

CITY OF SAN MARCOS COMMUNITY DEVELOPMENT BLOCK GRANT

PY2026-2027 PROJECT APPLICATION

NOTE: This form IS NOT TO BE USED by applicants seeking funds to support social services programs. A separate application form for “Public Services” is available and should be used for programs of that nature.

I. APPLICANT SUMMARY INFORMATION

Please spell out organization name and program name completely, without acronyms.

Applicant Organization: City of San Marcos, Texas – Community Initiatives Division

Contact Name, Title: Carol Griffith, Housing and Community Development Coordinator

Telephone: 512-393-8147

Contact E-Mail Address: cgriffith@sanmarcostx.gov Website: sanmarcostx.gov/housing

Mailing Address: 630 E Hopkins Street, Building 4, San Marcos TX 78666

Who is authorized to execute program documents? (Name, Title) Stephanie Reyes, City Manager

PROJECT SUMMARY INFORMATION

Project Name: City of San Marcos Housing Rehabilitation and Repair Program

Project Location: Throughout the City of San Marcos

Amount of CDBG Funds Requested: \$250,000

What percentage of the cost of this project is requested as funding through this application? 100%

A. PROJECT SCOPE:

Please check all statements that apply to this project:

☐ All project design work is complete for this project (plans, specifications, etc.)

☐ This project will include selection of professional service providers (architect, engineer, etc.)

☐ This project includes acquisition of real property

☒ This project includes the rehabilitation of existing buildings

☐ This project includes new construction

☐ This project includes demolition of existing structures

☐ This project includes a public facility (such as a senior center)

II. SHORT ESSAY QUESTIONS

All questions must be answered. Please type your answers. Application evaluations will be based on, but not necessarily limited to the criteria stated in each section.

OVERVIEW

1. Summarize the project for which funding is being requested, the benefit it provides, and the people it serves.

The over-arching purpose of the City of San Marcos Housing Rehabilitation and Emergency Repair Programs is to maintain affordable housing stock in the City. It is the City's intent that this program will benefit low-to-moderate income homeowners and also provide for generational wealth-building by providing an affordable home that can be inherited.

The purpose of Owner Occupied Housing Rehabilitation is to assist low and moderate income (LMI) homeowners in rehabilitating substandard, deteriorated, and dilapidated single-family residential homestead housing to bring the housing into standard living conditions.

The purpose of Emergency Repair is to assist low and moderate income homeowners with repairs of specific issues that are causing immediate damage to a single-family residential property, or which are safety hazards. At times, houses are too dilapidated to be brought into standard condition under the cost limit of this program. In those cases, it is appropriate to provide emergency repair to prevent further damage to the home and to correct safety hazards.

The purpose of Rental Housing Rehabilitation is to assist in rehabilitating or providing emergency repairs to substandard, deteriorated, and dilapidated single family residential housing when the owner has a low to moderate income and the house is occupied by someone other than the owner.

In this document, the term "Program" encompasses all of the above rehabilitation and repair programs.

COMMUNITY NEED AND JUSTIFICATION –20 POINTS

Evaluation: documentation and justification of the need for the project in the City of San Marcos.

1. Describe in detail the need for this project in San Marcos.

The need for affordable housing in good condition has been identified as a priority for San Marcos in every needs assessment completed over the past 6-10 years. For example, the 2019 Housing Needs Assessment conducted by Root Policy Research identified improving the condition and accessibility of existing housing stock as one of the top four recommendations for addressing housing needs in the city. The high need for affordable housing to match the incomes in the community also shows in the American Community Survey data, and one of the most cost-efficient ways to provide affordable housing is to keep existing housing in good repair. According to the data, San Marcos has a high percentage of cost-burdened renters and homeowners, and more than half the existing housing was constructed before 1980. The lack of affordable housing, in both the rental and housing sales market, has been cited as a need by stakeholders and housing advocates in various surveys, such as the one the City conducted in 2024 for the creation of the Consolidated Plan. Because it costs far more to build a new house than repair an old one, and because surveys and data show that the need for repair is relatively high, the City of San Marcos has chosen rehabilitation of existing units as a high priority.

2. Has the need for this project been increasing in recent years?

The 2019 Housing Needs Assessment found that 44% of the owner-occupied housing stock and 27% of the renter-occupied housing was built prior to 1980, placing the age of that housing at more than 45 years old. This existing housing stock has continued to age, and people in this low-to-moderate income community often do not have enough money for recommended levels of housing maintenance.

In addition, the 2023 Hays County Community Health Assessment found that home prices increased 33% from 2020 to 2021, and another 29% by 2022. Housing costs have been rising faster than incomes. This trend increases the need to

maintain existing houses since many owners cannot afford to move, and moderate income renters and buyers are looking for existing houses as the more affordable option.

IMPLEMENTATION –15 POINTS

Evaluation:

- *The application demonstrates that resources needed to manage the proposed project are available and ready.*
- *Applicant has clearly defined objectives focusing on results and measurable outcomes*
- *Past performance on projects funded by CDBG has met expectations.*

1. Are all resources in place to be able to implement this project? If not, what is missing?

At this time, in order to move forward with the Housing Rehabilitation and Repair program, the City must hold a competitive procurement process to obtain new contractors because the prior contracts have expired. Previously the program procured contractors competitively and then assigned houses; however, HUD prefers that contractors bid on each house as a best practice, so staff is rewriting the program's policies and procedures to change to the best practice. In addition, staff is researching how the City can optimize the funding; for example, hiring a general contractor for everything increases the price by 20%. Staff are reviewing whether it would be possible to procure trade contractors as well as general contractors, so that individual trades could bid on the houses that have only one or two types of repair.

2. What specific, measurable outcomes or results do you hope to achieve with this project?

With \$250,000 the City could provide rehabilitation or repair to 4-5 houses, to bring the houses in to a typical standard of living and preserve them for future generations.

IMPACT AND COST EFFECTIVENESS –20 POINTS

Evaluation:

- *impact on the identified need*
- *implementation costs compared to impact*
- *use of available resources (financial, staff, volunteer)*
- *impact compared to other applicants*

1. Describe in detail the impact this project will have on the identified need and on San Marcos residents.

The City recently held a pre-application process to assist staff with identifying households with urgent repair needs. Scoring provided preference by income level and age and disability status of occupants. In this way, the City can assist homes with the highest levels of need.

2. Briefly describe other funding sources, volunteers, or in-kind donations that will be used for this project.

Staff will coordinate with SMTX Utilities to take advantage of weatherization funding and energy rebate programs.

COMMUNITY SUPPORT – 15 POINTS

Evaluation:

- *A minimum of three letters of reference that indicate strong local support for the project and the agency's ability to implement it as described in the application. Letters must be in support of the specific project requesting funding, not the agency as a whole. Letters will preferably be from San Marcos residents as well as direct beneficiaries of the project.*
- *Evidence that board members are actively involved in and supportive of the agency*

1. What actions do Board members take to support the programs of the agency?

The City Council reviews the needs of San Marcos as a whole and staff recommendations to decide how City and grant funding will best benefit San Marcos.

COUNCIL PRIORITIES - 20 POINTS

1. How long has this agency served San Marcos residents? (10 points if at least 2 years)

175 years. The current city of San Marcos was incorporated in 1851, and presumably set up a governmental structure at that time.

2. In what ways does your agency actively conduct outreach to engage San Marcos residents in its programs and services? How will San Marcos residents access those services? (up to 10 points)

In 2025 the pre-application process for the housing rehabilitation and repair program was marketed in the City's utility bills, on the housing page of the City's website, through City social media, and by direct email or mail to residents who had placed their name on a contact list. The City also held public hearings and a public comment period in the creation of the Annual CDBG Action Plan, which notified residents of the program when it was proposed. The same marketing will be used for future funding.

RISK - 10 POINTS

1. How many years' experience does the agency have in implementing a project of this size and complexity? (5 points if more than 5 years)

Current staff has three years' experience in implementing the housing rehabilitation and repair program. Other projects have not been similar in size and complexity.

2. What percentage of the project's funding is non-City? (5 points if at least 50%)

This program is specifically established as a beneficial use of the CDBG funds awarded to the City, and it is 100% funded by funding that is funneled through the City (mostly CDBG + a small amount of SMTX Utilities funding).

III. BENEFICIARIES

The CDBG program allows several different methods of documenting that a project benefits low to moderate income persons. *Direct Benefit* projects provide services directly to an individual or family; for example, a housing rehabilitation project is a Direct Benefit project. *Area Benefit* projects benefit a geographic location; for example, a Sidewalk Project.

A. DIRECT BENEFIT PROJECTS:

Applicant must be able to document that at least 51% of the beneficiaries have an annual income that is at or below 80% of the Area Median Income and are San Marcos residents.

1. How many unduplicated individuals or households are expected to be served by this project? 5-6

Presumed Benefit: Activities that exclusively serve a group of persons in any one or a combination of the following categories may be presumed to benefit a population in which at least 51% of the population is low-to-moderate income. Individual income verification is not required, although residency and other client statistics must be collected. The Presumed Benefit categories are:

a. Elderly persons (62 or older)	e. Battered spouses
b. Homeless persons	f. Abused children
c. Persons living with AIDS	g. Migrant farm workers
d. Illiterate persons (includes non-English speakers)	h. Severely disabled adults (Census Bureau definition)

2. Will all the program's beneficiaries be in a Presumed Benefit Category? Yes or X No

If "yes", list the categories: _____

3. If the program's beneficiaries cannot be considered "Presumed", how will income eligibility be determined?

 X Projection of the individual or family's income based on family size; or,

 Other. Please provide details of how eligibility will be determined:

B. AREA BENEFIT PROJECTS:

Some projects, such as a senior center or a park, serve an area rather than individual persons. HUD defines an area benefit project as an activity which is available to benefit all the residents of an area which is primarily residential. To meet the eligibility requirement of benefitting low to moderate persons, the area served must be an area where at least 51% of the residents are low/mod income persons. Most, but not all, San Marcos residential neighborhoods are low/mod.

1. Will this project be available to benefit all persons in the service area? Yes X No

2. Are the neighborhoods that will benefit from this project primarily residential? N/A Yes No

If "No", please explain: _____

3. What neighborhoods will benefit from this project? Please list either individual neighborhoods or describe the boundaries that will define the service area: N/A – this program is available citywide

C. PUBLIC FACILITY PROJECTS

In the CDBG program, Public Facilities are broadly interpreted to include all improvements and facilities that are either publicly owned or that are traditionally provided by the government, or owned by non-profit organizations, and operated so as to be open to the general public. Facilities providing shelter for persons having special needs are also considered to be public facilities.

- *Public facility projects cannot include the costs of operating and maintaining public facilities, costs of purchasing construction equipment, the costs of furnishings and other personal items such as uniforms, or new construction of public housing.*
- *Public facilities are intended to benefit all the residents of an area; thus, in most cases it must serve an area having at least 51% low/mod population.*
- *Public facilities owned by a nonprofit must be made available to the general public and must be open for use by the general public during all normal hours of operation.*
- *Reasonable fees may be charged for the use of the facilities assisted with CDBG funds, but charges, such as excessive membership fees, which will have the effect of precluding low/mod income persons from using the facilities, are not permitted.*

1. Who is/will be the owner of the facility? N/A

2. Will fees be charged for the use of the facility? N/A Yes or No

If yes, please attach a fee schedule.

3. How will the facility be made available to the general public? N/A

FUNDING HISTORY

1. Has your organization received CDBG funding in the past 5 years? X Yes No

2. If yes, how were the funds used? Current staff have administered programs for housing rehabilitation and repair, home demolition, and homebuyers' assistance, and have provided program support for a variety of other types of programs

3. Is the project complete? Yes X No If no, explain status and expected completion date:

 In 2024 and early 2025, 27 houses were rehabilitated or repaired, using prior years' CDBG funding and American Rescue Plan Act funding totaling \$1.4 million. The program has \$260,000 in 2024-2025 funding and \$192,000 in 2025-2026 funding to spend after contractors are competitively procured.

IV. PROJECT BUDGET

The CDBG program requires that a project be completed and serving beneficiaries within a reasonable time – preferably within one year of award date. Thus, it is important for any additional funds needed to complete the project to be secured prior to award of CDBG funds or shortly thereafter.

1. Estimated total project cost: \$250,000 CDBG Funds requested: \$250,000
2. Funds from all other sources that will be available on or before October 1,: \$ N/A
3. How will budget shortfalls be addressed? Repair scopes and cost estimates are prepared first, so repair is only started on the houses within the budget. 5% - 10% of funding is set aside to cover unexpected repairs or cost overages.

4. Are any additional funds for this project being requested from the City of San Marcos?
 Yes X No If “yes”, please describe type and amount requested: \$ _____
Type of funds requested: N/A

LINE ITEM BUDGET

Please use the following format to present your proposed line-item budget. Secured funds are funds on-hand, pledged, or awarded. City Council has waived fees for Construction Permitting and Development Code Processes for CDBG projects. Impact fee charges, when applicable, are not waived. Round budget numbers to the nearest dollar.

CDBG funds cannot be spent or obligated until final environmental clearance for the project has been obtained. HUD has interpreted "obligated" to mean that we cannot execute contracts or take bids as that will "obligate" funds. The environmental review is generally prepared by the City's CDBG staff. .

Budget Item	Total Budget	CDBG Funding Proposed	Other Funding Source(s)	Secured Funds available at project start	Additional Funds Needed to Complete Project
Project Soft Costs					
Contractor Procurement			CDBG Administration	Available	
Income and Application Review			CDBG Administration	Available	
Environmental Review			CDBG Administration	Available	
Inspection	\$8,000	\$8,000			
Work Scope/Estimation	\$8,750	\$8,750			
Lead Paint Assessment	\$8,250	\$8,250			
Project Hard Costs					
Lead Paint Abatement	\$15,000	\$15,000			
Rehabilitation or Repair	\$210,000	\$210,000			
BUDGET TOTAL	\$250,000	\$250,000			

V. PROJECTED IMPLEMENTATION SCHEDULE WITH PERFORMANCE GOALS

The first activity should be environmental review. Projects that do not impact the physical environment generally take about 15 days for environmental review – this would include public services, professional services, homebuyer assistance.

Projects that will potentially have a physical impact on the environment (construction or demolition, for example) generally take 45 to 60 days for environmental review. If the project is in a FEMA floodplain, add 30 additional days.

Please include reasonable time for competitive procurement activities, including procurement of professional service providers.

Projected Start Date: January 2027 Projected Completion Date: February 2028

Projected Implementation Schedule with Performance Goals			
Activity Description	Start Month/Year	End Month/Year	Performance Measurement Goal
Contractor Procurement	May 2026	July 2026	Pre-evaluated contactors who can bid on individual houses
Income and Application Review	January 2027	April 2027	Marketing, pre-application, pre-selection, income review, application review
Environmental Review	May 2027	May 2027	
Inspection	May 2027	June 2027	
Work Scope/Estimation/Bidding	May 2027	August 2027	
Lead Paint Assessment	May 2027	June 2027	
Lead Paint Abatement	October 2027	January 2028	Only required for areas impacted by other repairs; or, this can be done as a project in itself
Rehabilitation or Repair	October 2027	January 2028	
Final Inspection and Closeout	February 2028	February 2028	

VI. ORGANIZATION INFORMATION

BACKGROUND INFORMATION

1. Organization Type:

☐ 501(c) Non-Profit Corporation ☐ Public Corporation ☒ Government Entity

Other: _____

2. Name and title of Board of Directors chair or president: Mayor Jane Hughson

3. How many years has your organization been in business? 175

4. Organization's Taxpayer Identification Number (EIN): 74-6002238

5. Organization's Unique Entity Identifier Number (if available): LRPGLNZT4WR3

6. Is organization currently registered in the federal System for Award Management (SAM)? ☒ Yes ☐ No

FINANCIAL INFORMATION

1. What is the date of your fiscal year end? September 30

2. Does your organization have a purchasing policy? ☒ Yes ☐ No

3. Has your organization currently or within the past five years had any litigation that is pending or has been resolved?
☐ Yes ☒ No The Community Initiatives Division and the CDBG Program have not had any litigation.

If "Yes", please attach a summary of the litigation and its status, including any outstanding judgments.

4. Has your organization filed a petition for bankruptcy or has a petition for bankruptcy been filed against your organization?
☐ Yes ☒ No

If "Yes", please attach an explanation that includes the status.

5. During the last fiscal year, did your organization spend \$750,000 or more in Federal financial assistance?

☒ Yes ☐ No

6. What level of financial review does your organization obtain from an independent source? Select from the following options:

☒ Single Audit

☐ Audited Financial Statement

☐ Reviewed Financial Statement

☐ Compiled Financial Statement

☐ No independent review

☐ Other (describe):

7. What period was covered by your most recent financial review? Fiscal Year 2024-2025

8. Has your organization received City of San Marcos funding in the past two years? ☒ Yes ☐ No

If yes, please attach a short summary of the purpose and amount of City funding. Staff and Operations

PERSONNEL AND POLICIES

1. Name and Title of your chief administrator Stephanie Reyes

Number of years in this position? 3

2. Total number of current employees at all locations 947 (all funding sources)

3. Total number of current employees who will be involved in this project 2

4. Total number of new employees expected to be hired for the project 1

5. Does your organization have a personnel policy manual? ☒ Yes ☐ No
- Does it include a procedure for filing grievances? ☒ Yes ☐ No
- Does it include a non-discrimination clause? ☒ Yes ☐ No
6. Does your organization maintain a written code or standards of conduct that governs the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds?
- ☒ Yes ☐ No
7. Separation of duties for financial transactions regarding this project (respond with job title):
- Who will approve payment of incurred expenses? Housing and Community Development Manager
 - Who will prepare the payment check? Accounts Payable Clerk
 - Who will sign checks paying project expenses? Accounts Payable
 - Who posts the transaction to your financial records? Accountants in the Finance Department
 - Who reconciles monthly bank statements? Accountants in the Finance Department

ACCESSIBILITY OF PROGRAMS AND SERVICES

- Are all facilities to be served by the program ADA Accessible? ☒ Yes ☐ No
- Do you have a Section 504 (ADA) Self-Evaluation on file? ☒ Yes ☐ No
- How will you provide services to persons with Limited English proficiency? For meetings, translation services are pre-contracted by the ADA Coordinator, and for in-office interactions, one of the staff members speaks Spanish. Translation for any other languages would be provided by the ADA Coordinator.

INSURANCE, BONDING, AND WORKER'S COMPENSATION

- Does your organization have liability insurance coverage? ☒ Yes ☐ No
- If yes, in what amount? \$6 million
- Does your organization pay worker's compensation in accordance with Federal and state laws? ☒ Yes ☐ No ☐ N/A
- Does your organization have fidelity bond coverage for principal staff members who handle the organization's accounts? ☐ Yes ☐ No
N/A The City of San Marcos carries Public Employee Dishonesty coverage of \$300,000 per occurrence.
- Will vehicles owned by the organization be used in conjunction with the proposed project? ☒ Yes ☐ No
- If yes, what level of liability insurance is maintained on the vehicles? \$3 million

VII. CONFLICTS OF INTEREST (24 CFR 570.611; 24 CFR 85.36; AND 24 CFR 84.42)

Two sets of conflict-of-interest provisions apply to activities carried out with CDBG funding. The first set, applicable to the procurement of goods and services by subrecipients (*funded applicants*), is the procurement regulation found in the *Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards as codified in Title 2, Part 200 of the Code of Federal Regulations*. The second set of provisions is located at 24 CFR 570.611(a)(2).

With respect to procurement activities, the subrecipient must maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. At a minimum, these standards must:

1. Require that no employee, officer, or agent may participate in the selection, award, or administration of a contract supported by federal funds if a real or apparent conflict would be involved. Such a conflict would arise when any of the following parties has a financial or other interest in the firm selected for an award:
 - An employee, officer, or agent of the subrecipient;
 - Any member of an employee's, officer's, or agent's immediate family;
 - An employee's, agent's, or officer's partner; or
 - An organization which employs or is about to employ any of the persons listed in the preceding sections.
2. Require that employees, agents, and officers of the subrecipient neither solicit nor accept gratuities, favors, or anything of value from contractors or parties to sub-agreements. However, subrecipients may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value.
3. Provide for disciplinary actions to be applied for any violation of such standards by employees, agents, or officers of the subrecipient.

With respect to all other CDBG-assisted activities, the general standard is that no employee, agent, or officer of the subrecipient who exercises decision-making responsibility with respect to CDBG funds and activities is allowed to obtain a financial interest in or benefit from CDBG activities, or have a financial interest in any contract, subcontract, or agreement regarding those activities or in the proceeds for the activities. Specific provisions include that:

- The requirement applies to any person who is an employee, agent, consultant, officer, or elected or appointed official of the City, a designated public agency, or a subrecipient, and to their immediate family members and business partners.
- The requirement applies to such persons during their tenure and for a period of one year after leaving the grantee or subrecipient organization.
- Upon written request, exceptions may be granted by HUD on a case-by-case basis.

CONFLICT OF INTEREST QUESTIONNAIRE

NOTE: For the purpose of this form, a "covered person" includes any person who is an employee, agent, consultant, officer or elected or appointed official of the City of San Marcos, your organization, or any designated public agency.

Name of Organization: City of San Marcos, Texas

1. Does your organization maintain a written code or standards of conduct that governs the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds?

Yes X No If "No" is checked, please explain how you will comply with this requirement:

2. Are any of your Board Members or employees that are responsible for carrying out this project or members of their immediate families or their business associates also:

a. Employed by the City of San Marcos? Yes No N/A program is administered by City Employees

b. Members of or closely related to members of the San Marcos City Council? Yes No X

c. Members of or closely related to an employee of the City of San Marcos? N/A Yes No

d. Current beneficiaries or related to beneficiaries of the project for which funds are requested?

Yes No X

e. Paid providers of goods or services to the program or having other financial interest in the program or related to such individuals? Yes X No

3. For **each** relationship described above, please answer the following questions: (attach additional page if necessary)

a. Name of employee or official: N/A

b. Is this person receiving or likely to receive taxable income from your organization?

Yes No

c. Is your organization receiving or likely to receive taxable income from or at the direction of the employee or official AND the taxable income is not from the City of San Marcos?

Yes No

d. Is your organization affiliated with a corporation or other business entity in which the employee or official serves as an officer or director, or holds an ownership interest of 10% or more?

Yes No

4. Describe any other affiliation or business relationship that might cause a conflict of interest with respect to CDBG funds and activities. none

5. Will any of your organization's employees, officers, board members, or members of their immediate family or business partners have a financial interest in any contract, subcontract, or agreement regarding CDBG funded activities?

Yes No X . If yes, please attach an explanation.

VIII. APPLICANT ASSURANCES AND CERTIFICATIONS

The applicant hereby assures and certifies with respect to this project or program, by the submission of this application, that the following are true statements:

1. It possesses legal authority to apply for the grant and to finance the proposed request; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
2. It will comply with the Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards as codified in Title 2, Part 200 of the Code of Federal Regulations (UAR) and agrees to adhere to the accounting principles and procedures required therein, utilizing adequate internal controls and maintaining necessary source documentation for all costs incurred.
3. If it expends \$750,000 or more of federal funds in a fiscal year, it will comply with the Single Audit Act of 1984.
4. It will comply with the provisions of Executive Order 11988, relating to evaluation of flood hazards, and Executive Order 11990, relating to protection of wetlands. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, and approved December 31, 1976. Section 102(a).
5. It will have sufficient funds available or the ability to obtain the non-federal share of the cost for construction projects. Sufficient funds will be available when construction is completed to assure effective operation and maintenance of the facility for the purposes constructed.
6. It will give the City and the Comptroller General, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the grant.
7. It will cause work on the project to be commenced within a reasonable time after receipt of notification from the City that funds have been approved and that the project will be performed to completion with reasonable diligence.
8. It will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and in accordance with Title VI of that Act, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives federal financial assistance and will immediately take any measures necessary to effectuate this agreement.
9. It will comply with the requirements of Title II and Title III of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (P.L. 91-646), which provides for fair and equitable treatment of persons displaced because of federal and federally-assisted programs.
10. It will comply with the provisions of the Hatch Act, which limit the political activity of employees.
11. It will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act as they apply.
12. It will insure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the project are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the city/federal grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be utilized in the project is under consideration for listing by the EPA.

13. It will assist the city/federal grantor agency in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 U.S.C. 470), Executive Order 11593, and the Archeological and Historic Preservation Act of 1966 (16 U.S.C. 469a-1 et seq.).
14. It will comply with Texas Civil Statutes, Article 5996a, by ensuring that no officer, employee, or member of the applicant's governing body or of the applicant's contractor shall vote or confirm the employment of any person related within the second degree by affinity or third degree by consanguinity to any member of the governing body or to any other officer or employee authorized to employ or supervise such person. This prohibition shall not prohibit the employment of a person who shall have been continuously employed for a period of two years prior to the election or appointment of the officer, employee, or governing body member related to such person in the prohibited degree.
15. It will ensure that all information collected, assembled or maintained by the applicant relative to this project shall be available to the public during normal business hours in compliance with Texas Civil Statutes, Article 6252-17a, unless otherwise expressly provided by law.
16. It will conduct and administer the program in conformity with the Fair Housing Act (42 USC Section 3901 et. Seq.) and that it will affirmatively further fair housing.
17. It will minimize displacement of persons because of activities assisted with CDBG funds. If displacement of residential dwellings will occur in connection with a grant-assisted project, it will follow a residential anti-displacement and relocation assistance plan as specified by the City of San Marcos.
18. It certifies that it is not now, nor has it ever been, on the Federal List of Debarred Contractors.
19. It will not attempt to recover any capital costs of public improvements assisted in whole or in part with such funds by assessing any amount against properties owned and occupied by persons of LMI, including any fee charged or assessment made as a condition of obtaining access to such public improvements unless (a) such funds are used to pay the proportion of such fee or assessment that related to the capital costs of such public improvements that are financed from revenue sources other than such funds; or (b) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, applicant certifies that it lacks sufficient funds under this contract to comply with the requirements of clause (a).
20. It agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart J and subpart K of these regulations, except that (1) the Agency does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) Agency does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. Agency also agrees to comply with all other applicable Federal, State, and local laws, regulations, and policies governing the funds provided. Agency further agrees to utilize funds available to supplement rather than supplant funds otherwise available. Agency shall comply with all applicable Federal laws, regulations, and requirements, which include compliance with the provisions of the HCD Act and all rules, regulations, guidelines, and circulars promulgated by the various Federal departments, agencies, administrations, and commissions relating to the CDBG Program. The applicable laws and regulations include, but are not limited to:
 - 24 CFR Part 570;
 - 24 CFR Parts 84 and 85;
 - The Davis-Bacon Fair Labor Standards Act;
 - The Contract Work Hours and Safety Standards Act of 1962;
 - Copeland "Anti-Kickback" Act of 1934;
 - Sections 104(b) and 109 of the Housing and Community Development Act of 1974;

- Section 3 of the Housing and Urban Development Act of 1968;
- Equal employment opportunity and minority business enterprise regulations established in 24 CFR part 570.904;
- Non-discrimination in employment, established by Executive Order 11246 (as amended by Executive Orders 11375 and 12086);
- Section 504 of the Rehabilitation Act of 1973 Uniform Federal Accessibility Standards;
- The Architectural Barriers Act of 1968;
- The Americans with Disabilities Act (ADA) of 1990;
- The Age Discrimination Act of 1975, as amended;
- National Environmental Policy of 1969 (42 USC 4321 et seq.) as amended;
- Lead Based paint regulations established in 24 CFR Parts 35, 570.608, and 24 CFR 982.401;
- Asbestos guidelines established in CPD Notice 90-44;
- HUD Environmental Criteria and Standards (24 CFR Part 51);
- The Energy Policy and Conservation Act (Public Law 94-163) and 24 CFR Part 39
- Flood Disaster Protection Act of 1973;
- Colorado House Bill 06-1023 and 06-1043;
- Procurement Standards (2 CFR 200.322);
- Rights to Inventions Made Under a Contract or Agreement (37 CFR 401.2 (a));
- Energy Efficiency (2 CFR Part 200 Appendix II); and
- Recycling (2 CFR Part 200 Appendix II).

CERTIFICATIONS REGARDING LOBBYING:

21. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
22. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit standard form – “Disclosure Form to Report Lobbying”, in accordance with its instructions.
23. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
24. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

GENERAL CERTIFICATIONS:

25. The information, exhibits, and schedules contained in this application are true and accurate statements and represent fairly the financial condition of our organization;
26. Our organization is eligible to receive federal funding and has not been placed in a debarred or otherwise ineligible status under the provisions of CFR Part 24;
27. Our organization prohibits discrimination in accordance with Title VI of the Civil Rights Act of 1964; and,
28. Our governing body has duly authorized submission of this document. If funded, we agree to comply with the procedures outlined in the "Playing by the Rules" handbook that will be supplied by the City of San Marcos.

CITY OF SAN MARCOS FUNDING RESTRICTIONS:

29. All CDBG funding will be spent on San Marcos residents.
30. Funding requested is not more than 50% of the total funding for the agency.
31. Funding will not be used to fund more than 20% of a full time position.
32. Agency has been in existence for at least 2 years. (This can include serving communities other than San Marcos.)

I, the duly authorized representative of the applicant organization, certify that the foregoing statements are true to the best of my knowledge and belief:

CERTIFIED BY:

Signature: Terry Floyd Digitally signed by Terry Floyd
Date: 2026.02.27 07:41:28
-06'00' Date Signed: _____

Printed Name: Terry Floyd Title: Director of Planning and Development Services

Organization Name: City of San Marcos – Planning and Development Services Department

ATTACHMENTS

BUDGETS

This project is 100% funded with CDBG funds

☐ Project Budget for current fiscal year

☐

Budget Item	Total Budget	CDBG Funding Proposed	Other Funding Source(s)	Secured Funds available at project start	Additional Funds Needed to Complete Project
Project Soft Costs					
Contractor Procurement			CDBG Administration	Available	
Income and Application Review			CDBG Administration	Available	
Environmental Review			CDBG Administration	Available	
Inspection	\$14,506	\$14,506			
Work Scope/Estimation	\$15,866	\$15,866			
Lead Paint Assessment	\$14,960	\$14,960			
Project Hard Costs					
Lead Paint Abatement	\$27,200	\$27,200			
Rehabilitation or Repair	\$380,793	\$380,793			
BUDGET TOTAL	\$453,325	\$453,325			

BUDGETS

This project is 100% funded with CDBG funds

- ☐ Project Budget proposed for next fiscal year
- ☐ Budget Table showing the proposed uses of CDBG funding, to be included in the contract

Budget Item	Total Budget	CDBG Funding Proposed	Other Funding Source(s)	Secured Funds available at project start	Additional Funds Needed to Complete Project
Project Soft Costs					
Contractor Procurement			CDBG Administration	Available	
Income and Application Review			CDBG Administration	Available	
Environmental Review			CDBG Administration	Available	
Inspection	\$8,000	\$8,000			
Work Scope/Estimation	\$8,750	\$8,750			
Lead Paint Assessment	\$8,250	\$8,250			
Project Hard Costs					
Lead Paint Abatement	\$15,000	\$15,000			
Rehabilitation or Repair	\$210,000	\$210,000			
BUDGET TOTAL	\$250,000	\$250,000			

BOARD OF DIRECTORS INFORMATION

- ☐ **Board of Directors membership roster –must include city of residence for each Board member**
- ☐ **Contact numbers for Board Chair or President and Treasurer**

All City Council Members live in the City of San Marcos, Texas

CITY COUNCIL

Mayor – Jane Hughson – 512-393-8085

Matthew Mendoza

Josh Paselk

Alyssa Garza

Shane Scott

Lorenzo Gonzalez

Amanda Rodriguez

Finance Director: Jon Locke 512-393-8170

SPECIFIC TO THE CDBG APPLICATION

- ☐ **Resolution or Board Minutes showing approval to apply and designation of person who will sign documents on behalf of the organization**

The City Manager signs documents on behalf of the organization. The Department Director will sign the application. There will be no contract for this project because it is administered by the CDBG Administrator.

- ☐ **Most Recent audit or CPA prepared review**

The Comprehensive Annual Financial Report (CAFR) and Single Audit Reports are available online:

<https://www.sanmarcostx.gov/Archive.aspx?AMID=51>

- ☐ **Brief explanation of any lawsuits, judgments, or bankruptcy proceedings within the last 5 years**

There have been no lawsuits, judgments, or bankruptcy proceedings related to the Community Development Block Grant.

ORGANIZATION INFORMATION

- ☐ **Current IRS Form 990, pages 1 and 2 (not required for churches)(if applicable)**

Not Applicable

ORGANIZATION INFORMATION

☐ Non-discrimination policy statement

The City abides by the laws and regulations related to equal employment opportunity. The notice is posted online and in city buildings:

<https://www.sanmarcostx.gov/DocumentCenter/View/3068/Equal-Employment-Opportunity-EEO---English-PDF>

PROJECT INFORMATION

☐ Service area boundary for area benefit projects

N/A (This is not an area benefit project. Anyone who meets basic eligibility requirements and lives in the city limits of the City of San Marcos, Texas, can apply.)

☐ Description of how applicant income will be determined if there are direct beneficiaries

A. INCOME REQUIREMENTS

This rehabilitation program is aligned with a CDBG national objective to assist low-to-moderate income homeowners, and applications shall be reviewed to ensure that annual gross income of the applicant is at or below 80% of the Area Median Income (AMI) for CDBG-funded projects and at or below 65% of the AMI for American Rescue Plan Act projects. (24 CFR §570.208(a), Criteria for national objectives)

In accordance with 24 CFR §570.3, grantees may select any of three definitions provided for “annual income” for the purpose of determining whether a family or household is low or moderate income. The City has elected to use the first definition, per 24 CFR Part 5.609 known as the “Part 5” (formerly “Section 8”) definition of income.

Methodology of income calculation and verification is summarized below:

- Project Manager shall utilize the HUD approved online Income Eligibility Calculator software application found on HUD’s website for income calculation and shall include documentation evidencing that calculation in the client’s file. (<https://www.hdexchange.info/incomecalculator/>)
 - San Marcos is recognized as part of the Austin–Round Rock Metropolitan Statistical Area (MSA).
- The City shall estimate future annual income of the household by projecting the prevailing rate of income of the household (as applicable) at the time assistance is provided. (24 CFR §570.3 Income (2))
- Income eligibility is calculated using the incomes of all persons 18 years of age and over who live at the house full-time, divided by the number in household.
 - Annual income shall only include income from all household members 18 years of age or over as specified in the regulations; “household members” means only people who are living at the house, even if others have a partial ownership interest in the house.
 - Number in household includes all full-time permanent residents living in the house, regardless of age.
- Income limits are determined and published annually by the U.S. Department of Housing and Urban Development (HUD). (<https://www.huduser.gov/portal/datasets/il.html>)

LETTERS OF SUPPORT

☐ Letters of support

- about the specific project requesting funding and the agency's ability to implement it
- preferably from members of the San Marcos Community
- preferably including letters from direct clients of previous projects
- minimum of three

Griffith, Carol

From: Gloria Gonzales <[REDACTED]>
Sent: Tuesday, February 24, 2026 2:41 PM
To: Griffith, Carol
Subject: [EXTERNAL] City Housing Rehabilitation Repair Program

Hello my name is Gloria and in 2024 I found out about this program and decided to apply but at first I was pretty skeptical but decided to go ahead and apply.

Well, my application went through and I was so elated! They were able to put in a new roof because it was leaking badly! They also repaired some things inside the house such as New alarms, light switches, and in one room they fixed a wall that was in bad shape!

Everyone that came here to do the work were so friendly and knowledgeable. I would highly recommend this program to anyone.

Carol please review this and take out some things out if u choose and I will correct it

Gloria Gonzales

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Griffith, Carol

From: Jose Guerrero <[REDACTED]>
Sent: Wednesday, February 25, 2026 3:56 PM
To: Griffith, Carol
Subject: [EXTERNAL] Re: Housing Rehab Letter of Reference?

Hello Carol,

What work was done:

The siding around the home was replaced due to rotting. Placed new insulations in the walls. Fixed bay window.

Because we had a main water leak they had to replace the main waterline and run those new lines thru the attic.

Replaced toilets with handicap accessible toilets.

New gutters. Painted exterior of the entire home.

Did city staff provide clear information:

Yes.

Pleased with end result:

Yes and we appreciate it very much.

Would recommend the program:

Definitely.

Other feedback:

Thank you to Carol, all city staff that helped us. They helped by keeping us informed and assisting with all the paperwork and the entire process.

-

Jose Guerrero

On Monday, February 23, 2026, Griffith, Carol <CGriffith@sanmarcostx.gov> wrote:

Good afternoon! I am sending this to several recipients of home repair work through our City Housing Rehabilitation & Repair program in 2024 and early 2025. We are applying for more funding so we can do additional houses and need letters of reference from people who we served in the prior program.

Would you be willing to reply with a quick email that talks about the following questions?

- What work was done on the house through the City program?
- Did City staff provide clear information?
- Were you pleased with the end result of the work?
- Would you recommend that others use this program?
- Anything else you would like to say

I am sorry to have a short deadline, but if you can send the email by Friday 5:00pm, that would be ideal. We can still submit letters through mid-next week if needed.

We appreciate your help! Lorena will be calling with a follow up call just to alert you to this email and answer any questions.

Carol



Carol Griffith

Housing and Community Development Manager | Planning & Development Services

[630 E. Hopkins St, San Marcos, TX 78666](#)

512-393-8147

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Griffith, Carol

From: Harrison, Michael <[REDACTED]>
Sent: Thursday, February 26, 2026 9:42 AM
To: Griffith, Carol
Subject: [EXTERNAL] Re: Housing Rehab Letter of Reference?

Hello Carol!

I would be happy to provide a letter of reference.

I had my electrical panels replaced and smoke detectors installed. It was a godsend service. You all provided clear information and kept me in the loop throughout the process. Lovely. I am very pleased with the results.

I would definitely recommend that others use this program.

Thank you so much for assisting people like me who live on a single income and own a home in San Marcos.

I will not forget the help I have received from you.

Best,

Michael Harrison

[REDACTED]

San Marcos, TX. 78666

[REDACTED]

[REDACTED]

From: Griffith, Carol <CGriffith@sanmarcostx.gov>
Date: Monday, February 23, 2026 at 4:48 PM
To:
Subject: Housing Rehab Letter of Reference?

Good afternoon! I am sending this to several recipients of home repair work through our City Housing Rehabilitation & Repair program in 2024 and early 2025. We are applying for more funding so we can do additional houses and need letters of reference from people who we served in the prior program.

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- Anything else you would like to say

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Carol



Carol Griffith

Housing and Community Development Manager | Planning & Development Services
630 E. Hopkins St, San Marcos, TX 78666
512-393-8147

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My mother has an older home that needed quite a bit of work such as roofing, flooring and electrical. She applied for the Home Rehabilitation and Repair Program that the City of San Marcos was offering and qualified for the repairs. I accompanied her to the meetings during the entire process and made sure she understood everything and helped her ask any questions she had. Lorena and Carol did an amazing job explaining everything to her and were available through the entire remodel phase to assist us with any concerns mom had. They were of great assistance as was the project manager on site. Mom is very happy in her humble home and we feel at peace knowing the roof, floors and electrical are no longer safety concerns.

Thank you to all who made this possible. We highly recommend this project to anyone that needs assistance!

The Mercado Family

Griffith, Carol

From: S Mercado <[REDACTED]>
Sent: Thursday, February 26, 2026 11:42 PM
To: Griffith, Carol; S Mercado
Subject: [EXTERNAL] Re: Housing Rehab Letter of Reference?
Attachments: Home Rehabilitation and Repair Program.docx

Hi Carol. I hope you are well. I have attached the letter of recommendation to this email.

Simon Mercado

On Mon, Feb 23, 2026 at 4:48 PM Griffith, Carol <CGriffith@sanmarcostx.gov> wrote:

Good afternoon! I am sending this to several recipients of home repair work through our City Housing Rehabilitation & Repair program in 2024 and early 2025. We are applying for more funding so we can do additional houses and need letters of reference from people who we served in the prior program.

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Carol

Carol Griffith



Housing and Community Development Manager | Planning & Development Services
630 E. Hopkins St, San Marcos, TX 78666
512-393-8147

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