

**Yellow highlight indicates sections that may be updated after the comment period and final project selection.**

## **Executive Summary**

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

#### **1. Introduction**

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 2021, will begin October 1, 2021 and end September 30, 2022. 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 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**

In this 2021-2022 CDBG Entitlement Action Plan, the City has prioritized preserving existing affordable housing, supporting home ownership for low to moderate income families, providing services for victims of domestic violence, improving a park, and providing for the creation of a revitalization action plan for an historically significant neighborhood. Expected outcomes include the rehabilitation of 15 homes, repair of 5 homes, assistance of 12 households with down payments and closing costs, training for 50 individuals on the responsibilities of home ownership, training for 78 advocates who serve 140 San Marcos foster children, and provision of services to 23 families who were victims of domestic violence.

#### **3. Evaluation of past performance**

The City has consistently funded programs that are considered to be high priority needs as determined during the creation of the five year Consolidated Plan. In addition, the City has contracted for studies on affordable housing and is working to develop strategies and action plans to respond to the needs identified. These studies and plans have informed the selection of projects and programs to be funded using CDBG.

#### **4. Summary of Citizen Participation Process and consultation process**

The City followed its Citizen Participation Plan as it conducted the 2021 Action Plan process. Outreach methods included updating the CDBG website, issuing press releases, sending e-mail reminders, publishing notices and display advertisements, conducting workshops and a formal Council public hearing,

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and providing the Action Plan Draft for public review for a 30-day period. In addition to the traditional communication methods, the City utilizes social media tools including Facebook, Twitter, and YouTube. The key points in the City's press releases are posted on the City's social media accounts. Press releases are also posted in full on the City's webpage.

### 5. Summary of public comments

Public comments were received during the public hearing at City Council and at the presentation to the Historic Preservation Commission. Comments on potential programs included the following:

#### PUBLIC HEARING

- alternative forms of housing outside of single detached family homes
- community health and mental health services
- transitional housing for homeless residents of the community
- allocating the maximum 15% to public services
- saving streets and neighborhoods like Harvey Street, Victory Gardens, East Guadalupe, and Dunbar
- planning for archaeological research surveys and historic districts
- clearance activities
- property rehabilitation including historic preservation
- acquisition of property

#### HISTORIC PRESERVATION COMMISSION

- improvements to the Historic Baptist Church on Martin Luther King Drive and renovations to 218 Martin Luther King Drive.
- rehabilitation of the Dunbar Home Economic Building
- funding a position to work with existing non-profits and assist with the formation of the Local Homeless Coalition

Comments received can be seen in the "Community Outreach" attachment to this document.

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

All comments and views were accepted. A summary of comments received was presented to City Council, and all comments were provided to City Council. These comments helped form the basis for the staff recommendation on programs and project, and the City's Council's decision on funding allocations.

### 7. Summary

San Marcos has been an entitlement community for the CDBG grant program since 1994. During the past 27 years, the City has utilized over \$15,000,000 in CDBG funds to improve the quality of life, including quality and affordability of housing, for its low- to moderate-income citizens. The City has installed

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sidewalks, upgraded neighborhood parks, supported services provided by local non-profit organizations, rehabilitated homes, and improved accessibility to public facilities and individual homes.

### 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               |
|--------------------|------------|---------------------------------|
| CDBG Administrator | SAN MARCOS | Planning & Development Services |

**Table 1 – Responsible Agencies**

### Narrative (optional)

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

The City of San Marcos Community Initiatives Division of Planning and Development Services prepares the annual Action Plan and provides the oversight and administration of the CDBG program. The staff of this division provide leadership, technical assistance, and compliance monitoring to the City departments and non-profit organizations that are selected to receive CDBG funding (the subrecipients). Division financial staff process draws in the IDIS system, prepare financial reports, and participate in subrecipient monitoring.

For City projects, such as park or sidewalk improvements, a project manager is designated from the department overseeing the project. The project manager provides oversight of the construction work, reviews progress, and approves all payment requests before they are submitted to the CDBG staff for processing. Other City divisions that have a supporting role in the CDBG program include Planning and Permitting, Legal, and Purchasing.

### Action Plan Public Contact Information

For more information, contact:

Carol Griffith, Housing and Community Development Manager, [cgriffith@sanmarcostx.gov](mailto:cgriffith@sanmarcostx.gov), 512-393-8147, or [cdbg@sanmarcostx.gov](mailto:cdbg@sanmarcostx.gov)

Information can also be found on the City's website at: [www.sanmarcostx.gov/cdbg](http://www.sanmarcostx.gov/cdbg)

## **AP-10 Consultation – 91.100, 91.200(b), 91.215(I)**

### **1. Introduction**

The 2021-2022 Action Plan was developed in accordance with the City's Citizens Participation Plan. All dates in the following summary are in 2021: A notice of public hearing was published May 2, regarding the public hearing held May 18. A notice was published May 9, regarding the stakeholders workshop held May 27 at 6pm and the applicant workshop held May 27 at 10am. Press releases accompanied each notice. A notice of funding availability was published on May 23 stating that the application process would be open May 23-June 18, repeating the dates and times for the workshops, and noting that City Council would hold a preliminary discussion of the applications on July 6 and make a final decision on August 3 after a public comment period. Staff emailed this notice and the application forms to a broad list of potential applicants and interested parties. Staff presented potential uses of CDBG funds for historic preservation to the Historic Preservation Commission on June 3. A notice was published on June 6 announcing that the public comment period on the proposed Action Plan would be from June 26 – July 25. **TO BE PUBLISHED: REVISED COMMENT PERIOD June 28 – July 29**

Assistance for disabled persons and those with limited English proficiency were publicized with each notice and meeting. Key documents and notices were translated into Spanish for publication at the same time as the English versions, and a Spanish translator was available at the workshops.

In 2020, City staff consulted directly with the organizations listed below by asking specific questions through interviews and emails, in order to gather information needed to present a complete picture of the City's grant funding priorities and activities.

### **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(I))**

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

Ongoing, the City's CDBG staff works closely with the San Marcos Housing Authority (the Housing Authority) and local organizations that provide services to City residents by sharing information on grant and training opportunities, as well as providing data about the community. The City generally holds an open application process which allows housing and public service providers an opportunity to apply for CDBG funding, in addition to recommending projects based on staff evaluation of local needs compared to funding available. The City also provides over \$500,000 annually in City general funds to local non-profit organizations through an annual open application process.

The City waives development and permit fees for Housing Authority projects and the construction and rehabilitation of affordable housing by non-profits. The City has participated in the construction and renovation of public facilities which serve the community, including the local women's shelter, and has updated park facilities near public housing.

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The City created a Council Committee on Homelessness in 2020 which in turn supported the formation of a Local Homeless Coalition led by local non-profit agencies. This coalition is working specifically on creating a process for coordinating care for the homeless, obtaining funding, and providing transitional housing.

The City contracts with the Greater San Marcos Partnership to recruit new business to San Marcos, while the Chamber of Commerce and the City's Main Street programs focus on supporting existing businesses. The City recently created an Economic Development Manager position to coordinate with all three programs, and facilitate City process related economic development issues such as incentives. Recently due to the COVID-19 pandemic the City Council has for the first time allocated CDBG funding to economic development, using CDBG Coronavirus Response (CDBG-CV) funding.

The City received reimbursements for 2020 expenses from Coronavirus Relief Funds through the Texas Department of Emergency Management in such a way that \$2.6 million was available within the General Fund. While a small part of this funding was allocated to ongoing City pandemic expenses, City Council chose to allocate most of it to public services for the community. \$450,000 will be used for a community needs assessment and building capacity of the local non-profit network of agencies. \$640,000 was made available for grants to agencies.

### **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.

The City works closely with the local non-profit organizations that provide shelter and services to specifically targeted homeless populations. San Marcos has an informal network of service providers that provide cross referrals to each other and any resources they can find, local and otherwise; however, no central coordination currently exists to provide help to people recently released from institutions or publicly provided systems of care.

The San Marcos City Council created a Council Committee on Homelessness in February, 2020 to begin to address homelessness in San Marcos and create necessary partnerships. City staff members on this Committee convened a general meeting in October, 2020, to begin to create the Hays County Local Homeless Coalition. This meeting was attended by 55 people, including representatives of 27 service agencies.

The Local Homeless Coalition is now led by local non-profit agencies. The Coalition is working with the Texas Homeless Network to make progress toward receiving funding and creating a coordinated entry program.

### **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. City staff consulted with the Continuum of Care organization, Texas Homeless Network, related to CDBG funding in developing the Consolidated Plan in 2020.

## **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**

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The agencies listed below were consulted during the creation of the 2020-2024 Consolidated Plan in early 2020.

| Agency/Group/Organization                            | Type  | Section Addressed  | How Consulted   |
|--|---|--|---|
| Austin Tenants Council                               | Services - Fair Housing                                 | MA-40 BARRIERS TO AFFORDABLE HOUSING   | Interviewed Fair Housing Program Director   |
| Capitol Area Council of Governments                  | Regional Organization, Planning Organization            | MA-45 NON-HOUSING COMMUNITY DEVELOPMENT ASSETS   | Interviewed Director of Community and Economic Development                              |
| City Code Compliance Division                        | Services - Housing                                      | MA-20 HOUSING MARKET ANALYSIS - CONDITION OF HOUSING, MA-50 NEEDS AND MARKET ANALYSIS DISCUSSION   | Interviewed Code Compliance Manager   |
| City Engineering and Capital Improvements Department | Resiliency  | MA-65 RESILIENCY   | Interviewed Director and the Senior Engineer who designated as Floodplain Administrator |
| City of San Marcos Economic Development Division     | Services - Employment                                   | PR-10 CONSULTATION, MA-45 NON-HOUSING COMMUNITY DEVELOPMENT ASSETS   | Interviewed City's Economic Development Manager   |
| City Planning and Development Services Department    | Planning Organization                                   | MA-10 NUMBER OF HOUSING UNITS, MA-15 HOUSING MARKET ANALYSIS - COST OF HOUSING, MA-40 BARRIERS TO AFFORDABLE HOUSING, SP-30 INFLUENCE OF MARKET CONDITIONS, SP-55 BARRIERS TO AFFORDABLE HOUSING | Interviewed Assistant Director  |
| City Senior Citizens Programs                        | Services - Elderly                                      | NA-45 NON-HOMELESS SPECIAL NEEDS ASSESSMENT, MA-35 SPECIAL NEEDS FACILITIES AND SERVICES   | Interviewed Coordinator   |
| Community Action Inc. of Central Texas               | Services-Children, Elderly, Health, Homeless, Education | NA-45 NON-HOMELESS SPECIAL NEEDS ASSESSMENT, NA-50 NON HOUSING COMMUNITY DEVELOPMENT NEEDS, MA-35 SPECIAL NEEDS FACILITIES AND SERVICES  | Called then sent a questionnaire; Interviewed Manager of the Seniors Program            |
| ConnectedNation of Texas                             | Broadband Advocate Agency                               | MA-60 BROADBAND  | Interviewed State Program Director  |
| Council Committee on Homelessness                    | Services – Homeless                                     | NA-10 HOUSING NEEDS ASSESSMENT, NA-40 HOMELESS NEEDS ASSESSMENT, SP-40 INSTITUTIONAL DELIVERY STRUCTURE, SP-60 HOMELESSNESS STRATEGY   | Interviewed City staff member currently leading the committee                           |

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|  |  |   |  |
|--|--|---|--|
| Court Appointed Special Advocates of Central Texas | Services – Children, Child Welfare Agency              | NA-45 NON-HOMELESS SPECIAL NEEDS ASSESSMENT, NA-50 NON HOUSING COMMUNITY DEVELOPMENT NEEDS, MA-30 HOMELESS FACILITIES AND SERVICES, MA-35 SPECIAL NEEDS FACILITIES AND SERVICES, MA-45 NON-HOUSING COMMUNITY DEVELOPMENT ASSETS   | Called then sent a questionnaire; interviewed Development Director               |
| Greater San Marcos Partnership                     | Services - Employment, Business Leaders, Civic Leaders | MA-50 NEEDS AND MARKET ANALYSIS DISCUSSION  | Interviewed President  |
| Greater San Marcos Youth Council                   | Services – Children                                    | NA-40 HOMELESS NEEDS ASSESSMENT, NA-45 NON-HOMELESS SPECIAL NEEDS ASSESSMENT, NA-50 NON HOUSING COMMUNITY DEVELOPMENT NEEDS, MA-30 HOMELESS FACILITIES AND SERVICES, MA-35 SPECIAL NEEDS FACILITIES AND SERVICES  | Called then sent a questionnaire   |
| Hays Caldwell Women’s Center                       | Services-Victims of Domestic Violence, Homeless        | NA-10 HOUSING NEEDS ASSESSMENT, NA-40 HOMELESS NEEDS ASSESSMENT, NA-45 NON-HOMELESS SPECIAL NEEDS ASSESSMENT, NA-50 NON HOUSING COMMUNITY DEVELOPMENT NEEDS, MA-30 HOMELESS FACILITIES AND SERVICES, MA-35 SPECIAL NEEDS FACILITIES AND SERVICES, SP-40 INSTITUTIONAL DELIVERY STRUCTURE, SP-60 HOMELESSNESS STRATEGY | Called then sent a questionnaire; Interviewed Director of Community Partnerships |
| Hays County  | County Government, Health Agency                       | NA-50 NON HOUSING COMMUNITY DEVELOPMENT NEEDS   | Conversations with Director of Countywide Operations (Health Agency Liaison)     |
| Hays County Office of Emergency Management         | Resiliency   | MA-65 RESILIENCY  | Conversations with Emergency Management Director                                 |
| Hays County Veterans Services Office               | Services - Veterans, Homeless                          | NA-10 HOUSING NEEDS ASSESSMENT, NA-35 PHA, NA-40 HOMELESS NEEDS ASSESSMENT, NA-45 NON-HOMELESS SPECIAL NEEDS ASSESSMENT, NA-50 NON HOUSING COMMUNITY DEVELOPMENT NEEDS, SP-40 INSTITUTIONAL DELIVERY STRUCTURE, SP-60 HOMELESSNESS STRATEGY   | Called then sent a questionnaire   |

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|  |   |  |  |
|--|---|--|--|
| Hill Country Mental Health and Developmental Disability Center | Services - Disabled, Public Funded Institution/System of Care | PR-10 CONSULTATION, NA-45 NON-HOMELESS SPECIAL NEEDS ASSESSMENT  | Interviewed Executive Director and other staff   |
| HOME Center of Central Texas                                   | Services – Homeless   | NA-40 HOMELESS NEEDS ASSESSMENT, MA-30 HOMELESS FACILITIES AND SERVICES  | Contacted about Point in Time Count  |
| San Marcos Area Chamber of Commerce                            | Services - Employment, Business Leaders, Civic Leaders        | PR-10 CONSULTATION, MA-45 NON-HOUSING COMMUNITY DEVELOPMENT ASSETS   | Interviewed President & CEO  |
| San Marcos Housing Authority                                   | Public Housing Authority, Services-Housing, Children, Elderly | NA-35 PHA, NA-50 NON HOUSING COMMUNITY DEVELOPMENT NEEDS, MA-10 NUMBER OF HOUSING UNITS, MA-25 PUBLIC AND ASSISTED HOUSING           | Interviewed Executive Director and Resident Services Assistant Program Director; led an activity with Family Self Sufficiency participants |
|  |   |  |  |
| Southside Community Center                                     | Services – Homeless, Housing                                  | NA-10 HOUSING NEEDS ASSESSMENT, NA-40 HOMELESS NEEDS ASSESSMENT, SP-40 INSTITUTIONAL DELIVERY STRUCTURE, SP-60 HOMELESSNESS STRATEGY | Called then sent a questionnaire; also received comments from the Executive Director through multiple conversations                        |
| Texas Homeless Network   | Services – Homeless; Continuum of Care                        | PR-10 CONSULTATION, NA-10 HOUSING NEEDS ASSESSMENT, NA-40 HOMELESS NEEDS ASSESSMENT  | Interviewed Director of Engagement and Assistant Director of Planning  |
| Vivent Health  | Services - HIV/AIDS   | NA-10 HOUSING NEEDS ASSESSMENT, NA-35 PHA, NA-45 NON-HOMELESS SPECIAL NEEDS ASSESSMENT, MA-35 SPECIAL NEEDS FACILITIES AND SERVICES  | Interviewed Director of Grant Resources - Texas  |
| Workforce Solutions Rural Capital Area                         | Services - Employment, State Government                       | MA-45 NON-HOUSING COMMUNITY DEVELOPMENT ASSETS, SP-70 ANTI POVERTY STRATEGY  | Interviewed Chief Strategy Officer   |

**Table 2 – Agencies, groups, organizations who participated**

**Identify any Agency Types not consulted and provide rationale for not consulting - Not Applicable**

**Other local/regional/state/federal planning efforts considered when preparing the Plan – See Table Below**



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| <b>Table 2 – Other local/regional/state/federal planning efforts considered when preparing the Consolidated Plan</b> |   |  |
|--|---|--|
| <b>Name of Plan</b>  | <b>Lead Organization</b>                                  | <b>How do the goals of your Strategic Plan overlap with the goals of each plan?</b>  |
| 2020-2029 Capital Improvements Program   | Engineering and Capital Improvements – City of San Marcos | Coordination with CDBG-DR and CDBG-MIT projects<br>Funded vs Needed Park Improvements  |
| 2020 CDBG-MIT Action Plan  | Planning and Development Services - City of San Marcos    | Infrastructure projects  |
| 2019 Update of the Affordable / Workforce Housing Policy   | Planning and Development Services - City of San Marcos    | Affordable housing<br>Homebuyer assistance<br>Removal of regulatory barriers<br>Housing Renovation<br>The need for increasing supply of sites available for new affordable housing   |
| 2019 Draft Workforce Housing Strategic Housing Action Plan   | Planning and Development Services - City of San Marcos    | Affordable Housing Needs:<br>Expand opportunities for housing<br>Preserve and enhance existing housing stock<br>Leverage community and regional partners<br>Quantify and meet the housing need of current and future residents |
| 2019 Parks, Recreation and Open Space Master Plan  | Parks and Recreation – City of San Marcos                 | Community Park Development<br>Acquisition of Park Land / Green Spaces<br>Trails  |
| 2018 Update to the 2015-2020 CAPCOG Comprehensive Economic Development Strategy                                      | Capitol Area Council of Governments                       | Regional data, including home values, wages, job creation<br>Workforce development, entrepreneurship, and place building strategies and performance measures   |
| 2019 Housing Needs Assessment  | Planning and Development Services - City of San Marcos    | Identifies core housing needs  |
| 2018 Stormwater Master Plan  | Engineering and Capital Improvements – City of San Marcos | Coordinates with CDBG-DR and CDBG-MIT projects   |
| 2018 Transportation Master Plan  | Engineering and Capital Improvements – City of San Marcos | Identifies needs for additional transportation services  |
| 2017 Analysis of Impediments to Fair Housing   | Planning and Development Services - City of San Marcos    | Provides recommendations for actions related to affordable and fair housing issues   |

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|  |  |  |
|--|--|--|
| 2017 CDBG-DR Action Plan   | Planning and Development Services - City of San Marcos | Housing programs<br>Infrastructure projects  |
| 2015 Vision 2020 5 Year Economic Development Plan                    | Greater San Marcos Partnership                         | Supports Job Growth in Target Sectors<br>Optimizing Local Talent Base  |
| 2013 Vision San Marcos: A River Runs Through Us (Comprehensive Plan) | Planning and Development Services – City of San Marcos | Identifies Community Needs:<br>Diversified housing options<br>Stable neighborhoods that are protected from blight<br>Public facilities and infrastructure that support economic development<br>Social services funding – including programs that help homeless and mental health |
| 2013 Youth Master Plan   | Parks and Recreation – City of San Marcos              | Identifies Youth Needs:<br>Increase economic opportunities and workforce training<br>Support child development<br>Provide access to developmental activities   |
| 2012 Arts Master Plan  | Parks and Recreation – City of San Marcos              | Identifies Community Needs:<br>Community cultural and performing arts center<br>Neighborhood recreation centers  |
| 2008 Downtown Master Plan  | Planning and Development Services – City of San Marcos | Assists with prioritizing community needs  |

**Table 4 – Other local / regional / federal planning efforts**

#### **Narrative (optional)**

Texas State University is located in San Marcos, and the students are actively involved in community projects. The University works directly with the San Marcos Housing Authority to implement resident training programs and youth enrichment. In addition, students conduct the annual “Bobcat Build” program that provides a day of service for more than 4,500 volunteers at more than 300 jobsites, with the goal of strengthening the bond between the University and the community. The painting and general clean-up provided by the students complements the City’s CDBG entitlement housing programs and code enforcement efforts.

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Most of San Marcos is located in Hays County, which provides a variety of services, some (such as infrastructure projects) in coordination with the City, and some particular to the County, such as the Veterans Services Office. The Veterans Services Office coordinates services for homeless veterans with the local non-profit service providers. In addition, the County coordinated the creation of the Hays County Hazard Mitigation Plan, from which the City of San Marcos Annex formed the basis for the CDBG-MIT action plan.

Workforce Solutions Rural Capital Area is the state-designated workforce development board, and works closely with both the City's Economic Development Manager and the Greater San Marcos Partnership, which is contracted to do economic development for the City. Workforce Solutions also works with non-profits such as Community Action Partners to create or fund training classes offered locally.

San Marcos is located within the regional planning area of the Capital Area Council of Governments (CAPCOG), which among other things offers training for local government emergency management staff, creates the areas Comprehensive Economic Development Study (CEDS), and provides some data collection for the region. The Area Agency on Aging is housed at CAPCOG as well, providing services that complement the goals of the Consolidated Plan.

## AP-12 Participation – 91.105, 91.200(c)

### 1. Summary of citizen participation process/Efforts made to broaden citizen participation

*Summarize citizen participation process and how it impacted goal-setting*

Citizen participation has been an essential element of this Action Plan. The 2021-2022 Action Plan was developed in accordance with the City's Citizens Participation Plan. All dates in the following summary are in 2021: A notice of public hearing was published May 2, regarding the public hearing held May 18. A notice was published May 9, regarding the stakeholders workshop held May 27 at 6pm and the applicant workshop held May 27 at 10am. Press releases accompanied each notice. A notice of funding availability was published on May 23 stating that the application process would be open May 23-June 18, repeating the dates and times for the workshops, and noting that City Council would hold a preliminary discussion of the applications on July 6 and make a final decision on August 3 after a public comment period. Staff emailed this notice and the application forms to a broad list of potential applicants and interested parties. Staff presented potential uses of CDBG funds for historic preservation to the Historic Preservation Commission on June 3. A notice was published on June 6 announcing that the public comment period on the proposed Action Plan would be from June 26 – July 25. **TO BE PUBLISHED: REVISED COMMENT PERIOD June 28 – July 29**

Assistance for disabled persons and those with limited English proficiency were publicized with each notice and meeting. Key documents and notices were translated into Spanish for publication at the same time as the English versions, and a Spanish translator was available at the workshops.

| Table 3 – Citizen Participation Outreach |   |  |  |  |
|--|---|--|--|--|
| Sort Order                               | Mode of Outreach  | Target of Outreach   | Summary of response/attendance   | Summary of comments received   |
| 1  | Public Meetings – Action Plan<br>05/18/21<br>06/03/21<br>07/06/21<br>08/03/21 | All San Marcos citizens, agencies, and businesses              | 05/18 – 3 speakers plus all council attendees<br>06/03 – HPC Commissioners<br>07/06 and 08/03 City Council Discussion only | <ul style="list-style-type: none"> <li>Housing rehabilitation is needed</li> <li>Historic preservation should be considered</li> <li>Public services funding is important</li> </ul> |
| 2  | Applicant Workshop<br>05/27/21  | Agencies interested in applying for program or project funding | 7 attendees  | No comments received   |
| 3  | Stakeholder Workshop<br>05/27/21  | All San Marcos citizens and agencies                           | 0 attendees  | No comments received   |

Table 4 – Citizen Participation Outreach

## **Expected Resources**

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

#### **Introduction**

The City of San Marcos is allocated about \$750,000 in CDBG Entitlement funds annually. Generally the City accepts applications for funding from local non-profits and City departments that are evaluated by staff based on scoring criteria. Other programs are also proposed by CDBG staff members. 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.

The City's CDBG Entitlement housing and public services programs are supplemented by several other resources within the City's control.

The City has been awarded HOME funding through the state to reconstruct seven houses for which the repair costs are prohibitive.

Public services are enhanced by an additional \$500,000 awarded from the general fund to local agencies through an annual application process that beginning in 2021, will be administered by the same staff who handle CDBG funding.

In 2020 the City received \$993,086 in CDBG-Coronavirus Response (CDBG-CV) funding. City Council has awarded this funding as follows: \$55,600 to Court Appointed Special Advocates; \$105,530 for enhanced coronavirus testing; \$200,000 for a small business recovery program run by the Chamber of Commerce; \$567,825 for a rent, mortgage, and utilities run by Community Action, Inc, in partnership with BR3T; and \$64,131 for administration. Because federal funding has been sufficient for testing and CDBG funding cannot duplicate other funding, it is likely the testing funding will be reallocated to a new program late in 2021.

The City received reimbursements for 2020 expenses from Coronavirus Relief Funds through the Texas Department of Emergency Management in such a way that \$2.6 million was available within the General Fund. While a small part of this funding was allocated to ongoing City pandemic expenses, City Council chose to allocate most of it to public services for the community. \$450,000 will be used for a community needs assessment and building capacity of the local non-profit network of agencies. \$640,000 was made available for grants to agencies. \$1 million will pay for residential utility bills that are more than sixty days behind due to pandemic-related difficulties.

In addition, the City has been allocated \$18.1 million through the American Rescue Plan, the uses for which City Council will be determining during their meetings in July and August, 2021.

In 2016, City Council approved a Community Enhancement Fee to be added to the City's utility bills, and the fee is now \$1.50 per month for residential customers and \$5.50 per month for commercial customers. Its primary purposes are community clean up and beautification, including:

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- Matching fund program for Dumpster enclosures
- Additional mowing and trash along streets and highways and in City parks
- Median landscaping, street sweeping, and supplies for the neighborhood beautification trailer
- 2 full-time Code Compliance Officers

In addition to these ongoing programs, in Fiscal Year 2019, City Council allocated \$200,000 from Community Enhancement Fee revenues to the demolition of unsafe structures identified by Code Compliance for which other funding is not available. This complements the Program Year 2019 CDBG-funded home demolition program that will be implemented by CDBG staff in close coordination with Code Compliance.

The San Marcos Housing Authority handles \$4.5 million in federal grant funds each year in administering its programs, along with \$1.1 million in rental income. Funding includes \$757,000 in the operating fund, \$1.8 million in capital funds, and almost \$1.5 million in Section 8 Tenant Based Rental Assistance. Resident Opportunity and Self Sufficiency grants of about \$191,000 make up the remainder of the grant funds, and this includes funding for three service coordinators.

The City has also received a CDBG-Disaster Recovery (CDBG-DR) allocation of \$33,794,000 due to flooding experienced in 2015, and is in process of spending it on housing rehabilitation and reconstruction programs, along with stormwater infrastructure improvements to reduce the impacts of future flooding. HUD allocated an additional \$24,012,000 through the CDBG-Mitigation (CDBG-MIT) program to lessen the risk of harm to people and property caused by flooding, and categories have been assigned for expenditure on infrastructure and acquisition of land to prevent flooding, and projects that provide warnings of potential flooding situations.

### **Anticipated Resources**

See table below.

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| Table 5 – Anticipated Resources                      |                                   |   |                                  |                    |                          |           |   |   |
|--|-----------------------------------|---|----------------------------------|--------------------|--------------------------|-----------|---|---|
| Program  | Source of Funds                   | Uses of Funds   | Expected Amount Available Year 1 |                    |                          |           | Expected Amount Available Remainder of ConPlan \$ | Narrative Description   |
|  |                                   |   | Annual Allocation: \$            | Program Income: \$ | Prior Year Resources: \$ | Total: \$ |   |   |
| CDBG Entitlement                                     | Federal                           | Administration, Affordable Housing, Public Services, Public Facilities  | \$766,842                        | \$0                | \$56,933                 | \$823,415 | \$3,000,000                                       | CDBG entitlement funds will be used to address community housing and non-housing priority needs.  |
| CDBG-DR  | Federal                           | Administration, Planning, Housing, Infrastructure, Acquisition  | One-time                         |                    |                          |           | \$33,794,000                                      | CDBG-DR funds must be used for disaster recovery related to the 2015 floods by 2022.  |
| CDBG-MIT   | Federal                           | Administration, Planning, Addressing Repetitive Loss, Preservation of Land, Warning Systems, Signs and Barricades | One-time                         |                    |                          |           | \$24,012,000                                      | CDBG-MIT funds must be used for Those activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters by 2032. |
| HOME   | Federal, through state allocation | Rehabilitation of up to 7 houses  | Flexible amount                  |                    |                          |           | Flexible Amount                                   | The purpose of the HOME program is to expand the supply of decent, safe, affordable housing and strengthen public-private housing partnerships between units of general local governments, public housing authorities, nonprofits, and for profit entities.                 |
| CDBG-CV  | Federal                           | Programs for individuals and small businesses   | One-time                         |                    |                          |           | \$993,806   | CDBG-CV funds must be used to prevent, prepare for, and respond to Coronavirus  |
| General Funds resulting from Coronavirus Relief Fund | Local                             | City pandemic expenses, public services   | One-time                         |                    |                          |           | \$2.6 million                                     | General funds awarded by City Council   |

### City of San Marcos, Texas – 2020-2021 Action Plan

|   |         |  |             |  |  |             |                |   |
|---|---------|--|-------------|--|--|-------------|----------------|---|
| American Rescue Plan                            | Federal | Pandemic recovery as specified by federal guidance   | One-time    |  |  |             | \$18.1 million | To be used for pandemic recovery and prevention, and infrastructure   |
| Public Housing Authority                        | Federal | 245 Section 8 Vouchers   | \$1,489,101 |  |  | \$1,489,101 | \$5,956,404    | 228 general purpose housing assistance vouchers and 17 for kids exiting foster care at age 18, in partnership with Texas State University   |
| Public Housing Authority                        | Federal | 289 Public Housing Units   | \$4,106,726 |  |  | \$4,106,726 | \$16,426,904   | 289 public housing units, services provided to residents, and funding for capital improvements  |
| Public Services                                 | City    | Human Services Social Services Funding   | \$500,000   |  |  | \$500,000   | \$2,000,000    | General fund money granted to local social service agencies through a competitive process   |
| Community Enhancement Fee                       | City    | A monthly fee to fund expanded community cleanup and beautification efforts in the city that is applied to City utility customers. | \$620,000   |  |  | \$620,000   | \$2,480,000    | Current rate: Residential: \$1.50 Commercial: \$5.50<br>The money raised by the fee will be used to fund recurring community enhancement and beautification activities, including the elimination of unsafe structures. |
| Impact and Utility Fees                         | City    | Stormwater, electric, water, wastewater, infrastructure, parks   | Varies      |  |  |             | Varies         | San Marcos is growing very quickly and these fees help provide needed infrastructure and services to the community  |
| Payment in Lieu of Taxes – LIHTC                | Private |  |             |  |  |             |                | Low Income Housing Tax Credit Properties on tax exempt land pay a PILOT to be used for additional affordable housing  |
| Private and Philanthropic Donations to Agencies | Private | Programs, rehabilitation, and construction projects  |             |  |  |             |                | Funds received from foundations, fund-raising organizations, and individuals  |

**Table 5 - Expected Resources – Priority Table**



## **City of San Marcos, Texas – 2020-2021 Action Plan**

### **Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

No match is required for CDBG funding. The City's CDBG funding can be considered the required match for HOME funding received through the State of Texas.

The City leverages the impact on the community of the federal funds it receives by supporting programs that provide services not covered by other agencies: maintaining and adding to the stock of affordable housing. The CDBG Entitlement, CDBG-DR, and CDBG-MIT federal funds received by the City (as well as the HOME funding received through the state) primarily work to lessen the cost burden of housing and to prevent displacement of low- to moderate-income people, including due to flooding. This complements the services and support available to San Marcos residents through local agencies and those in Austin and elsewhere. Together the City and service agencies form a more holistic approach to assisting people in need than either could provide on their own.

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

For CDBG Entitlement and CDBG-DR housing programs, the City is actively working to locate lots that can be purchased at a price that makes affordable housing financially feasible. This has proved difficult since land prices are very high due to the high rate of growth in the metropolitan area. In addition, when a City-owned lot becomes available for development, it is immediately evaluated for use in the CDBG and CDBG-DR housing programs.

On April 6, 2021, City Council authorized the conveyance, at no cost, of five City-owned lots to qualified buyers under applicable Community Development Block Grant (CDBG) and Home Grant Programs for the purpose of constructing affordable single-family homes. Approving the use of these lots for housing programs is a contribution of City resources to the creation of workforce housing in the community. Through re-platting, these five lots are expected to yield six single family lots. First preference for their use will be to construct single-family owner-occupied homes to replace homes lost in the 2015 floods. Home construction would be funded by Community Development Block Grant - Disaster Recovery (CDBG-DR). If for an unforeseen reason these lots are not used for the CDBG-DR home replacement program, construction of single family homes for low-to-moderate-income homeowners may be funded by a different source such as HOME through the Texas Department of Housing and Community Affairs. Next, City staff will order title commitments and proceed with necessary entitlements, including replats and zoning needed for each site.

Within the next several years, using CDBG-MIT funding, the City will also consider acquisition of land in order to provide additional unpaved open space as a flood control measure. This idea is included as a category of funding in the CDBG-MIT Action Plan.

### **Discussion (optional)**

Because of the depth of the need for affordable housing, the City is focusing its efforts on preserving the existing affordable housing stock and providing additional affordable housing.

## City of San Marcos, Texas – 2020-2021 Action Plan

CDBG funds provide a small amount of ongoing support for Court Appointed Special Advocates, which provides services for foster children. The City does not intend to use CDBG funding to address other housing and supportive service needs of persons who are not homeless but who may or may not require supportive housing (i.e., elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and public housing residents). The City supports public service agencies using approximately \$500,000 of the general fund for Human Services Advisory Board Grants. In addition, the City provides the following facilities at low or no cost for the programs housed within them:

- The Mitchell Center is provided to Boys and Girls Clubs of South Central Texas as their location in San Marcos
- The City Recreation Hall hosts the Lion's Club, which operates a tube rental station there that annually raises more than \$300,000 for charity
- The Senior Center (on Arizona) is provided to Community Action Inc of Central Texas to provide meals, education, and social time for the elderly
- The Price Senior Center provides City-staff managed recreation programs for the elderly
- Hays-Caldwell Womens Center is owned by the non-profit but is located City-owned land that is leased to the Center for \$1.00
- The San Marcos Area Chamber of Commerce is located in a building provided by the City
- The Charles S. Cock House contains the Heritage Association of San Marcos Museum
- The Commemorative Air Force Hangar houses the Central Texas Wing Museum
- The Calaboose Building houses the African American History Museum

The City's CDBG housing rehabilitation and repair programs focus on two main goals: preserving existing affordable housing for owners with low to moderate incomes, and providing increased accessibility at home for people who are elderly or who have disabilities. The 2021-2022 CDBG Entitlement Action Plan contains three programs related to housing rehabilitation and repair, all of which include funding that could help elderly or disabled people live comfortably in their homes. Owner-Occupied Housing Rehabilitation is proposed to be funded for \$224,891 in program year 2021, with the goal of rehabilitating at least seven homes through one program and eight through another. Priority Repair is proposed to have an allocation of \$70,000 for program year 2021, with the goal of repairing at least five homes. Applications from elderly or disabled people receive additional points in the City's ranking system for applications.

## City of San Marcos, Texas – 2020-2021 Action Plan

### AP-20 Annual Goals and Objectives

#### Goals Summary Information

##### CDBG-Entitlement

Specific programs and projects will be selected annually by the City Council after receiving a staff recommendation based either on analysis by staff of existing needs or after an open application process. The following list of activities and performance goals are estimates based on prior years' funding choices. This list should not be construed to confer favor on one program or project over another since funding choices will be made annually; the items below are estimates based on the past.

| Table 6 - Goals Summary |  |            |          |                    |                  |  |
|-------------------------|--|------------|----------|--------------------|------------------|--|
| Sort Order              | Goal Name                              | Start Year | End Year | Category           | Funding          | Goal Outcome Indicator   |
| 1                       | Owner Occupied Housing Rehabilitation  | 2021       | 2022     | Affordable Housing | \$224,891        | 15 homes rehabilitated   |
| 2                       | Priority Repair                        | 2021       | 2022     | Affordable Housing | \$70,000         | 5 homes repaired   |
| 3                       | Homebuyer Assistance                   | 2021       | 2022     | Affordable Housing | \$87,000         | 12 forgivable loans made   |
| 4                       | Home Ownership Counseling              | 2022       | 2023     | Affordable Housing | \$23,656         | 50 people assisted   |
| 5                       | Services for Victims of Domestic Abuse | 2021       | 2022     | Public Services    | \$105,000        | 78 advocates trained for 141 children; 13 families sheltered; 10 families provided rental assistance |
| 6                       | Public Facility Improvements           | 2021       | 2022     | Public Facilities  | \$159,500        | 1 park improved  |
| 7                       | Planning and Administration            | 2021       | 2022     | Planning           | \$11,000         | Dunbar Revitalization Action Plan  |
| 7                       | Planning and Administration            | 2021       | 2022     | Administration     | \$142,368        | N/A  |
|                         | <b>TOTAL</b>                           |            |          |                    | <b>\$823,415</b> |  |

## City of San Marcos, Texas – 2020-2021 Action Plan

### Goal Descriptions

1. Owner Occupied Housing Rehabilitation - Rehabilitation of owner-occupied single-family housing, targeted to homeowners with a household income less than 80% of Area Median Income (AMI). The program reduces damage to the home, code violations, and safety hazards, and improves accessibility, thus increasing safety of the residents and preserving property values in the neighborhood.
2. Priority Repair – Repair of safety and other high-priority repair issues in owner-occupied homes where household income is less than 80% of AMI. Priority is given to owners who are elderly or disabled.
3. Homebuyer Assistance - Down payment and closing cost assistance for new homebuyers whose household income is at or below 80% of the Area Median Income.
4. Home Ownership Counseling – Home ownership counseling helps ensure that new home owners in low to moderate income categories can successfully buy and maintain a home.
5. Services for Victims of Domestic Abuse – Providing services to children and families who are in foster care or shelters.
6. Public Facility Improvements – Funding used to improve public facilities or make them more accessible to residents.
7. Planning and Administration – Planning funding provides for the creation of published plans for the revitalization of a part of the city. Administration funding is for the oversight of the CDBG program to ensure compliance with all program goals and policies.

## City of San Marcos, Texas – 2020-2021 Action Plan

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

| Table 6 – Income Level by Program |              |                 |                          |
|-----------------------------------|--------------|-----------------|--------------------------|
| INCOME LEVEL                      | CDBG – REHAB | CDBG-DR – REHAB | CDBG-DR – RECONSTRUCTION |
| Extremely Low                     | 5            | 0               | 3                        |
| Low                               | 5            | 0               | 3                        |
| Moderate                          | 5            | 0               | 5                        |

## City of San Marcos, Texas – 2020-2021 Action Plan

### CDBG-DR

The goal of the City's use of CDBG-DR funding is to provide for disaster recovery work in the most impacted and distressed areas of the City that will benefit both the individuals displaced in the 2015 flood event that was the basis for the flooding and the neighborhoods in which they live.

The CDBG-DR Needs Assessment evaluated the three core aspects of disaster recovery – housing, infrastructure, and the economy – and assisted in prioritizing funds by type and location based on concentration of damage and community needs, with a particular focus on low- and moderate-income areas, households with special needs, and displaced populations. Based on the needs assessment, a portion of the funding was allocated to housing and the rest to infrastructure.

It is anticipated that approximately \$9,428,903 will be spent on administration, housing, and infrastructure in Program Year 2021-2022.

| Table 49 – CDBG-DR Programs and Projects |                   |            |          |                            |              |                                   |              |   |
|--|-------------------|------------|----------|----------------------------|--------------|-----------------------------------|--------------|---|
| Sort Order                               | Goal Name         | Start Year | End Year | Category                   | Funding      | Estimated Expenditure by 09/30/21 | Remaining    | Goal Outcome Indicator  |
| 1  | Disaster Recovery | 2021       | 2021     | Housing and Infrastructure | \$33,794,000 | \$7,921,043                       | \$25,872,957 | Recovery from the 2015 disaster and protection from future events |

**Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)**

Up to 11 low- to moderate-income families will be directly benefitted this year under through housing reconstruction. Many more will benefit from reimbursement of their rehabilitation expenses through a new program.

### CDBG-MIT

Priority categories were set for the CDBG-MIT grant funding with the approval of the Action Plan by City Council on March 3, 2020. Several projects were approved for construction by City Council on April 20, 2021.

## City of San Marcos, Texas – 2020-2021 Action Plan

| Table 7 – CDBG-MIT Programs and Projects |                                |            |          |                                |              |  |
|--|--------------------------------|------------|----------|--------------------------------|--------------|--|
| Sort Order                               | Goal Name                      | Start Year | End Year | Category                       | Funding      | Goal Outcome Indicator   |
| 1  | Repetitive Loss Infrastructure | 2020       | 2032     | Repetitive Loss Infrastructure | \$16,000,000 | Projects will result in the reduction of the risk of loss of people and property due to flooding |
| 2  | Land Preservation              | 2020       | 2032     | Land Preservation              | \$2,849,600  |  |
| 3  | Hazard Warning Systems         | 2020       | 2032     | Hazard Warning Systems         | \$300,000    |  |
| 4  | Signs and Barricades           | 2020       | 2032     | Signs and Barricades           | \$60,000     |  |
| 5  | Planning (15%)                 | 2020       | 2032     | Planning (15%)                 | \$3,601,800  |  |
| 6  | Administration (5%)            | 2020       | 2032     | Administration (5%)            | \$1,200,600  | N/A  |

### Goal Descriptions

1. Repetitive Loss Infrastructure - The purpose of this program is to reduce the number of homes damaged by floodwaters, thereby decreasing direct flooding impacts for San Marcos households. There will likely be many co-benefits to addressing flooding in homes through infrastructure improvements, which may include improved mobility, aesthetic improvements, recreational benefits, property value increases, and life cycle cost savings.
2. Land Preservation - The purpose of this program is to acquire properties to reduce the damage by floodwaters, thereby decreasing direct flooding impacts for San Marcos households. There will likely be many co-benefits to land preservation, which may include reduced water quantity and improved water quality, mobility, aesthetic improvements, recreational benefits, property value increases, and life cycle cost savings.
3. Hazard Warning Systems – This program is a crucial component of a comprehensive, long-term recovery strategy to improve advanced warning of residents to reduce or eliminate the number of lives lost.
4. Signs and Barricades - This program is a crucial component of a comprehensive, long-term recovery strategy to improve advanced warning of residents to reduce or eliminate the number of lives lost.
5. Planning - The City's planning costs will not exceed 15% of the total CDBG-MIT allocation. These costs are necessary for the planning activities to identify and further mitigation efforts for the city. These costs may include, but not be limited to the evacuation and comprehensive planning efforts.
6. Administration - Oversight and administration of the CDBG-MIT program to ensure compliance with all program goals and policies.

## **City of San Marcos, Texas – 2020-2021 Action Plan**

### **Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)**

CDBG-MIT projects will provide area benefit to low/mod income people across the city. Although impacts from flooding and extreme weather events vary from one area of the community to the next, the relative disaster-related losses experienced in LMI communities is disproportionately high. The City of San Marcos is committed to leading an effort that is equitable and serving all residents, particularly the most vulnerable in LMI areas, which will be prioritized for CDBG-MIT activities. The requirement for CDBG-MIT funds is to expend at least 50% of CDBG-MIT on activities benefiting LMI persons, and the City expects to exceed this requirement.

The City of San Marcos has prioritized infrastructure projects funded with CDBG-MIT that address flooding in LMI neighborhoods. Decreasing flood risk in neighborhoods, especially LMI neighborhoods, will positively affect residents of the city, of all protected classes, and increase the ability of individuals and households to more quickly recover from future flood events. Decreasing flood risk will also reduce disruptions at a larger-scale, allowing residents to return to normalcy more quickly while reducing the negative social and economic consequences of flooding. Minimizing flooding in neighborhoods through mitigation infrastructure projects will also protect housing and make neighborhoods safer and more desirable places to live.

### **CDBG-CV (Coronavirus Response)**

The City has received allocations in two rounds of CDBG-CV funding by HUD, and it is uncertain whether or when additional funding will be allocated. The CDBG-CV funding was added to the 2015-2019 Consolidated Plan and the Program Year 2019 Action Plan so that funding would be available immediately upon release by HUD. Per HUD requirements, all CDBG-CV funding will therefore be tracked and reported in Program Year 2019, including any future allocations.

CDBG-CV funding and goals are included here to provide a complete picture of CDBG resources currently in use by the City.

Specific programs and projects will be selected for each CDBG-CV allocation by the City Council after receiving a staff recommendation based either on analysis by staff of existing needs or after an open application process. Following is a list of the goals, amounts, and outcome indicators for funding allocated so far. Additional funding is not currently expected. Administration is listed at the maximum possible 20% of funding; however, staff time is tracked by the hour and any funds not expended on administration will be moved to programs.



## City of San Marcos, Texas – 2020-2021 Action Plan

| Table 8 – Goals Summary |   |            |          |                      |           |   |
|-------------------------|---|------------|----------|----------------------|-----------|---|
| Sort Order              | Goal Name   | Start Year | End Year | Category             | Funding   | Goal Outcome Indicator                                      |
| 1                       | COVID-19 Small Business Recovery                    | 2020       | 2021     | Economic Development | \$200,000 | Up to 40 businesses assisted with COVID-19 related expenses |
| 2                       | Advocacy Services for Abused and Neglected Children | 2020       | 2021     | Public Services      | \$55,600  | 30 additional children served                               |
| 3                       | Increased or Improved COVID-19 Testing              | 2020       | 2021     | Public Services      | \$105,530 | Other: increased test availability or faster results        |
| 4                       | Administration                                      | 2020       | 2021     | Administration       | \$64,131  |   |
| 5                       | Rent, Mortgage, and Utilities Assistance            | 2020       | 2021     | Public Services      | \$567,825 | Assist approximately 126 households                         |

### Goal Descriptions

1. COVID-19 Small Business Recovery - Technical assistance and funding for small businesses and microenterprises for expenses directly related to the COVID-19 pandemic.
2. Advocacy Services for Abused and Neglected Children - Partial funding for additional Case Supervisor, Team Lead, Technology; Increased need due to family stress due to economic impact and stay-at-home orders
3. Increased or Improved COVID-19 Testing – Objective is to increase or improve testing to help meet demand by filling one or more funding needs: Additional test kits, Cost of lab testing, Site staffing, or Testing site costs – lease, structure, utilities, internet, insurance
4. Administration - Estimated Administration Cost at approximately 20% of Round One funding - The oversight and administration of the CDBG program to ensure compliance with all program goals and policies.
5. Rent, Mortgage, and Utilities Assistance - The purpose of the program is to lessen the financial impact of the COVID-19 pandemic. Eligible expenses include rent, mortgage, and utilities.

### Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

The rental and mortgage assistance program will provide up to three months payments for families, resulting in support of housing for approximately 126 families.

## City of San Marcos, Texas – 2020-2021 Action Plan

### AP-35 Projects – 91.220(d)

#### Introduction

On July 6, 2021, staff will present the applications received and preliminary staff recommendations for funding to City Council for discussion. The final decision on allocation of funding will be made on August 3, 2021, after the public review and comment period June 26 – July 25, 2021. All comments will be provided to City Council and will be included in the Public Outreach attachment. **TO BE PUBLISHED: REVISED COMMENT PERIOD June 28 – July 29**

The following applications were received:

| Applicant                         | Project Title   | Project Description  | Amount Requested |
|-----------------------------------|---|--|------------------|
| <b>HOUSING REHABILITATION</b>     |   |  |                  |
| Southside Community Center        | San Marcos River Work Camp  | Rehabilitation of approximately seven owner-occupied homes   | \$100,000        |
| Austin Habitat for Humanity       | Housing Counseling  | Homebuyer education workshops and counseling   | \$23,656         |
| City of San Marcos                | CDBG Homebuyer Assistance Program                                       | Down payment and closing cost assistance to 12 homes at \$7,000 each, plus \$3,000 for marketing                           | \$87,000         |
| City of San Marcos                | Priority Home Repair  | Critical repairs for single family owner occupied homes; preference for elderly or disabled; including marketing as needed | \$70,000         |
| City of San Marcos                | Owner-Occupied Housing Rehabilitation                                   | Housing rehabilitation program to be administered by City of San Marcos or a sub-recipient, including marketing as needed  | \$114,865        |
|                                   |   | <b>HOUSING REHABILITATION SUBTOTAL</b>   | <b>\$395,521</b> |
| <b>PUBLIC SERVICES</b>            |   |  |                  |
| Court Appointed Special Advocates | Advocacy for San Marcos Children Who Have Experienced Abuse and Neglect | Training Advocates for Foster Children   | \$60,000         |
| Hays-Caldwell Womens Center       | Family Violence Shelter Program   | Family Violence Shelter and Counseling   | \$45,000         |

### City of San Marcos, Texas – 2020-2021 Action Plan

|                                    |  |  |                  |
|------------------------------------|--|--|------------------|
| Together for a Cause               | Transitional Housing Program                             | Case Manager to support new transitional housing program funding hotel stays   | \$85,000         |
|                                    |  | <b>PUBLIC SERVICES SUBTOTAL</b>  | <b>\$190,000</b> |
| <b>PLANNING AND ADMINISTRATION</b> |  |  |                  |
| Power to Prosper                   | #ReclaimDunbar Community Revitalization Planning Project | Creating a Plan for Dunbar Neighborhood Revitalization; inspecting for rehabilitation needs in neighborhood and Jackson Chapel United Methodist Church | \$11,000         |
| Administration                     |  | Maximum of 20% for administration and planning   | \$153,368        |
|                                    |  | <b>PLANNING AND ADMINISTRATION SUBTOTAL</b>  | <b>\$164,368</b> |
| <b>PUBLIC FACILITIES</b>           |  |  |                  |
| City of San Marcos                 | Captain Paul Pena Park Rehabilitation and Improvements   | Playground equipment, shade structure, walking paths, skate spot   | \$159,500        |
|                                    |  | <b>PUBLIC FACILITIES SUBTOTAL</b>  | <b>\$159,500</b> |

|                        |                  |
|------------------------|------------------|
| <b>TOTAL REQUESTED</b> | <b>\$909,389</b> |
|------------------------|------------------|

|   |                   |
|---|-------------------|
| <b>TOTAL TO ALLOCATE FOR PLANNING/ADMIN</b> | <b>\$153,368</b>  |
| <b>TOTAL REQUESTED</b>                      | <b>\$164,368</b>  |
| <b>DIFFERENCE</b>                           | <b>(\$11,000)</b> |

|  |                   |
|--|-------------------|
| <b>TOTAL TO ALLOCATE FOR PUBLIC SERVICES</b> | <b>\$115,026</b>  |
| <b>TOTAL REQUESTED</b>                       | <b>\$190,000</b>  |
| <b>DIFFERENCE</b>                            | <b>(\$74,974)</b> |

|                                       |                  |
|---------------------------------------|------------------|
| <b>TOTAL TO ALLOCATE FOR PROJECTS</b> | <b>\$555,021</b> |
|---------------------------------------|------------------|

## City of San Marcos, Texas – 2020-2021 Action Plan

|                        |                  |
|------------------------|------------------|
| <b>TOTAL REQUESTED</b> | <b>\$555,021</b> |
| <b>DIFFERENCE</b>      | <b>\$0</b>       |

Staff's recommendation to City Council for allocation of funding to projects for the 2021-2022 program year is as follows:

| <b>Applicant</b>                  | <b>Project Title</b>  | <b>Project Description</b>   | <b>Amount Requested</b> |
|-----------------------------------|---|--|-------------------------|
| <b>HOUSING REHABILITATION</b>     |   |  |                         |
| Southside Community Center        | San Marcos River Work Camp  | Rehabilitation of approximately seven owner-occupied homes   | \$100,000               |
| Austin Habitat for Humanity       | Housing Counseling  | Homebuyer education workshops and counseling   | \$23,656                |
| City of San Marcos                | CDBG Homebuyer Assistance Program                                       | Down payment and closing cost assistance to 12 homes at \$7,000 each, plus \$3,000 for marketing                           | \$87,000                |
| City of San Marcos                | Priority Home Repair  | Critical repairs for single family owner occupied homes; preference for elderly or disabled; including marketing as needed | \$70,000                |
| City of San Marcos                | Owner-Occupied Housing Rehabilitation                                   | Housing rehabilitation program to be administered by City of San Marcos or a sub-recipient, including marketing as needed  | \$124,891               |
|                                   |   | <b>HOUSING REHABILITATION SUBTOTAL</b>   | <b>\$405,547</b>        |
| <b>PUBLIC SERVICES</b>            |   |  |                         |
| Court Appointed Special Advocates | Advocacy for San Marcos Children Who Have Experienced Abuse and Neglect | Training Advocates for Foster Children   | \$60,000                |
| Hays-Caldwell Womens Center       | Family Violence Shelter Program   | Family Violence Shelter and Counseling   | \$45,000                |
| Together for a Cause              | Transitional Housing Program  | Case Manager to support new transitional housing program funding hotel stays   | \$0                     |

**City of San Marcos, Texas – 2020-2021 Action Plan**

|                                    |  |  |                  |
|------------------------------------|--|--|------------------|
|                                    |  | <b>PUBLIC SERVICES SUBTOTAL</b>  | <b>\$105,000</b> |
| <b>PLANNING AND ADMINISTRATION</b> |  |  |                  |
| Power to Prosper                   | #ReclaimDunbar Community Revitalization Planning Project | Creating a Plan for Dunbar Neighborhood Revitalization; inspecting for rehabilitation needs in neighborhood and Jackson Chapel United Methodist Church | \$11,000         |
| Administration                     |  | Maximum of 20% for administration and planning   | \$142,368        |
|                                    |  | <b>PLANNING AND ADMINISTRATION SUBTOTAL</b>  | <b>\$153,368</b> |
| <b>PUBLIC FACILITIES</b>           |  |  |                  |
| City of San Marcos                 | Captain Paul Pena Park Rehabilitation and Improvements   | Playground equipment, shade structure, walking paths, skate spot   | \$159,500        |
|                                    |  | <b>PUBLIC FACILITIES SUBTOTAL</b>  | <b>\$159,500</b> |

|                        |                  |
|------------------------|------------------|
| <b>TOTAL ALLOCATED</b> | <b>\$823,415</b> |
|------------------------|------------------|

|   |                  |
|---|------------------|
| <b>TOTAL TO ALLOCATE FOR PLANNING/ADMIN</b> | <b>\$153,368</b> |
| <b>TOTAL REQUESTED</b>                      | <b>\$153,368</b> |
| <b>DIFFERENCE</b>                           | <b>\$0</b>       |

|  |                  |
|--|------------------|
| <b>TOTAL TO ALLOCATE FOR PUBLIC SERVICES</b> | <b>\$115,026</b> |
| <b>TOTAL REQUESTED</b>                       | <b>\$105,000</b> |
| <b>DIFFERENCE (added to Projects)</b>        | <b>\$10,026</b>  |

|                                       |                  |
|---------------------------------------|------------------|
| <b>TOTAL TO ALLOCATE FOR PROJECTS</b> | <b>\$565,047</b> |
| <b>TOTAL REQUESTED</b>                | <b>\$565,047</b> |
| <b>DIFFERENCE</b>                     | <b>\$0</b>       |

**Table 8 - Project Information**

## City of San Marcos, Texas – 2020-2021 Action Plan

### NOTES ON CDBG PROGRAM RECOMMENDATIONS:

Funding for Planning and Administration is limited by HUD regulations to 20% of the current year's allocation, or \$153,368 for the 2021-2022 program year. Because the Power to Prosper application is for a planning project, funding for administration will be limited to \$142,368 using CDBG funds, and additional supplementation by the City's general fund of \$11,000 will be needed.

The application from Together for a Cause was deemed not ripe for funding for the following reasons: funding for the transitional housing program has not been located; the appropriate separation of financial duties does not exist for this non-profit to begin a major new program; and program description lacked specifics such as cost per nightly stay and information on the proposed classes and case management.

**PROJECTS IN OTHER CDBG PROGRAMS:** Information posted online at [www.sanmarcostx.gov](http://www.sanmarcostx.gov)

**CDBG-DR** Refer to the CDBG-DR Action Plan and the 2020-2024 Consolidated Plan

**CDBG-MIT** Refer to the CDBG-MIT Action Plan and the 2020-2024 Consolidated Plan

**CDBG-CV** Refer to the 2019 CDBG Entitlement Action Plan and the 2015-2019 Consolidated Plan

All funding possibilities for CDBG Entitlement were evaluated based on four criteria:

Activity Need and Justification

Consolidated Plan Priority

Impact and Cost Effectiveness

Ability to Implement

Staff recommended the above slate of programs as those that best balance meeting the needs identified in the Consolidated Plan with funding projects that provide additional services to the community, and which will provide the most direct and cost-effective impact to our citizens at this time.

"High Priority needs" are the needs that will be addressed by the goals outlined in the Strategic Plan section of this Consolidated Plan.

High priority needs that are a focus of the 2020-2024 Consolidated Plan for CDBG entitlement funding are affordable housing, public services, and public facilities, and economic development.

The CDBG-DR Action Plan includes several housing programs intended to assist people of low-to-moderate incomes recover from the 2015 floods without duplication of benefits. The high priorities for CDBG-DR funding are housing rehabilitation, and design, acquisition, and construction of infrastructure projects that will reduce the risk of future flooding in the city. Because more than 1,500 homes in several low-to-moderate income neighborhoods were seriously impacted by the floods, some of the homes that would have ordinarily qualified for CDBG entitlement rehabilitation have

## **City of San Marcos, Texas – 2020-2021 Action Plan**

now been rehabilitated or reconstructed using insurance proceeds or CDBG-DR funds, freeing up CDBG entitlement funds to be used in the rest of the city. However, the need for housing rehabilitation and affordable housing in general still exceeds the amount of funds available for assistance.

CDBG-MIT funds can be used solely for those activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters. Therefore, CDBG-MIT funds will be used for significant infrastructure projects that would not be accomplished using CDBG entitlement funds because of the cost involved. CDBG-MIT funds will also be used for the purchase of items such as signs and barricades, which do not match the affordable housing and social services focus of the projects and programs generally selected in San Marcos as high priorities for CDBG entitlement funds.

CDBG-CV funds can be used solely in response to the impacts of the coronavirus (COVID-19) pandemic.

The high priority needs for each grant were determined in compliance with the City's Citizen Participation Plan.

## City of San Marcos, Texas – 2020-2021 Action Plan

### AP-38 Project Summary

|   |  |   |
|---|--|---|
| 1 | <b>Project Name</b>  | San Marcos River Work Camp (Southside Community Center)   |
|   | <b>Goals Supported</b>   | Owner-Occupied Housing Rehabilitation   |
|   | <b>Needs Addressed</b>   | Affordable Housing  |
|   | <b>Funding</b>   | CDBG: \$100,000   |
|   | <b>Description</b>   | Southside Community Center provides housing rehabilitation services for owner-occupied single-family housing owned by people with low to moderate incomes. The scope of work is determined on a site-by-site basis, but typically includes repairing/replacing damaged roofs and siding; correcting plumbing and electrical code deficiencies; improving accessibility; painting to protect siding. |
|   | <b>Target Date</b>   | 9/30/2022   |
|   | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 7 low- to moderate-income families  |
|   | <b>Location Description</b>  | Throughout San Marcos   |
|   | <b>Planned Activities</b>  | Rehabilitate 7 homes  |
| 2 | <b>Project Name</b>  | Priority Home Repair (City of San Marcos)   |
|   | <b>Goals Supported</b>   | Priority Repair   |
|   | <b>Needs Addressed</b>   | Affordable Housing  |
|   | <b>Funding</b>   | CDBG: \$70,000  |



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|          |  |  |
|----------|--|--|
|          | <b>Description</b>   | The City will provide emergency home repair assistance for owner-occupied single-family housing owned by people with low to moderate incomes. A small amount of funding will be used to market the program to eligible homeowners in San Marcos. |
|          | <b>Target Date</b>   | 9/30/2022  |
|          | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 5 low- to moderate-income families who cannot otherwise afford home repair will have home repair provided to them  |
|          | <b>Location Description</b>  | Throughout San Marcos  |
|          | <b>Planned Activities</b>  | Repair 5 homes   |
| <b>3</b> | <b>Project Name</b>  | Homebuyer Assistance (City of San Marcos)  |
|          | <b>Goals Supported</b>   | Homebuyer Assistance   |
|          | <b>Needs Addressed</b>   | Affordable Housing   |
|          | <b>Funding</b>   | CDBG: \$87,000   |
|          | <b>Description</b>   | The City provides down payment and closing cost assistance for new homebuyers whose household income is at or below 80% of the Area Median Income.   |
|          | <b>Target Date</b>   | 9/30/2022  |
|          | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 12 low- to moderate-income families  |
|          | <b>Location Description</b>  | Throughout San Marcos  |

### City of San Marcos, Texas – 2020-2021 Action Plan

|   |  |   |
|---|--|---|
|   | <b>Planned Activities</b>  | Provide down payment and closing cost assistance to eligible applicants on a first come first served basis. Applicants must have a combined income of less than 80% of the area median income. \$3,000 has been budgeted to co-market this program with other CDBG and City of San Marcos affordable housing programs.  |
| 4 | <b>Project Name</b>  | Owner-Occupied Housing Rehabilitation (City of San Marcos)  |
|   | <b>Goals Supported</b>   | Owner-Occupied Housing Rehabilitation   |
|   | <b>Needs Addressed</b>   | Affordable Housing  |
|   | <b>Funding</b>   | CDBG: \$124,891   |
|   | <b>Description</b>   | City of San Marcos or a subrecipient will provide housing rehabilitation services for owner-occupied single-family housing owned by people with low to moderate incomes. The scope of work is determined on a site-by-site basis, but typically includes repairing/replacing damaged roofs and siding; correcting plumbing and electrical code deficiencies; improving accessibility; painting to protect siding. |
|   | <b>Target Date</b>   | 9/30/2022   |
|   | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 8 low- to moderate-income families  |
|   | <b>Location Description</b>  | Throughout San Marcos   |
|   | <b>Planned Activities</b>  | Rehabilitate 8 homes  |
| 5 | <b>Project Name</b>  | Home Ownership Counseling (Habitat for Humanity)  |
|   | <b>Goals Supported</b>   | Home Ownership Counseling   |
|   | <b>Needs Addressed</b>   | Affordable Housing  |
|   | <b>Funding</b>   | CDBG: \$23,656  |

### City of San Marcos, Texas – 2020-2021 Action Plan

|   |  |   |
|---|--|---|
|   | <b>Description</b>   | Habitat for Humanity provides home ownership preparation workshops and one-on-one housing counseling to help low- to moderate-income families understand the financial and maintenance responsibilities involved in home ownership.   |
|   | <b>Target Date</b>   | 6/30/2023   |
|   | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 50 people assisted through workshops and counseling.  |
|   | <b>Location Description</b>  | Throughout San Marcos   |
|   | <b>Planned Activities</b>  | Workshops and one-on-one home ownership preparation counseling  |
| 6 | <b>Project Name</b>  | Advocacy for San Marcos Children Who Have Experienced Abuse and Neglect (Court Appointed Special Advocates)   |
|   | <b>Goals Supported</b>   | Services for Victims of Domestic Abuse  |
|   | <b>Needs Addressed</b>   | Public Services   |
|   | <b>Funding</b>   | CDBG: \$60,000  |
|   | <b>Description</b>   | The caseworkers advocate for mental health, medical, education, housing, and permanency in safe, stable homes for the children. The program model is scalable depending on need. This service is leveraged with other funding to keep CDBG cost low. Children in foster care are automatically considered to be low-income since they are wards of the state. |
|   | <b>Target Date</b>   | 9/30/2022   |
|   | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 78 advocates trained for 140 abused and neglected children  |
|   | <b>Location Description</b>  | Throughout San Marcos   |

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|          |  |   |
|----------|--|---|
|          | <b>Planned Activities</b>  | Each volunteer will provide 100+ hours of donated casework per child/per year, including monthly (or more) visits with the children, written case recommendations and court testimony; phone calls and meetings with CPS caseworkers, schools, medical and mental health professionals. Case Supervisors prepare monthly case data (reports), including new case assignments, number of children served, number of volunteers assigned to cases, and case status. |
| <b>7</b> | <b>Project Name</b>  | Family Violence Shelter Program (Hays-Caldwell Women's Center)  |
|          | <b>Goals Supported</b>   | Services for Victims of Domestic Abuse  |
|          | <b>Needs Addressed</b>   | Public Services   |
|          | <b>Funding</b>   | CDBG: \$45,000  |
|          | <b>Description</b>   | Provide emergency shelter at the McCoy Family Shelter and services for victims of family violence through support for a portion of staff salaries (\$25,000 total)<br><br>Provide rental assistance for clients moving into their own apartment or house (\$20,000 total)   |
|          | <b>Target Date</b>   | 9/30/2022   |
|          | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | Emergency Shelter and Services: approximately 13 families from San Marcos (up to 85 people)<br><br>Rental Assistance: up to 10 San Marcos families (approximately 40 people)  |
|          | <b>Location Description</b>  | Hays-Caldwell Women's Center, McCoy Family Shelter, San Marcos, Texas (address protected)   |
|          | <b>Planned Activities</b>  | \$25,000 will be used to pay a portion of the salary for 8 staff members providing direct services to victims of family violence residing in our family violence shelter.<br><br>\$20,000 will be used to pay first and half of second month's rent for approximately 10 families moving into their own home or apartment in San Marcos after leaving HCWC's family violence shelter.   |
| <b>8</b> | <b>Project Name</b>  | Captain Paul Pena Park Rehabilitation and Improvements  |
|          | <b>Goals Supported</b>   | Public Facilities Improvements  |

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|   |  |  |
|---|--|--|
|   |  |  |
|   | <b>Needs Addressed</b>   | Neighborhood park facilities   |
|   | <b>Funding</b>   | CDBG: \$159,500  |
|   | <b>Description</b>   | Playground equipment, shade structure, walking paths, skate spot   |
|   | <b>Target Date</b>   | 9/30/2022  |
|   | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | Number pending   |
|   | <b>Location Description</b>  | Hill of Hays Subdivison (east of IH 35 ) and the De Zavala School area (boundaries pending)  |
|   | <b>Planned Activities</b>  | This current playground equipment has reached the end of its life cycle. The upgrade of playground features, shade structure, new components including the extension of the ADA walking path and skate spot will serve to enhance the viability of the park. |
| 9 | <b>Project Name</b>  | #ReclaimDunbar Community Revitalization Planning Project (Power to Prosper)  |
|   | <b>Goals Supported</b>   | Planning and Administration  |
|   | <b>Needs Addressed</b>   | Planning for Neighborhood Revitalization   |
|   | <b>Funding</b>   | CDBG: \$11,000   |
|   | <b>Description</b>   | Creating a Plan for Dunbar Neighborhood Revitalization; inspecting for rehabilitation needs in neighborhood and Jackson Chapel United Methodist Church   |
|   | <b>Target Date</b>   | 9/30/2022  |

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|    |  |  |
|----|--|--|
|    | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | N/A  |
|    | <b>Location Description</b>  | Dunbar Neighborhood (boundaries pending)   |
|    | <b>Planned Activities</b>  | The purpose of the #ReclaimDunbar Community Revitalization Planning Project is to scope the needs and costs associated with revitalizing key historic and cultural assets within the Dunbar neighborhood including public facilities such as the historic Jackson Chapel United Methodist Church. The funds will be utilized to form a #ReclaimDunbar Community Revitalization Committee and to hire an inspector to assess any code violations of blighted areas in need of renewal within the Dunbar neighborhood. Coalition members will also receive compensation for their participation and creation of a Revitalization Action Plan for the neighborhood. |
| 10 | <b>Project Name</b>  | Program Administration (City of San Marcos)  |
|    | <b>Goals Supported</b>   | Planning and Administration  |
|    | <b>Needs Addressed</b>   | Program Administration   |
|    | <b>Funding</b>   | CDBG: \$142,368  |
|    | <b>Description</b>   | City staff provide technical assistance to funded programs, ensure the appropriate use and documentation of funds, and monitor and report progress to HUD.   |
|    | <b>Target Date</b>   | 9/30/2022  |
|    | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | N/A  |
|    | <b>Location Description</b>  | Throughout San Marcos  |
|    | <b>Planned Activities</b>  | Administration and monitoring of CDBG Entitlement grant funds  |

**Table 9 - Project Summary**

## 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**

Almost every census tract in San Marcos has a low- to moderate-income population; therefore, CDBG Entitlement programs in San Marcos are not targeted to one specific part of town.

### Geographic Distribution

| Target Area | Percentage of Funds |
|-------------|---------------------|
| City Limits | 100%                |

**Table 10 - Geographic Distribution**

### Rationale for the priorities for allocating investments geographically

The City prioritizes serving low to moderate income families, especially elderly and disabled people.

## 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

affirmatively furthering fair housing

maintaining the value of existing housing

providing support for homeownership through counseling and down payment and closing cost assistance

The City's owner-occupied housing rehabilitation programs will meet all requirements at 24 CFR 92.254, and if rental houses are rehabilitated (a possibility with CDBG-DR funding), the rental housing rehabilitation program will meet all requirements at 24 CFR 92.252.

| <b>One Year Goals for the Number of<br/>Households by Category</b><br>CDBG Entitlement and CDBG-DR |           |
|--|-----------|
| Homeless   | 0         |
| Non-Homeless   | 86        |
| Special-Needs  | 7         |
| <b>Total</b>   | <b>93</b> |

**Table 11 - One Year Goals for Affordable Housing by Category**



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| <b>One Year Goals for the Number of<br/>Households by Support Type</b><br>CDBG Entitlement and CDBG-DR |           |
|--|-----------|
| Rental Assistance  | 0         |
| The Production of New<br>Units   | 11        |
| Rehab of Existing Units  | 20        |
| Acquisition of Existing Units  | 0         |
| <b>Total</b>   | <b>31</b> |

**Table 12 - One Year Goals for Affordable Housing by Support Type**

### **Discussion**

The City has focused \$405,547, or 49% of its 2020 CDBG Entitlement funds on the housing programs described in Section AP-38 Project Summary above. CDBG-DR funding includes \$5,619,524 for housing rehabilitation and reconstruction, or 17% of total funding (including single family housing programs and the reimbursement to the Housing Authority).

## **AP-60 Public Housing – 91.220(h)**

### **Introduction**

The San Marcos Housing Authority (Housing Authority) administers the Housing Choice (Section 8) Voucher Program and Public Housing. The City works closely with the Housing Authority regarding public housing issues. There is a definite need for additional public housing and Section 8 vouchers in San Marcos as is evidenced by the long waiting lists both programs typically maintain, especially for 1- and 2-bedroom units. The City's Mayor appoints members to the Housing Authority's Board of Directors.

The City's Substantial Amendment No. 7 to the Disaster Recovery Action Plan included reimbursement for the Housing Authority. for eligible expenses related to the 2015 disaster events. This reimbursement was paid in Program Year 2020-2021.

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

Funding for Housing Authority programs provided through the City's general fund been an important support for services to public housing residents. The loss of Youth Commission funding was partially offset by an increase in support from the social services fund, which is guided by recommendations from the Human Services Advisory Board. Youth activity expenses were very low during the pandemic, especially during the summer of 2020, but as the recovery from the pandemic proceeds, expenses will return to normal levels. The Housing Authority will continue to seek local support from the City, United Way of Hays County, the Lions Club, and other supporters to ensure it can meet the needs of elderly/disabled residents, adults working toward self-sufficiency, and school-age youth.

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

A five-member Board of Commissioners oversees the Housing Authority. The Mayor appoints the Board, which includes one Resident Commissioner. 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. 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. During the pandemic, resident organizations were inactive because no one wanted to meet in person and parents were too busy with the online education of their children. Zoom meetings were not practical, either because of a lack of digital resources or "zoom fatigue." The service coordinators will be working to reinvigorate the resident organizations at the three main sites as the pandemic subsides.

The Resident Services office publishes a monthly 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, the website, and a Facebook page are the various means used by the Housing Authority to share information with residents and give them an opportunity to be involved.

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.

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A youth development program serves about 105 youth at three sites providing mentors, tutors, homework assistance, computer labs, and social opportunities. This program is conducted with the help of volunteer students from Texas State University. Nutrition services are provided through the Capital Area Food Bank and Feeding America. Goals of the program include:

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

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 expanded to up to 25 Section 8 participants, and then made available to public housing residents at all sites. About 80 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 helps participants to be able to have the necessary down-payment for a home when they are ready to buy. The pandemic seems to have increased interest in the FSS program. In late 2020, enrollment outside of the Chapultepec Homes exceeded that original number for the first time. There are more families in the program at the C.M. Allen Homes than there are at Chapultepec.

**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.

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

The City has no specific housing or supportive service programs funded by CDBG for non-homeless special needs persons such as elderly, frail elderly, persons with disabilities, persons with HIV/AIDS and their families, and public housing residents.

- **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**

Two City staff members officially participate in the Local Homeless Coalition, with the Police Chief serving as the City's liaison, and the Library's Assistant Director serving as Secretary of the organization. On April 20, 2021, City Council approved setting aside \$450,000 for a community needs assessment and capacity building for non-profits. On May 18, 2021, City Council approved creation of a position to help assist the Local Homeless Coalition and non-profits in general to build capacity and coordination. Funding for the position is to be determined. With this funding and the position, the one-year goals and actions for reducing and ending homelessness center on assisting with coordination among non-profits and building capacity for non-profits individually and the Local Homeless Coalition as an organization to be able to apply for and receive funding to support Coordinated Entry and services to people who are homeless in San Marcos.

City staff participated in the second Point In Time count for San Marcos in 2021. The Point in Time Count was performed under the leadership of the recently created HOME Center of Central Texas (Homeless Outreach, Mitigation, and Emergency Center) located in San Marcos. Its mission is to unite community efforts comprehensively to prevent and address homelessness and to educate the community about it as an issue. The organization currently recommends services and seeks resources for those in need. Its members are all volunteers.

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. City staff consulted with THN in the preparation of the Consolidated Plan in 2020, and received information from THN for this Action Plan. THN staff are currently drafting a Continuum of Care Plan, but one does not currently exist.

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

The City provides land to the Hays Caldwell Women's Center for the current shelter and an additional eighteen units of transitional housing for a \$1.00 per year lease. In addition, for CDBG 2021-2022 program year, \$45,000 is recommended for funding for services to families at this facility.

- **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 City works closely with the local non-profit organizations that provide shelter to specific targeted homeless populations and provide specific assistance in various forms to the homeless.

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People living in San Marcos can apply for rapid rehousing through Caritas of Austin, a nonprofit whose mission is to prevent and end homelessness. Caritas of Austin provides coordinated entry, rapid re-housing, and permanent supportive housing for individuals in the Greater Austin Area, a five county region that includes San Marcos. Of course, this organization's resources are limited and the service area is quite large, so requestors may be on a waiting list for a period of time.

- **Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs**

Several of the City's Strategic Plan goals included in this Action Plan have as their purpose making housing in San Marcos affordable, as one means of helping low-income individuals and families avoid becoming homeless. **These goals include owner occupied housing rehabilitation, a priority repair program for houses, and home ownership counseling.** The Housing Rehabilitation and Reconstruction goal for CDBG-DR funding will result in retention of affordable housing stock in the City despite prior damage by the 2015 floods. The CDBG-CV program that provides additional funding to Court Appointed Special Advocates provides for services for abused children, who are automatically classified as extremely low income as wards of the state. The CDBG-CV program for rental, mortgage, and utility assistance is helping people who have been impacted financially by the COVID-19 pandemic avoid homelessness by providing direct assistance for these living expenses.

Regarding individuals who are released from a publicly funded institution or system of care, the San Marcos Housing Authority and Hill Country MHDD Centers have program that specifically address this group of people. The Housing Authority has seventeen Section 8 vouchers to be used by children who have aged out of the foster care system and are now attending Texas State University, located in San Marcos. **Hill Country has applied to the City for funding for a program to provide assistance to people who qualify for their services and have been impacted negatively by the pandemic.**

## **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 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; and
3. Low income residents have limited resources to maintain homes and neighborhood stability.

In addition, the 2018 San Marcos Housing Needs Assessment conducted by Root Policy Research 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; and
4. Improve condition and accessibility of existing housing stock.

**Actions it 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 2013 AI included specific recommendations for remedial activities centering on creating partnerships, identifying new federal resources, and leveraging private funding. In 2014 an AI Action Plan was adopted by the City to guide implementation of those recommendations, as well as an Affordable / Workforce Housing Policy that identified 5 housing issues, established goals, and provided strategies for accomplishing the goals. The 2017 AI provided a progress update for each action item and recommendations for additional actions.

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

1. Lack of affordability

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- a. The City provides a first-time homebuyer program for closing cost and down payment assistance.
- b. CDBG funds have been used to purchase land for Habitat for Humanity.
- c. The City waives construction permitting and impact fees for Habitat for Humanity housing construction and City or non-profit rehabilitation projects.
- d. 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 has a contract with The Greater San Marcos Partnership, a non-profit economic development organization, to provide economic development services, including bringing new jobs to San Marcos. A new City position, Economic and Business Development Manager, has been filled, which will increase the City's coordination with the Greater San Marcos Partnership and the San Marcos Area Chamber of Commerce.
- b. The City provides a \$25,000 homestead exemption for homeowners sixty-five and older or with a disability, thus reducing their property tax burden.
- c. The City has programs to help reduce living expenses, such as utility bills, including:
  - i. Home Energy Analysis providing recommendations on how to reduce electric energy consumption and monthly costs.
  - ii. Energy Efficient Home Heating/AC Rebate Program offers rebates for purchase of eligible energy efficient products.
  - iii. A Bill Averaging Program that allows residents to equalize energy costs over a 12-month period, avoiding peak bills in the winter and summer months.
  - iv. Utility Assistance Program – Low-income families, elderly residents on fixed incomes, or disabled residents on a fixed income are eligible to apply for assistance with a one-time yearly payment of the electric, water, and wastewater portions of their monthly utility bill.
- d. The City's Water and Wastewater Department sponsors several programs that help encourage families to conserve and lower utility bills, including:
  - i. Water Surveys generating a report with specific water conservation strategies.
  - ii. Flush-Smart (toilet) Rebate Program
  - iii. Wash-Smart (washing machine) Rebate Program
  - iv. Rainwater Harvesting Rebate Program

### 3. The issue of limited resources for housing maintenance

- a. CDBG, CDBG-DR, and HOME funds provide housing rehabilitation programs. A HOME fund grant was received by the City in 2019 through the Texas Department of Community and Housing Affairs for the rehabilitation of up to 7 homes.
- b. The City continues to support the Southside Community Center housing rehabilitation program with both City and CDBG funds.
- c. The City waives construction permitting fees for CDBG-funded housing rehabilitation projects.

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- d. 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 to nearly 4,500 volunteers annually at over 300 jobsites within the San Marcos community!
- e. 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.

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. This plan is being reviewed and considered for adoption by the San Marcos City Council, having already been reviewed by the City’s Planning and Zoning Commission. It contains the following implementation steps for the next three years:

### **Clear Path Permitting - Implementation Steps:**

1. Appoint a dedicated case manager of 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:**



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1. 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.

## **AP-85 Other Actions – 91.220(k)**

### **Introduction:**

Citizen comments were received through a survey that was available February 2-23, 2020, at a public meeting held February 19, 2020, and at a meeting of Family Self Sufficiency Program participants March 1, 2020. 192 people responded to the survey. The three top priority needs requested in the survey were in the public services category, with 59% of respondents ranking youth programs as a high priority, followed by homeless services at 49% and services for abuse victims at 46%. However, by CDBG –Entitlement regulations the City is only allowed to spend 15%, or \$108,000 on Public Services. In the comments, the most needed public service cited was for youth and children, including recreational programs and services for abused children (10 comments). Services related to mental health and seniors were also important (five comments each), as well as for families and homeless (four comments each). Affordable housing was the single most needed item, with 30 comments. Infrastructure comments mentioned hike and bike trails, bus routes, and parking downtown. Public facilities comments mostly referred to additional park and recreation facilities. Comments on economic development centered on vocational training (eight comments). 44% considered job training to be a high priority, followed by transportation for the elderly and disabled at 43%, and neighborhood sidewalks at 38%. The survey drilled into more detail on housing issues and also asked questions about fair housing practices. 66% of respondents considered the cost of housing to be a serious issue, and 60% said the lack of affordable housing, including various housing types, was a serious issue. 56% considered local incomes to be too low compared to the price of available housing. Regarding fair housing issues, 33% of respondents believe there is a serious need for mediation, and 28% ranked the need for housing consumers to know their rights and issues with predatory lending as serious. Unfair treatment, for example based on race or disability status, is not seen by most as a serious problem here.

### **Actions planned to address obstacles to meeting underserved needs**

In addition to allocating CDBG funding to provide for the needs described above, the City continues to fund up to \$500,000 in public service programs to serve the community's needs. In 2021, the City Council has also allocated general fund dollars of \$640,000 to public service agencies and \$450,000 to non-profit capacity building, as a result of a payment received through the Coronavirus Relief Fund.

The City's housing programs will be marketed heavily program year 2021-2022, to ensure that residents are aware of their availability. Funding for the programs is provided by CDBG Entitlement, CDBG-DR, and HOME through the Texas Department of Housing and Community Affairs.

### **Actions planned to foster and maintain affordable housing**

The CDBG-funded housing programs described above emphasize maintaining the existing stock of affordable housing.

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 has developed 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 is being reviewed and considered for adoption by the San Marcos City Council. It includes recommendations for an

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enhancement to the permitting process and for zoning additional land for higher density uses – proactive measures that go beyond simply removing barriers.

The City also offers a \$25,000 homestead exemption for elderly and disabled homeowners. A number of rebate and incentive programs to help lower utility bills to reduce housing cost burden.

City CDBG staff will be coordinating more closely with City Code Compliance in order to identify homes in need of rehabilitation that are negatively impacting other properties nearby.

### **Actions planned to reduce lead-based paint hazards**

Per the 2019 Housing Needs Assessment, 28% of the homes in San Marcos were constructed prior to 1980. All houses that were constructed before 1978 that participate in CDBG Entitlement or CDBG-DR funded housing 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. The City’s First Time Homebuyer Program applicants receive a copy of the “Protect Your Family from Lead in Your Home” booklet. Houses constructed prior to 1978 must pass a lead hazard evaluation inspection prior to loan closing.

### **Actions planned to reduce the number of poverty-level families**

The City’s primary role in reducing the number of poverty-level families is the use of federal funding and local policies and programs to support the creation and maintenance of affordable housing in the community. Affordable housing, in conjunction with services that lead to long-term self-sufficiency, can lift and keep people out of poverty. The 2021-2022 CDBG Action Plan includes funding allocations in the Affordable Housing, Public Services, and Public Facilities categories, for the projects shown in a previous section.

When applications are received annually for funding of specific projects and programs using CDBG entitlement funds, the City Council takes into consideration the City’s current needs assessments, policies, and programs when choosing among applicants and staff proposals. Workforce Housing continues to be a strategic initiative of the City Council.

### **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.

Gaps in the institutional structure for CDBG-type community assistance include:

- Housing options that are truly affordable compared to the incomes of the local population
- Levels of funding available for supportive services

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- Shelter for homeless single adults – not available in San Marcos
- Affordable child care, including for families currently receiving other services
- Transportation - bus service is very limited and complicated, not geared toward people who work in shifts

Of these gaps, over the next year the City will be working on the first three. The City's Strategic Housing Action Plan and the Housing Study that preceded it provide direction on how to create opportunities for different affordable housing options. As mentioned, the City contributes \$500,000 annually in additional funding for supportive service. This year, administration of those funds (the Human Services Advisory Board grants) will be turned over to the same staff who administer CDBG grants in order to more closely correlate their use with the Consolidated Plan. Regarding homelessness, the City is convening meetings to encourage the formation of a Hays County Local Homeless Coalition with local agencies as the leaders. The City is not currently leading initiatives related to affordable childcare or public transit.

Training will also help strengthen the institutional framework. The City will provide subrecipient training prior to the execution of Subrecipient Agreements. City staff will participate in HUD-sponsored training opportunities as they become available. When appropriate, the City will invite its subrecipients to attend training to strengthen their understanding of the rules and regulations applicable to the CDBG program. The City will maintain its webpage with up-to-date information as a resource for other City staff and subrecipients.

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

City staff will continue to seek partnerships and to exchange information with local public service providers and economic development organizations by reaching out to meet with various organizations throughout the program year. The meetings regarding the possible formation of the Hays County Local Homeless Coalition are bringing the City, Housing Authority, the Continuum of Care, and social service agencies together in a new way, in addition to the various grant application processes which increase interaction and knowledge exchange. As the Strategic Housing Action Plan is implemented, interaction with private developers and individual home owners or landlords will increase as well. With CDBG-CV funding, the City's CDBG staff are coordinating services to small businesses through the Chamber of Commerce, the City's Economic Development Manager, and the City's Main Street program.

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

### Introduction:

HUD has allocated \$766,842 in CDBG Entitlement funds to San Marcos for Program Year 2021-2022. 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. The City receives funding from HUD only for reimbursement of expenses incurred. The City does not receive lump sum distributions.

The City expects to have the following CDBG funding available during Program Year 2021-2022:

|  |                  |
|--|------------------|
| 2021 CDBG Entitlement Allocation                                     | \$766,842        |
| Reallocated from prior years   | \$56,933         |
| <b>TOTAL CDBG ENTITLEMENT FUNDING<br/>for Program Year 2021-2022</b> | <b>\$823,415</b> |

|  |                   |
|--|-------------------|
| CDBG-CV First Round                    | \$425,261         |
| CDBG-CV Third Round                    | \$567,825         |
| <b>TOTAL CDBG-CV FUNDING AVAILABLE</b> | <b>\$ 993,086</b> |

|   |                     |
|---|---------------------|
| CDBG-DR (funds remaining)   | \$25,872,957        |
| CDBG-MIT (all funds)  | \$24,012,000        |
| <b>TOTAL CDBG-DR AND CDBG-MIT<br/>FLOOD RESPONSE AND PREVENTION<br/>FUNDING AVAILABLE</b> | <b>\$49,884,957</b> |

**Table 13 – Total CDBG Funding Currently Available**

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

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A very small amount of program income has been received through the Homebuyer's Assistance Program:

|   |                |
|---|----------------|
| 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   | \$2,000        |
| 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            |
| 3. The amount of surplus funds from urban renewal settlements   | \$0            |
| 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            |
| 5. The amount of income from float-funded activities  | \$0            |
| <b>TOTAL PROGRAM INCOME EXPECTED</b>  | <b>\$2,000</b> |

**Table 14 – Total Program Income Expected**

### Other CDBG Requirements

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

An estimated 90% of CDBG funds will be used for activities that benefit people who have low to moderate incomes, both this year and as a three-year average for Program Years 2021-2023. 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 on activities that specifically benefit low to moderate income people.

|  |     |
|--|-----|
| The amount of urgent need activities   | \$0 |
| The estimated percentage of CDBG funds that will be used for activities that benefit people who have low to moderate incomes | 90% |

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|   |     |
|---|-----|
| 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. Years included in this calculation are Program Years 2021, 2022, 2023. | 90% |
|---|-----|

**Table 15 – Other CDBG Requirements**