



## Legislation Text

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**File #:** ID#21-375, **Version:** 1

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**AGENDA CAPTION:**

Receive a staff presentation and hold a public hearing to obtain the views of citizens on housing and community development needs, including non-housing community needs, and the selection of proposed activities for \$755,351 in new funding and \$56,932.87 to be reallocated in the 2021-2022 Community Development Block Grant (CDBG) Action Plan; and provide staff direction.

**Meeting date:** May 18, 2021

**Department:** Planning and Development Services

**Amount & Source of Funding**

**Funds Required:** Click or tap here to enter text.

**Account Number:** Click or tap here to enter text.

**Funds Available:** Click or tap here to enter text.

**Account Name:** Click or tap here to enter text.

**Fiscal Note:**

**Prior Council Action:** On May 19, 2020, the City Council approved Resolution 2020-105R approving a consolidated plan for fiscal years 2020-2024 that provides guidance for annual Community Development Block Grant (CDBG) funding allocations.

**City Council Strategic Initiative:** [Please select from the dropdown menu below]

Workforce Housing

Choose an item.

Choose an item.

**Comprehensive Plan Element (s):** [Please select the Plan element(s) and Goal # from dropdown menu below]

☐ Economic Development - Choose an item.

☐ Environment & Resource Protection - Choose an item.

☐ Land Use - Choose an item.

☒ Neighborhoods & Housing - Diversified housing options to serve citizens with varying needs and interests

☒ Parks, Public Spaces & Facilities - Collection of connected and easily navigated parks and public spaces

☐ Transportation - Choose an item.

☐ Core Services

☐ Not Applicable

**Master Plan:** *[Please select the corresponding Master Plan from the dropdown menu below (if applicable)]*

Choose an item.

**Background Information:**

During the Consolidated Planning process last year, the City Council chose the following as the top three priorities for CDBG Entitlement funding for the years 2020-2024.

- Affordable Housing
- Public Services
- Public Facilities

Affordable Housing and Public Services as priority categories provide for the common themes found in the surveys and data. Choosing Public Facilities offers the ability to improve City parks or community centers to improve the overall well-being of citizens.

HUD has notified the City that the FY 2021-2022 CDBG Entitlement allocation will be \$755,351. In order to receive this funding, the City must submit an action plan by August 16 that includes allocation of the funding to specific programs. Annually, the City holds an application process for agencies and City of San Marcos departments to submit program ideas. The proposed timeline this year is as follows:

05/23	Notice of Funding Availability
05/23-06/18	Applications Available, due 6/18
06/26-07/25	Public comment period
07/06	City Council Update and preliminary discussion on funding awards to programs
08/03	City Council decision on funding awards to programs
08/16	Deadline for Annual Action Plan submission to HUD

All applications will be presented to City Council on July 6, with a staff recommendation for funding awards to programs. Staff conduct a risk assessment on each applicant, as well as an evaluation of the project's impact on the community in consideration of limited funding. Criteria for the risk assessment and the project evaluation are attached. In brief, the evaluation criteria are as follows:

1. Activity Need and Justification: Maximum of 25 Points
2. Impact and Cost Effectiveness: Maximum of 30 Points
3. Implementation: Maximum of 25 Points
4. Past Performance or Letters of Reference: Maximum of 20 Points

In addition to the new funding, Staff proposes reallocating the following unused funding from prior years, for a total of \$812,283.87 to be allocated to programs for Program Year 2021-2022. Amounts shown in Program Years 2014-2018 below are the “leftovers” from actual expenses compared to budgeted funding.

PY 2014-2015: \$14,021.51

PY 2015-2016: \$5,317.36

PY 2016-2017: \$19,912.79

PY 2017-2018: \$7,032.35

PY 2018-2019: \$10,648.86

The 2020-2024 Consolidated Plan and the 2019 Housing Study are included as attachments to inform discussion. Below is a summary of the Needs Assessment included in the Consolidated Plan:

The Needs Assessment section covers in detail the housing affordability and social service needs found in the City of San Marcos through public surveys and research of available data.

Many apartments in San Marcos are marketed to students using a “rent by the room” model. When the rooms are totaled the cost of the apartments is higher than would be achieved by renting the apartment as a whole. The prevalence of this model reduces the supply of apartments geared toward families, thereby increasing its cost as well. The high cost of rental housing in San Marcos creates instability and an increased risk of homelessness as a by product.

The most common housing problems in San Marcos are:

- High rent with low incomes (housing cost burden)
- Condition and accessibility of existing housing stock. Overall, about one-third of all renters and nine percent of owners in the city said their home was in fair or poor conditions (2018 San Marcos Housing Survey)
- Displacement prevention. According to the 2018 San Marcos Housing Survey, in the past five years, nearly one in five (18%) San Marcos renters experienced displacement - having to move from a home when they did not want to. The most common factors were rent increases, flood damage (including damage from the 2015 Flood), cost of utilities, and landlord selling the home.

Some, but not all, homeless people can find shelter. Three agencies provide shelters for specific homeless populations in San Marcos: (a) the Southside Community Center operates an emergency family shelter; (b) the Hays-Caldwell Women's Center accepts victims of domestic violence - women, men, adults and children; and (c) the Greater San Marcos Youth Council accepts youth ages 5 to 17 who are at-risk, homeless, neglected, or abused. The shelters and other agencies refer individuals and families who do not fit their service model to shelters and services in Austin, just over thirty miles away.

The three top non-housing priority needs in the 2020 Consolidated Plan 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%. Forty-four percent (44%) considered job training to be a high priority, followed by transportation for the elderly and disabled at 43%, and neighborhood sidewalks at 38%.

**Council Committee, Board/Commission Action:**

Click or tap here to enter text.

**Alternatives:**

Click or tap here to enter text.

**Recommendation:**

Staff requests direction to proceed with the annual application process, and direction on any changes to the application evaluation criteria.