

Annual Action Plan for HUD Federal Grants



Receive a staff presentation and hold a Public Hearing to obtain the views of the public on activities to further fair housing, housing and community development needs, and the selection of proposed activities for the annual Community Development Block Grant Entitlement funding.



Community Development Block Grant 2026 Public Process

2026 Public Input Process



February 1 – March 2	Application period
February 5	Workshop for Stakeholders and Applicants
March 3	City Council Public Hearing #1
April 7	Staff presents recommendations City Council Public Hearing #2
May	30 Day Public Comment Period
July 7	City Council Consideration

2026 Public Hearings



MARCH 3 – PUBLIC HEARING FOR GENERAL COMMENTS

To obtain the views of the public on activities to further fair housing, housing and community development needs using the CDBG Grant

APRIL 7– PUBLIC HEARING ABOUT ALLOCATIONS

To review proposed programs and projects to be funded by CDBG, and receive comments on community needs for housing, social services, fair housing, public facilities, and infrastructure



Community Development Block Grant Overview

Community Development Block Grant



- **Funding Purpose:** 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.
- **San Marcos High Priorities:** Affordable Housing, Public Services, and Public Facilities
- **Required:** projects and programs must serve low to moderate income people or eliminate slum or blight

Fiscal Year 2026-2027 Funding



CDBG approximate amounts for 2026-2027:

Projects	\$481,000	65%
Social Services	\$111,000	15%
Administration	\$148,000	20%
TOTAL ANNUAL CDBG	\$740,000	100%



Who is eligible to apply?

- Public or private non-profit agency
- Public housing authority
- Church or other religious institution
- County
- School district
- City of San Marcos department

Eligible Expenses – CDBG Projects



Projects must have either Direct Benefit or Area Benefit

Direct Benefit: Beneficiaries have annual income less than 80% of area median income.

Area Benefit: Project serves an area which is primarily residential and where at least 51% of the residents have annual income less than 80% of area median income.

Eligible Expenses - Social Services



- Labor
- Supplies, materials
- Facility operation and maintenance (non-profit owned)
- Building or equipment lease
- Phone, internet access, utilities

CDBG in San Marcos



- Housing rehabilitation, repair, demolition
- Down payment and closing cost assistance
- Home ownership counseling
- Parks upgrades, community center roof
- ADA sidewalk updates
- Domestic violence, parenting, emergency assistance
- Fair housing proclamations, display ads



Public Hearing This Evening

To obtain the views of the public on activities to further fair housing, housing and community development needs, and the selection of proposed activities for the annual Community Development Block Grant Entitlement funding

Next Step:

April 7, 2026 City Council Meeting:

Recommended Allocations, Public Hearing

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