMI requirements. The list includes anticipated funding needs and project schedules.

Using HUD-DR planning funds, a Feasibility Study **was** conducted to prioritize the infrastructure projects. The privatization matrix included, in order of most important and that will have the most positive impact on the community:

- Impact to low to moderate income population;
- Reduction in water surface elevations;
- Benefit to cost ratios;

Selection of Public Infrastructure Projects

The objective of the Infrastructure Feasibility Study is to prioritize the potential infrastructure projects that best utilize the \$19,511,200 CDBG-DR Infrastructure budget allocation within a 6-year (yr) timeline for design, permitting, and construction (2016-2022). The infrastructure projects shall meet both the eligibility criteria and national objectives of the HUD CDBG-DR grant as outlined in Federal Register 2016-141102:

- National Objective: establishing that the overall area served by each project can be categorized under the low-to moderate Income (LMI) national objective. The LMI objective is defined as: 70 percent (%) of the aggregate of CDBG program funds being used to support activities benefitting low- and moderate-income persons , and/or established a 50% overall low- and moderate income benefit requirement for a CDBG–DR grant. (Federal register page 39696-97)
- Eligibility Criteria (Infrastructure): Typical infrastructure activities include the repair, replacement, or relocation of damaged public facilities and improvements to include, but not be limited to, bridges, water treatment facilities, roads, and sewer and water lines, along with acquisition of land needed to complete these activities.

Using the data compiled for the projects in the Project Assessments, projects were further analyzed using a Project Ranking Matrix developed in order to measure benefit of the proposed infrastructure projects and to meet HUD objectives. The **Project Ranking Matrix** is attached.

Using Project Ranking Matrix prioritization weights, points were calculated for each project, and then the projects were prioritized using the **Project Prioritization Matrix** in terms of top/ranked or projects based on “need”. The point calculations and Matrix results and ranking are attached and a color gradation scale is used wherein green indicates the best score per category, yellow indicated middle or average point ranks, and red indicated the categories that scored the least points.

The Matrix Results indicate that the top 5 projects based on points is as follows

1. Area 3- Midtown/Aquarena Springs (75 points)
2. Area 1- Blanco Gardens (66 points)
3. Area 2- Clarewood/Barbara Drive (63 points)
4. Bank Improvement Trail & Blanco River Improvements (61 points)
5. Area 4- Uhland Road (56 Points)

Based on funding objectives, the projects were packaged to complete as many projects as possible with CDBG-DR funding. The sixth ranked project, Rio Vista, was also added for City funding. All projects will be implemented by the City without the use of sub recipients.

Description of CDBG-DR Funded Public Infrastructure Projects

1. Midtown

The Midtown/Aquarena Springs project area is located in San Marcos, TX east of the intersection at IH-35 and Loop 82/Aquarena Springs Drive and is generally bounded by development along Aquarena Springs on the north, IH-35 on the west, Davis Lane on the south, and the Blanco River on the east. The area is primarily multi-family residential and commercial property with businesses located along IH-35. The area is not located within the 100-year flood plain, thus local flooding and inadequate conveyance likely cause the drainage issues reported at this location. City staff has indicated that the Loop 82/Aquarena Springs underpass at IH-35 is one of the first major intersections in the City to flood during significant rainfall events. The area falls within 1 census tract which is 84.13% low-to-moderate income.

alley/easement between Barbara & Conway. (Infrastructure Categories C. Road Systems & Bridges and F. Utilities)

Benefits: Approximately 420 properties would benefit during local rainfall events up to 25-year frequencies with the new storm drain system. Mobility will be improved due to decreased ponding in the roadways, and this fairly small system provides relief to a majority of the project area without having to remove and replace what is there today. The project provides LMI benefit, health and safety benefit, helps long-term recovery, and enhances hazard mitigation.

National Objective: Low Moderate Income

3. Clarewood/Barbara Drive

The Clarewood/Barbara Drive area is located in San Marcos, TX on the east side of IH-35 at the intersection of Highway 80/Hopkins Street and is generally bounded by Highway 80 on the north, IH-35 on the west, Clarewood on the east, and Bugg Road on the south. The area is primarily multi-family residential and commercial with businesses located along IH-35, Clarewood, and Highway 80. The area is almost entirely located within the 100-year flood plain with the exception of a few higher properties along IH-35. The area is significantly affected by the Blanco River overflows in events 20-year and above, as well as backwater from the Bugg Road and Highway 80 storm drain systems when the Blanco River is high. The area falls within 1 census tract which is 87.99% low-to-moderate income.

Existing Infrastructure: The Blanco Gardens north side storm sewer system drains Bugg Lane and River Road with a dual 48-inch outfall to the Blanco River. There is no existing system on Clarewood Drive.

Drainage issues: As part of Blanco Gardens, this area is influenced by the Blanco River overflows. During local rainfall events, the existing Bugg Lane storm drain system is undersized and does not meet current the 25-year City design Criteria. The project area is fairly flat, Bugg Lane topography drains towards IH-35 instead of the Blanco River outfall, and drainage along Barbara Dr. from Wendell to Bugg Lane is not well defined. Clarewood Drive has no existing storm sewer system, and coupled with the Bugg Lane topography, the area experiences significant roadway ponding in the areas that cannot drain when the system is inundated.

Proposed Infrastructure: By adding a new storm drain system to Clarewood Dr. with a connection to both the Bugg Lane system and with a connection to the existing Highway 80 ditch (where ponded water currently flows), the system will meet criteria, and runoff will be captured by the storm drains and ditches instead of ponding in the roadway. Barbara Drive will be regraded to drain to Bugg Lane for adequate drainage. The project will require coordination with TxDOT to outfall into the Highway 80 ditch and some addition of storage volume as detention in this ditch may be required.

Benefits: Approximately 76 properties would benefit during local rainfall events up to 25-years with the new storm drain system. Mobility will be improved due to decreased ponding in roadways, and both Clarewood and Barbara Drives will have adequate drainage not available today. The project provides LMI benefit, health and safety benefit, helps long-term recovery, and enhances hazard mitigation.

National Objective: Low Moderate Income

4. Blanco Riverine Project

Currently for flood events greater than a 20-year and larger, a portion of the river flood flow exits the Blanco River channel and proceeds uncontrolled across the Blanco Gardens area to the west, eventually entering the San Marcos River upstream of the junction with the Blanco River. This overflow creates the highest concentration of damages in the City. There are numerous areas in the Blanco River overbank that allow this overflow to occur. The uncontrolled overflow impacts 1 census tract which is 87.99% low-to-moderate income.

Existing Infrastructure: The Blanco Gardens north side storm sewer system drains Bugg Lane and River Road with a dual 48-inch outfall to the Blanco River. The Blanco Gardens south side system drains to an outfall on the San Marcos River. The current storm water infrastructure is not adequate to address drainage issues from local rain events and will be upgraded with two other CDBG-DR projects.

Drainage issues: The Blanco Gardens area is influenced by the Blanco River overflows. The Blanco Gardens and Clarewood/Barbara Drive projects will upgrade the storm sewer system to provide capacity for local storm events. However, the infrastructure which would be required to convey the overflow from the Blanco River would be too large to construct within the existing neighborhood.

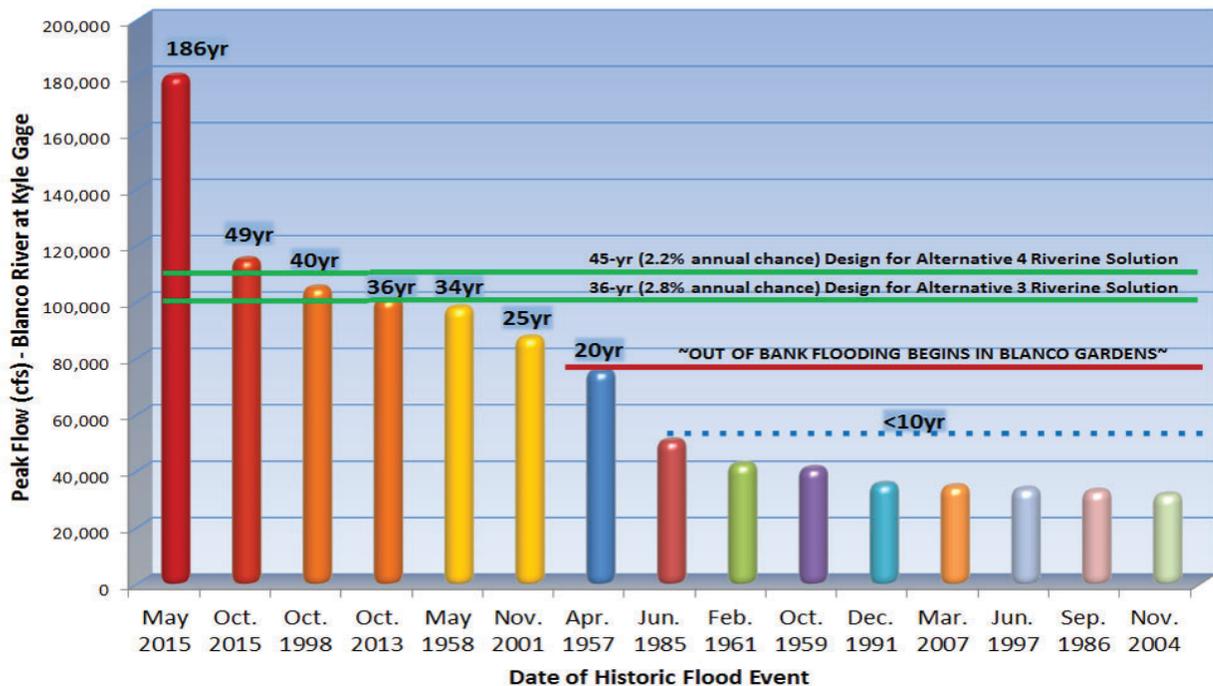
Proposed Infrastructure: CDBG-DR funds will be used for land acquisition to support this project.

This project will make bank improvements to block low bank areas in the Blanco River overbank which allow the overflow to occur. With the improvements, the Blanco Gardens area can gain protection from approximately 3-4 feet of river rise. The bank improvements would have the purpose of setting maximum grade limitations, minimum widths and surface. It is possible that the improvements could also provide a dual purpose of a greenway if desired by the community.

The blockage of diversion flow will cause a minor rise in water surface elevation. To address this minor rise, this project will also include flow capacity improvements to the Blanco River. These capacity improvements could include modifications to the channel and/or an overflow channel on the opposite bank.

Benefits: The project benefit will reduce the risk for flooding to the Blanco Gardens neighborhood by 44% annually by reducing the level of floods from overtopping the bank from a 20-yr or higher floods to a 36-yr or higher. And during higher floods the flow and depth of water will be reduced. The graphic below illustrates the additional protection based upon previous flood events.

Historic Flood Events - Blanco River



National Objective: Low Moderate Income

CDBG-DR Funded Infrastructure Projects

| Project ID | Project Name | Project Description | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Cost | PROJECT TOTAL DR | City/Other | PROJECT MAP |
|------------------------|------------------------------|--|--------------------|--------------------|---------------------|--------------------|------------|------------|---------------------|---------------------|--------------------|-------------|
| 623** | Midtown/Aquarena Springs | Infrastructure project to resolve local flooding in events up to 25-years in Midtown/Aquarena Springs Area including: intersection improvements east of intersection of IH-35 and Aquarena Springs Rd. (curb cuts and inlet improvements) to address significant roadway ponding in a low-lying area; improve stormwater conveyance by addressing vegetation and installing vegetation to increase drainage capacity; and addition of dual 8x4' culverts to supplement existing Davis Road Culverts to increase stormwater conveyance. | \$ 85,000 | | \$ 765,000 | | | | \$850,000 | \$850,000 | \$0 | |
| 617** | Blanco Gardens | Infrastructure project to resolve local flooding in events up to 25-years in Blanco Gardens area including: addition of a new central storm drain system to Conway & Barbara Drives connected to the existing storm drain system, with a new outfall to the San Marcos River; includes new storm sewer outlets across River Road into the Woods Apartment Ditch; and road regrading on River Road from Linda to Cape Rd. to revise the roadway cross-section to a crowned section. Also considers inlet and lead systems for alley/easements between Barbara & Conway. | \$ | \$ 832,000 | \$ 4,168,000 | | | | \$5,000,000 | \$5,000,000 | \$-500,000 | |
| 602** | Clarewood /Barbara Drive | Infrastructure project to resolve local flooding in events up to 25-years in Clarewood/Barbara Dr. area including: providing a new storm drain system to Clarewood Dr. with a connection to both the Bugg Lane system and the existing Highway 80 ditch; regrading Barbara Drive to drain to Bugg Lane for adequate drainage. | \$ | \$ 250,000 | \$ 2,250,000 | | | | \$2,500,000 | \$2,500,000 | \$0 | |
| n/a | Blanco Riverine Improvements | CDBG-DR funds will be used for land acquisition to support this project. Infrastructure project to address Blanco River overflow influence on the Blanco Gardens subdivision area along the river bank from Highway 80 to Old Martindale Road. Project includes construction of ~4000 feet of a bank improvements, and an associated overflow channel improvements on the Blanco River for mitigation. Project provides significantly increased protection to Blanco Gardens from overflows in river events up to 36 years. | \$ | | | \$ 9,539,000 | | | \$11,500,000 | \$6,971,200 | \$4,528,800 | |
| 36*** | Uliand Road Improvements | Infrastructure project to resolve local flooding in events up to 25-years in County/Uliand Rd. area including: reconstructing the roadways to depressed curb-and-gutter sections with adequate grading; and adding a new storm sewer system along the whole route with a new outfall to the Blanco River. | \$ 563,000 | | \$ 3,627,000 | | | | \$4,190,000 | \$4,190,000 | \$0 | |
| TOTAL 2017-2022 | | | \$2,609,000 | \$1,082,000 | \$10,810,000 | \$9,539,000 | \$0 | \$0 | \$24,040,000 | \$19,511,200 | \$5,028,800 | |