



## Legislation Text

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**File #:** Res. 2020-256R, **Version:** 1

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### **AGENDA CAPTION:**

Hold a public hearing and receive comments for or against Resolution 2020-256R, amending the Community Development Block Grant (CDBG) Action Plan for Program Year 2019 to add the awarded Community Development Block Grant- Coronavirus Response (CDBG-CV) Round Three allocation of \$567,825 and approving projects for the use of these funds, authorizing the City Manager to act as the Official Representative of the City in matters related to the CDBG Program and Action Plan, declaring an effective date; and consider approval of Resolution 2020-256R.

**Meeting date:** November 17, 2020

**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 June 18, 2019, City Council approved by Resolution 2019-121R the Program Year 2019-2020 Community Development Block Grant Entitlement Action Plan ("the 2019 CDBG Action Plan") that provides for the allocation of \$680,998 awarded to the City of San Marcos by the Department of Housing and Urban Development (HUD) for the Program Year beginning October 1, 2019 and ending September 30, 2020. On March 3, 2020, City Council approved Resolution 2020-54R amending the 2019 CDBG Action Plan to reallocate \$67,142.00 from the Unsafe Structures Program to the amount allocated for the Southside Community Center Rehab Program. On June 16, 2020, City Council approved Resolution 2020-131R amending the 2019 CDBG Action Plan to add the Community Development Block Grant-Coronavirus (CDBG-CV) allocation of \$425,261 and approving projects for the use of \$319,731 of those funds. On August 4, 2020, City Council approved Resolution 2020-163R to award \$105,530 to Hays County to increase or improve COVID-19 testing in the City of San Marcos.

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

Choose an item.

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 - Choose an item.
- ☐ Parks, Public Spaces & Facilities - Choose an item.
- ☐ 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:**

In March 2020, when Community Development Block Grant - Coronavirus Response (CDBG-CV) funds were initially allocated by the US Department of Housing and Urban Development (HUD), cities were instructed to amend their Program Year 2019 CDBG Action Plan in order to provide for immediate access to the funding. For continuity of reporting, HUD has requested that all additional CDBG-CV allocations at this time be attached to the 2019 Action Plan as well.

On October 20, 2020, staff presented a recommendation for the \$567,825 in Round Three CDBG-CV funding allocated to the City of San Marcos to be used for an Eviction Prevention Program for individuals and small businesses. At that time, City Council directed that staff proceed with exploration and creation of this program. Subsequently a notice was published in the paper summarizing the proposal and inviting the public to participate in a public comment period from November 8-14, 2020, and a public hearing to be held November 17, 2020. Due to timing, comments received during the comment period will be presented at the City Council meeting.

Staff has concluded that program creation would be most equitable by publishing a Notice of Funding

Availability (NOFA) requesting applications and proposals for the program. The NOFA will be published November 15, 2020, and responses are due December 4, 2020. Staff will present responses to City Council at the December 15, 2020 meeting and ask for award of funding to the specific entity or entities that will be contracted to administer the program.

The purpose of this meeting is to hold the public hearing, amend the 2019 Action Plan to include the new CDBG-CV funding, and allocate the funding to the eviction prevention program, now formally named the COVID-19 Emergency Housing and Business Relief Program. This program is summarized below:

- The purpose of the program is to lessen the financial impact of the COVID-19 pandemic
- Eligible expenses could include rent, mortgage, and utilities
- Program would be open to individuals and businesses. At least 70% of the funding must benefit low-to-moderate income individuals.
- Administrative costs would be kept to a minimum but could be up to 20% of the available funding (\$113,565). Program funding will be at least 80% of the funding, or \$454,260. Funds not used for administration will be used for program funding.

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

Click or tap here to enter text.

**Alternatives:**

Click or tap here to enter text.

**Recommendation:**

Staff recommends amending the Community Development Block Grant (CDBG) Action Plan for Program Year 2019-2020 to add the awarded Community Development Block Grant-Coronavirus (CDBG-CV) Round Three allocation of \$567,825 and approving the following programs for the use of these funds:

1. COVID-19 Emergency Housing and Business Relief Program \$454,260
2. Administration of the CDBG-CV Round Three Grant and Program - up to \$113,565  
By the Planning and Development Services Department and one or more contracted third parties.