I. Call To Order

II. Roll Call

III. Invocation

IV. Pledges of Allegiance - United States and Texas

V. Citizen Comment Period

NOTE: Citizen Comment sign up procedures have changed:
Persons wishing to participate remotely (speak) during the Citizen Comment portion must sign up at www.sanmarcostx.gov/citizencommentsignup before 12:00PM the day of the meeting. A link will be provided for participation on a mobile device, laptop or desktop computer. Those wishing to speak in person must sign up in the City Clerk’s office between 8:00AM - 5:45PM the day of the meeting.

CONSENT AGENDA

THE FOLLOWING ORDINANCES, RESOLUTIONS AND OTHER ITEMS MAY BE ACTED UPON BY ONE MOTION. NO SEPARATE DISCUSSION OR ACTION ON ANY OF THE ITEMS IS NECESSARY UNLESS DESIRED BY A COUNCIL MEMBER OR A CITIZEN, IN WHICH EVENT THE ITEM SHALL BE CONSIDERED IN ITS NORMAL SEQUENCE AFTER THE ITEMS NOT REQUIRING SEPARATE DISCUSSION HAVE BEEN ACTED UPON BY A SINGLE MOTION.

1. Consider approval of Ordinance 2024-01, on the second of two readings, amending the Official Zoning Map of the City in Case ZC-23-24, by rezoning approximately 18.84 acres of land out of the John H Yearby Survey, generally located 3,300 feet East of IH 35 near Centerpoint Road, from Character District 5 (CD-5) to Light Industrial (LI), or, subject to consent of the owner, another less intense zoning district classification including procedural provisions; and providing an effective date.

2. Consider approval of Ordinance 2024-02, on the second of two readings, amending the city's 2023-2024 Fiscal Year budget to carry forward funds from the 2022-2023 Fiscal Year; to adjust revenue and expenditure accounts in multiple operating, special revenue, internal service, and capital improvement project funds; including procedural provisions; and providing an effective date.
3. Consider approval of Ordinance 2024-03, on the second of two readings, amending Chapter 82 of the San Marcos City Code to, among other things, define the authority of the city’s Parking Advisory Board, update the list parking violations and associated fines, and allowing for the creation of parking benefit districts; providing a savings clause; providing for the repeal of any conflicting provisions; and providing an effective date.

4. Consider approval of Ordinance 2024-04, on the second of two readings, amending Section 2.566 of the San Marcos City Code concerning the city manager’s spending authority to remove obsolete provisions related to the COVID-19 pandemic and to clarify the types of agreements to which the city manager’s authority extends; including procedural provisions; and providing an effective date.

5. Consider approval of Resolution 2024-07R, approving funding agreements with Operation Triage and Mission Able in the amounts of $400,000.00 each for a total of $800,000.00 from funds received by the City of San Marcos under the American Rescue Plan for the purpose of establishing a Home Repair and Rehabilitation Program to support the recovery of the community; authorizing the City Manager, or her designee, to execute said agreements and any necessary documents on behalf of the city; and declaring an effective date.

NON-CONSENT AGENDA

6. Receive a Staff presentation and consider Resolution 2024-08R, approving Substantial Amendment No. 14 to the Community Development Block Grant-Disaster Recovery (CDBG-DR) Action Plan for the purposes of reallocating project funding to different categories or projects and moving provisions concerning the duration of liens for affordable housing loans from the plan to program policies; authorizing the City Manager, or her designee, to act as the official representative of the city in matters related to the CDBG-DR Program Action Plan; and declaring an effective date.

VI. Question and Answer Session with Press and Public.

NOTE: Question and Answer with Press and Public sign up procedures have changed:
This is an opportunity for the Press and Public to ask questions related to items on this agenda. Persons wishing to participate remotely (speak) during the Citizen Comment portion must sign up www.sanmarcostx.gov/citizencommentssignup before 12:00PM the day of the meeting. A call in number and link will be provided for participation on a mobile device, laptop or desktop computer. If attending in person, no sign up is required.

NOTICE: In accordance with Section 2.045 of the City Code, speakers must state their name, and must limit their remarks to three minutes. The allotted time will commence from the beginning of the speaker's remarks and will include any time spent in discussion between the speaker and council or board or commission members. Issues taking longer to communicate can be addressed outside the meeting to the city staff or to individual members of the council or board or commission, or submitted in writing.

VII. Adjournment.

POSTED ON WEDNESDAY, JANUARY 24, 2024 AT 4:30PM
Notice of Assistance at the Public Meetings

The City of San Marcos does not discriminate on the basis of disability in the admission or access to its services, programs, or activities. Individuals who require auxiliary aids and services for this meeting should contact the City of San Marcos ADA Coordinator at 512-393-8000 (voice) or call Texas Relay Service (TRS) by dialing 7-1-1. Requests can also be faxed to 855-461-6674 or sent by e-mail to ADArequest@sanmarcostx.gov
AGENDA CAPTION:
Consider approval of Ordinance 2024-01, on the second of two readings, amending the Official Zoning Map of the City in Case ZC-23-24, by rezoning approximately 18.84 acres of land out of the John H Yearby Survey, generally located 3,300 feet East of IH 35 near Centerpoint Road, from Character District 5 (CD-5) to Light Industrial (LI), or, subject to consent of the owner, another less intense zoning district classification including procedural provisions; and providing an effective date.

Meeting date: January 30, 2024

Department: Planning and Development Services

Amount & Source of Funding
Funds Required: N/A
Account Number: N/A
Funds Available: N/A
Account Name: N/A

Fiscal Note:

Prior Council Action: City Council approved Ordinance 2024-01 on first reading at the January 16, 2024, meeting.

City Council Strategic Initiative:
N/A
N/A
N/A

Comprehensive Plan Element(s):
☐ 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
Master Plan:
Choose an item.

Background Information:
The property was zoned smart code “SC” circa 2013. In September of 2022 City Council approved a zone change from smart code “SC” to character district 5 “CD-5”. The property is currently undeveloped, and the applicant wishes to rezone to light industrial “LI” to align with adjacent parcels.

Council Committee, Board/Commission Action:
During the Planning and Zoning Commission meeting held December 12, 2023, a motion was made by Commissioner Agnew, seconded by Commissioner Burleson, to approve ZC-23-24. The motion carried 9-0.

Alternatives:
N/A

Recommendation:
Staff recommends approval of ZC-23-34 as presented.
Public Hearing
ZC-23-24
Centerpoint Road CD-5 to LI

Consider approval of Ordinance 2024-01, on the second of two readings, amending the Official Zoning Map of the City in Case ZC-23-24, by rezoning approximately 18.84 acres of land out of the John H Yearby Survey, generally located 3,300 feet East of IH 35 near Centerpoint Road, from Character District 5 (CD-5) to Light Industrial (LI), or, subject to consent of the owner, another less intense zoning district classification including procedural provisions; and providing an effective date.
Property Information

- Approximately 18.84 acres
- Located approximately 3300 feet East of IH 35 near Centerpoint Road
- Located within City Limits
Context & History

• Currently Undeveloped

• Surrounding Uses
  – Vacant / Agricultural

• In September of 2022, City Council approved a zone change from SC to CD-5.
Context & History

- **Existing Zoning:** Character District 5 (CD-5)
  - Allows high density residential as well as pedestrian oriented commercial uses

- **Proposed Zoning:** Light Industrial (LI)
  - Allows Manufacturing and Light Industrial uses
Comprehensive Plan Analysis

Step 1: Where is the property located on the Comprehensive Plan?

- Existing Preferred Scenario: Medium Intensity – East Village

- “An area of change intended to accommodate the City’s future growth and expansion where people can meet their daily needs within a short walk, bike, transit trip, or drive” (4.1.1.6)
Comprehensive Plan Analysis

**Step 2:** Is the request consistent with the Comprehensive Plan / District Translation Table?

“Light Industrial” (LI) within a “Medium Intensity Zone.”

<table>
<thead>
<tr>
<th>District Classification</th>
<th>Open Space/Agricultural</th>
<th>Low Intensity</th>
<th>Existing Neighborhood</th>
<th>Medium or High Intensity Zone</th>
<th>Employment Center</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conventional Residential</td>
<td>NP</td>
<td>NP</td>
<td>C</td>
<td>PSA</td>
<td>PSA</td>
</tr>
<tr>
<td>Neighborhood Density Districts</td>
<td>NP</td>
<td>NP</td>
<td>See Section 4.1.2.4 - 4.1.2.5</td>
<td>NP</td>
<td>NP</td>
</tr>
<tr>
<td>Character Districts</td>
<td>NP</td>
<td>PSA</td>
<td>PSA</td>
<td>C</td>
<td>NP</td>
</tr>
<tr>
<td>Special Districts</td>
<td>PSA</td>
<td>NP</td>
<td>PSA</td>
<td>NP</td>
<td>C</td>
</tr>
</tbody>
</table>

**Legend:**  
PSA = Not Allowed (PSA Required), NP = Not Preferred, C = Consider
Zoning Analysis

- District primarily intended to accommodate Manufacturing and Light Industrial uses

- Permitted building types include General Commercial and Civic Buildings

- Intended development is Light Industrial Use
Environmental Analysis

- Not located within the Edwards Aquifer Recharge Zone, Contributing Zone, or Transition Zone

- Requested zone change will reduce the allowable impervious cover from 100% (CD-5) to 80% (LI)
Infrastructure

- Streets
  - Transportation Master Plan
    - Proposed Thoroughfare West of the subject property
  - Block perimeter
    - CD-5 (2,000 feet)
    - LI (5,000 feet)
- Bicycle & Sidewalk
  - Proposed Bicycle & Greenway Facility West of the subject property
Infrastructure

- **Utilities**
  - City of San Marcos Water & Wastewater
  - Bluebonnet Electric
Recommendation

• Planning and Zoning Commission recommended **approval** of ZC-23-24 as presented with a 9-0 vote.
  – Discussion Topics:
    • Property Ownership
    • Future Plans
    • Clarification on the Staff Report

• Staff recommends **approval** of ZC-23-24 as presented.
# Zoning District Comparison Chart

<table>
<thead>
<tr>
<th>Topic</th>
<th>Existing Zoning: Character District – 5 (CD-5)</th>
<th>Proposed Zoning: Light Industrial (LI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zoning Description</td>
<td>The CD-5 district is primarily intended to provide a variety of residential, retail, service, and commercial uses. To promote walkability and compatibility, auto-oriented uses are restricted. CD-5 promotes mixed use and pedestrian-oriented activity.</td>
<td>Light industrial is intended to accommodate manufacturing and light industrial uses in order to promote economic viability, encourage employment growth, and limit the encroachment of non-industrial development within established industrial areas. Development should be operated in a relatively clean and quiet manner and should not be obnoxious to nearby residential or commercial uses.</td>
</tr>
<tr>
<td>Uses</td>
<td>Residential, Commercial, Office, etc. (See Land Use Matrix)</td>
<td>Primarily industrial uses as well as light manufacturing, offices, waste related services, and warehouse and distribution. Examples of light industrial uses include food and beverage products, breweries, contractor storage, dry-cleaning, furniture manufacturing, and welding (See Land Use Matrix)</td>
</tr>
<tr>
<td>Parking Location</td>
<td>No parking in the 1st layer; Parking allowed in 2nd layer along secondary street only</td>
<td>No location standards</td>
</tr>
<tr>
<td>Parking Standards</td>
<td>Dependent upon use</td>
<td>Depends on use.</td>
</tr>
<tr>
<td>Max Residential Units per acre</td>
<td>N/A</td>
<td>N/A - Residential uses are not allowed</td>
</tr>
<tr>
<td>Occupancy Restrictions</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Landscaping</td>
<td>Tree and shrub requirements</td>
<td>Tree and shrub requirements</td>
</tr>
<tr>
<td>Building Height (max)</td>
<td>2 stories (min), 5 stories (max)</td>
<td>4 stories</td>
</tr>
<tr>
<td></td>
<td>*Additional stories can be allowed by City Council via alternative compliance</td>
<td></td>
</tr>
<tr>
<td>Setbacks</td>
<td>0' minimum/12' max front, 0' side, and 0' rear</td>
<td>20' minimum front, side, and rear</td>
</tr>
<tr>
<td>Impervious Cover (max)</td>
<td>100%</td>
<td>80%</td>
</tr>
<tr>
<td>Lot Sizes</td>
<td>Allows a variety of lot sizes depending on Building Type with 1,100 sq ft in area and 15' lot in width being the smallest allowed minimums</td>
<td>Minimum 7,000 sq ft area, Minimum 70 ft lot width</td>
</tr>
<tr>
<td>Streetscapes</td>
<td>Main Street: 10' sidewalk, street trees every 35' on center average, 7' planting area between sidewalk and street required</td>
<td>Conventional Street: 6' sidewalk, street trees every 40' on center average, 7' planting area between sidewalk and street required</td>
</tr>
<tr>
<td>Blocks</td>
<td>3,000 ft. block perimeter max</td>
<td>5,000 ft. Block Perimeter max</td>
</tr>
</tbody>
</table>
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS AMENDING THE OFFICIAL ZONING MAP OF THE CITY IN CASE NO. ZC-23-24, BY REZONING APPROXIMATELY 18.84 ACRES OF LAND, OUT OF THE JOHN H. YEARBY SURVEY, GENERALLY LOCATED AT 3,300 FEET EAST OF IH-35 NEAR CENTERPOINT ROAD, FROM CHARACTER DISTRICT 5 (CD-5) TO LIGHT INDUSTRIAL (LI), OR, SUBJECT TO CONSENT OF THE OWNER, ANOTHER LESS INTENSE ZONING DISTRICT CLASSIFICATION; INCLUDING PROCEDURAL PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

RECITALS:

1. On December 12, 2023, the Planning and Zoning Commission of the City of San Marcos held a public hearing regarding a request to change the zoning designation from “CD-5” Character District 5 to “LI” Light Industrial for approximately 18.84 acres of land out of the John H. Yearby Survey, generally located at 3,300 feet east of IH-35 (the “Property”), as described in Exhibit A, attached hereto and made a part hereof for all purposes.

2. On December 12, 2023, the Planning and Zoning Commission voted 9–0 to recommend approval of the request.

3. The City Council held a public hearing on January 16, 2024, regarding the request.

4. All requirements pertaining to Zoning Map amendments have been met.

5. The City Council hereby finds and determines that the adoption of the following ordinance is in the interest of the public health, morals, welfare and safety.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

SECTION 1. The Official Zoning Map of the City is amended to rezone the Property, as described in Exhibit A from “CD-5” Character District-5 to “LI” Light Industrial.

SECTION 2. If any word, phrase, clause, sentence, or paragraph of this ordinance is held to be unconstitutional or invalid by a court of competent jurisdiction, the other provisions of this ordinance will continue in force if they can be given effect without the invalid portion.

SECTION 3. All ordinances and resolutions or parts of ordinances or resolutions in conflict with this ordinance are repealed.

SECTION 4. This ordinance will take effect after its passage, approval and adoption on second reading.
PASSED AND APPROVED on first reading on January 16, 2024.

PASSED, APPROVED AND ADOPTED on second reading on January 30, 2024.

Jane Hughson
Mayor

Attest:

Elizabeth Trevino
City Clerk

Approved:

Samuel J. Aguirre
City Attorney
EXHIBIT "A"

DESCRIPTION

A 18.74 acres (816,302 square feet), tract of land, lying within the John H. Yearby Survey, Abstract 508, Hays County, Texas, and being a portion of a called 495.23 acre tract, conveyed to Walton Texas, LP in Volume 3822, Page 346, Official Public Records of Hays County, Texas, described as follows:

COMMENCING at a 1/2" iron rod found for an all corner of said 495.23 acre tract, the western corner of a called 2.183 acre tract, conveyed to Pablo Zapata in Volume 1165, Page 11, Deed Records of Hays County, Texas and also being on the northeasterly right of way line of Centerpoint Road, from which a 1/2" iron rod found for the southern corner of said 495.23 acre tract, the eastern corner of a called 1.109 acre tract, conveyed to Fleur Geiger in Document No. 21026919, Official Public Records of Hays County, Texas and also being on the northwesterly right of way line of South Old Bastrop Highway, bears 56°4′35′′28″E, a distance of 705.63 feet;

THENCE, ever and across said 495.23 acre tract, the following seventeen (17) courses and distances:

1. N29°27′55″W, a distance of 3316.61 feet to a calculated point for the POINT OF BEGINNING and the southern corner of the herein described tract,
2. N45°55′11″W, a distance of 631.61 feet to a calculated point for the western corner of the herein described tract,
3. N48°25′30″E, a distance of 1218.71 feet to a calculated point for the northern corner of the herein described tract,
4. S43°16′46″E, a distance of 605.50 feet to a calculated point,
5. S48°41′16″E, a distance of 66.88 feet to a calculated point for the eastern corner of the herein described tract,
6. S3°46′21″W, a distance of 545.78 feet to a calculated point on the arc of a curve to the right,
7. With said curve to the right, an arc distance of 178.93 feet, having a radius of 1000.30 feet, an angle of 10°15′01″, and a chord bearing N46°28′14″W, a distance of 178.69 feet to a calculated point;
8. S44°12′02″W, a distance of 45.39 feet to a calculated point,
9. S31°53′25″W, a distance of 70.21 feet to a calculated point,
10. S30°01′36″W, a distance of 76.09 feet to a calculated point,
11. S46°46′40″W, a distance of 67.44 feet to a calculated point,
12. S46°53′45″W, a distance of 72.82 feet to a calculated point,
13. S51°08′35″W, a distance of 90.94 feet to a calculated point,
14. S59°08′17″W, a distance of 78.76 feet to a calculated point,
15. S49°54′54″W, a distance of 87.77 feet to a calculated point,
16. S7°24′23″W, a distance of 49.18 feet to a calculated point,
17. S18°33′04″W, a distance of 91.21 feet to the POINT OF BEGINNING.

Containing 18.74 acres or 816,302 square feet, more or less.

BEARING BASIS NOTE

This project is referenced for all bearing and coordinate basis to the Texas State Plane Coordinate System NAD 83 (2011 adjustment), South Central Zone (4204).

Robert J. Gerton, RPLS
Texas Registration No. 6367
Anwell LLC
805 Las Colinas Parkway, Suite 310
Irving, Texas 75063
Ph. 972-904-6589
TBRLS Firm No. 10193726

Page 1 of 2
EXHIBIT “A”
DESCRIPTION

A 18.74 acres (816,302 square feet), tract of land, lying within the John H. Yearby Survey, Abstract 508, Hays County, Texas, and being a portion of a called 495.23 acre tract, conveyed to Walton Texas, LP in Volume 3822, Page 246, Official Public Records of Hays County, Texas, described as follows:

COMMENCING at a 1/2” iron rod found for an ell corner of said 495.23 acre tract, the western corner of a called 2.183 acre tract, conveyed to Pablo Zapata in Volume 1165, Page 11, Deed Records of Hays County, Texas and also being on the northeastern right of way line of Centerpoint Road, from which a 1/2” iron rod found for the southern corner of said 495.23 acre tract, the eastern corner of a called 1.109 acre tract, conveyed to Fleur Geiger in Document No. 21026919, Official Public Records of Hays County, Texas and also being on the northwestern right-of-way line of South Old Bastrop Highway, bears S64°35’28"E, a distance of 705.63 feet;

THENCE, over and across said 495.23 acre tract, the following seventeen (17) courses and distances:

1. N20°27’56"W, a distance of 3316.61 feet to a calculated point for the POINT OF BEGINNING and the southern corner of the herein described tract,
2. N45°55’13"W, a distance of 631.61 feet to a calculated point for the western corner of the herein described tract,
3. N48°25’30"E, a distance of 1218.78 feet to a calculated point for the northern corner of the herein described tract,
4. S43°16’46"E, a distance of 606.50 feet to a calculated point,
5. S46°41’16"E, a distance of 66.88 feet to a calculated point for the eastern corner of the herein described tract,
6. S34°46’21"W, a distance of a 545.78 feet to a calculated point on the arc of a curve to the right,
7. With said curve to the right, an arc distance of 178.93 feet, having a radius of 1000.00 feet, an angle of 10°15’07", and a chord bearing N46°28’14" W, a distance of 178.69 feet to a calculated point;
8. S44°12’02"W, a distance of 45.39 feet to a calculated point,
9. S31°33’25"W, a distance of 70.21 feet to a calculated point,
10. S39°01’30"W, a distance of 76.09 feet to a calculated point,
11. S46°46’40"W, a distance of 67.44 feet to a calculated point,
12. S64°53’45"W, a distance of 72.82 feet to a calculated point,
13. S71°08’35"W, a distance of 59.54 feet to a calculated point,
14. S57°09’17"W, a distance of 78.76 feet to a calculated point,
15. S49°54’54"W, a distance of 68.32 feet to a calculated point,
16. S72°24’23"W, a distance of 49.18 feet to a calculated point,
17. S18°33’04” W, a distance of 91.21 feet to the POINT OF BEGINNING.

Containing 18.74 acres or 816,302 square feet, more or less.

BEARING BASIS NOTE
This project is referenced for all bearing and coordinate basis to the Texas State Plane Coordinate System NAD 83 (2011 adjustment), South Central Zone (4204).

Robert J. Gertson, RPLS
Texas Registration No. 6367
Atwell, LLC
805 Las Cimas Parkway, Suite 310
Austin, Texas 78746
Ph. 512-904-0505
TBPLS Firm No. 10193726

03/30/2022
## Summary

<table>
<thead>
<tr>
<th>Request:</th>
<th>Zoning change from CD-5 to LI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant:</td>
<td>Westwood Professional Services 8701 N. Mopac Expy, Suit 320 Austin, TX 78759</td>
</tr>
<tr>
<td>Property Owner:</td>
<td>Walton Texas LP 8800 N Gainey Center Dr, Suite 345 Scottsdale, TX 85258</td>
</tr>
</tbody>
</table>

## Notification

| Application: | 10/17/2023 |
| Neighborhood Meeting: | N/A |
| Published: | 11/22/2023 |
| # of Participants | N/A |
| Posted: | 11/22/2023 |
| Personal: | 10/25/2023 |
| Response: | None as of the date of this report |

## Property Description

| Legal Description: | approximately 18.84 acres of land out of the John H Yearby Survey |
| Location: | 3300ft East of IH 35 near Centerpoint Road |
| Acreage: | 18.84 acres |
| PDD/DA/Other: | N/A |
| Existing Zoning: | CD-5 |
| Proposed Zoning: | LI |
| Existing Use: | Vacant |
| Proposed Use: | Same |
| Existing Occupancy: | Restrictions Do Not Apply |
| Occupancy: | N/A |
| Preferred Scenario: | Medium Intensity Zone |
| Proposed Designation: | Same |
| CONA Neighborhood: | N/A |
| Sector: | 5 |
| Utility Capacity: | Extension Required at Developer’s Expense |
| Floodplain: | No |
| Historic Designation: | N/A |
| My Historic SMTX Resources Survey: | No |

## Surrounding Area

| North of Property: | Community Commercial (CC) | Single-Family (Millbrook Park) | Medium Intensity Zone |
| South of Property: | Light Industrial (LI) | Vacant/Undeveloped | Medium Intensity Zone |
| East of Property: | Light Industrial (LI) | Vacant/Undeveloped | Medium Intensity Zone |
| West of Property: | General Commercial (GC) | Hotel (La Quinta Inn & Suites) | Medium Intensity Zone |

## Staff Recommendation

- **X** Approval as Submitted
- Alternate Approval
- Denial

| Staff: | Kaitlyn Buck |
| Title: | Planner |
| Date: | 11/08/2023 |
Zoning Request  
Centerpoint Road  
ZC-23-24  
CD-5 to LI

**Commission Recommendation**

<table>
<thead>
<tr>
<th></th>
<th>Approval as Submitted</th>
<th>Approval with Conditions / Alternate</th>
<th>Denial</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Speakers in favor or opposed**

Clayton Strolle (applicant) – in favor  
Lisa Marie Coppola – general comment

**Recommendation from the Planning and Zoning Commission Meeting held December 12, 2023:**

A motion was made by Commissioner Agnew, second by Commissioner Burleson to recommend approval of the request.  
The vote passed with a 9-0 vote

- **For:** (9) Chairperson Garber, Commissioner Agnew, Commissioner Costilla, Commissioner Kelsey, Commissioner Burleson, Commissioner Meeks, and Commissioner Spell, Commissioner Case and Commissioner Rockeymoore  
- **Against:** (0)  
- **Absent:** (0)

**Discussion Topics:**

- **Property Ownership** – Commissioner Spell asked the applicant if they owned the surrounding properties. The applicant responded they own the adjacent property to the East that is currently zoned Light Industrial, but they do not own the property to the West that is currently zoned Smart Code.  
- **Future Plans for the Property** – Commissioner Spell asked the applicant what the overall plans for the property will be. The applicant indicated the need for the zone change to light industrial is to get a better site plan, movement, and flow through the property.  
- **Clarification on the Staff Report** - Commissioner Agnew asked for clarification from staff regarding the Criteria for Approval (Sec.2.5.1.4). Commissioner Agnew disagreed with staff on whether there is a need for the proposed use at the proposed location. Agnew indicated it should be marked consistent since the surrounding zoning district is light industrial.

**History**

The property was zoned smart code “SC” circa 2013. In September of 2022 City Council approved a zone change from smart code “SC” to character district 5 “CD-5”.

**Additional Analysis**

The property is currently undeveloped, and the applicant wishes to rezone to light industrial “LI” to align with adjacent parcels.

**Comments from Other Departments**

<table>
<thead>
<tr>
<th>Department</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police</td>
<td>No Comment</td>
</tr>
<tr>
<td>Fire</td>
<td>No objections to zoning change</td>
</tr>
<tr>
<td>Public Services</td>
<td>No Comment</td>
</tr>
<tr>
<td>Engineering</td>
<td>No Comment</td>
</tr>
<tr>
<td>Evaluation</td>
<td>Criteria for Approval (Sec.2.5.1.4)</td>
</tr>
<tr>
<td>------------</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td>Consistent</td>
<td>Inconsistent</td>
</tr>
<tr>
<td><strong>X</strong></td>
<td>Whether the proposed zoning map amendment implements the policies of the adopted Comprehensive Plan and preferred scenario map. <strong>Light Industrial, is not preferred within a medium intensity zone.</strong></td>
</tr>
<tr>
<td><strong>N/A</strong></td>
<td>Whether the proposed zoning map amendment is consistent with any adopted small area plan or neighborhood character study for the area. <strong>Studies were not complete at the time of the request.</strong></td>
</tr>
<tr>
<td><strong>X</strong></td>
<td>Whether the proposed zoning map amendment implements the policies of any applicable plan adopted by City Council.</td>
</tr>
<tr>
<td><strong>N/A</strong></td>
<td>Whether the proposed zoning map amendment is consistent with any applicable development agreement in effect.</td>
</tr>
<tr>
<td><strong>X</strong></td>
<td>Whether the uses permitted by the proposed change in zoning district classification and the standards applicable to such uses shall be appropriate in the immediate area of the land to be reclassified. <strong>The subject parcel is surrounded by light industrial zoning on 3 sides.</strong></td>
</tr>
<tr>
<td><strong>X</strong></td>
<td>Whether the proposed zoning will reinforce the existing or planned character of the area.</td>
</tr>
<tr>
<td><strong>X</strong></td>
<td>Whether the site is appropriate for the development allowed in the proposed district.</td>
</tr>
<tr>
<td><strong>X</strong></td>
<td>Whether there are substantial reasons why the property cannot be used according to the existing zoning. <strong>Staff has not identified any reasons why the property cannot be used in accordance with Character District 5 regulations.</strong></td>
</tr>
<tr>
<td><strong>X</strong></td>
<td>Whether there is a need for the proposed use at the proposed location. <strong>There is a ~200acre parcel adjacent to the subject parcel that is already zoned light industrial. CD-5 zoning would provide an opportunity to serve the surrounding Light Industrial uses with retail, services, and commercial uses.</strong></td>
</tr>
<tr>
<td><strong>X</strong></td>
<td>Whether the City and other service providers will be able to provide sufficient public facilities and services including schools, roads, recreation facilities, wastewater treatment, water supply and stormwater facilities, public safety, and emergency services, while maintaining sufficient levels of service to existing development. <strong>The property will be served with City water/wastewater and Bluebonnet will provide electric service.</strong></td>
</tr>
<tr>
<td><strong>X</strong></td>
<td>Whether the proposed rezoning will have a significant adverse impact on property in the vicinity of the subject property.</td>
</tr>
<tr>
<td><strong>N/A</strong></td>
<td>For requests to a Neighborhood Density District, whether the proposed amendment complies with the compatibility of uses and density in Section 4.1.2.5.</td>
</tr>
<tr>
<td><strong>X</strong></td>
<td>The impact the proposed amendment has with regard to the natural environment, including the quality and quantity of water and other natural resources, flooding, and wildlife management. <strong>The site is not encumbered by any significant environmental constraints.</strong></td>
</tr>
<tr>
<td><strong>X</strong></td>
<td>Any other factors which shall substantially affect the public health, safety, morals, or general welfare.</td>
</tr>
</tbody>
</table>
This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Date: 11/21/2023
This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Date: 11/22/2023
This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Date: 11/22/2023
This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Date: 11/22/2023
Figure 112: SMFD 8-Minute Effective Response Force

*Six fire stations with Station 2 relocated to Centerpoint, and Station 6 at Old Bastrop west of Posey with minimum staffing of 20 personnel.*

ZC-23-24 APPROXIMATE LOCATION
This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Date: 11/21/2023
Notice of Public Hearing  
Zoning Change Request  
“CD-5” Character District-5 to “LI” Light Industrial  
Approximately 3300ft East of IH 35 along Centerpoint Road

ZC-23-24 (Centerpoint Road CD-5 to Li) Hold a public hearing and consider a request by Westwood Professional Services, on behalf of Walton Texas LP, for a Zoning Change from Character District-5 (CD-5) to Light Industrial (LI), or, subject to consent of the owner, another less intense zoning district classification, for approximately 18.84 acres of land out of the John H Yearby Survey, generally located 3300 feet East of IH 35 along Centerpoint Road. (K. Buck)

The San Marcos Planning and Zoning Commission will consider the above request at an upcoming public hearing to obtain citizen comments and will recommend approval, or denial of the request. This recommendation will be forwarded to the San Marcos City Council. Before making a final decision, the Council will hold a public hearing to obtain citizen comments. Because you are listed as the owner of property located within 400 feet of the subject property, we would like to notify you of the following public hearings and seek your opinion of the request:

- A public hearing will be held at the hybrid, virtual / in-person, Planning and Zoning Commission Meeting on **Tuesday, December 12, 2023**, at 6:00 p.m. in the City Council Chambers, 630 E. Hopkins. One may watch the public hearing on Grande channel 16, Spectrum channel 10, or by using the following link: [http://sanmarcostx.gov/541/PZ-Video-Archives](http://sanmarcostx.gov/541/PZ-Video-Archives). Or email planninginfo@sanmarcostx.gov or call 512-393-8230 to request a link or phone number to participate in the public hearing virtually by computer, mobile device, or phone.

- A public hearing will be held at the hybrid, virtual / in-person, City Council Meeting on **Tuesday, January 16, 2024**, at 6:00 p.m. in the City Council Chambers, 630 E. Hopkins. One may watch the public hearing on Grande channel 16, Spectrum channel 10, or by using the following link: [https://sanmarcostx.gov/Videos](https://sanmarcostx.gov/Videos). Or sign up at: [www.sanmarcostx.gov/citizencommentsignup](http://www.sanmarcostx.gov/citizencommentsignup) or call 512-393-8090 to request a link to participate in the public hearing virtually by computer, mobile device, or phone.

Public Hearings will be a hybrid of in-person and virtual meetings. All interested citizens are invited to attend in person, but are encouraged to watch or participate in the public hearing virtually by the means described above. If you cannot participate in the public hearing of the Planning and Zoning Commission or the City Council, but wish to comment, you may write to the below address. **All written comments and requests to participate must be received before 12 PM on the day of the meeting.**

**For Planning & Zoning Commission:**  
Planning and Development Services  
630 East Hopkins  
San Marcos, TX 78666  
planninginfo@sanmarcostx.gov

**For City Council:**  
www.sanmarcostx.gov/citizencommentsignup

For more information regarding this request, contact the case manager, Kaitlyn Buck, at 512.393.8234 or kbuck@sanmarcostx.gov. When calling, please refer to case number **ZC-23-24**.

The City of San Marcos does not discriminate on the basis of disability in the admission or access to its services, programs, or activities. Individuals who require auxiliary aids and services for this meeting should contact the City of San Marcos ADA Coordinator at 512-393-8000 (voice) or call Texas Relay Service (TRS) by dialing 7-1-1. Requests can also be faxed to 512-393-8074 or sent by e-mail to [ADArequest@sanmarcostx.gov](mailto:ADArequest@sanmarcostx.gov)

PLANNING AND DEVELOPMENT SERVICES

CITY HALL ● 630 EAST HOPKINS ● SAN MARCOS, TEXAS 78666 ● 512.393.8230  
SANMARCOSTX.GOV
# Notification List

<table>
<thead>
<tr>
<th>Property ID</th>
<th>Owner Name</th>
<th>Owner Address</th>
<th>Owner City/State/Zip</th>
<th>Site Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>19162</td>
<td>WALTON TEXAS LP</td>
<td>8800 N GAINEY CENTER DR, STE 345</td>
<td>SCOTTSDALE, AZ 85258-2124</td>
<td>CENTERPOINT RD, SAN MARCOS, TX 78666</td>
</tr>
<tr>
<td></td>
<td>Roland Saucedo</td>
<td>211 Ebony</td>
<td>SAN MARCOS, TX 78666</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Michael Adams</td>
<td>106 Losoya Drive</td>
<td>SAN MARCOS, TX 78666</td>
<td></td>
</tr>
<tr>
<td></td>
<td>CONA Rep Amy Thomaides</td>
<td>1131 W. MLK St</td>
<td>SAN MARCOS, TX 78666</td>
<td></td>
</tr>
</tbody>
</table>
CD-5

**SECTION 4.4.3.6 CHARACTER DISTRICT - 5**

**General Description**
The CD-5 district is intended to provide for a variety of residential, retail, service and commercial uses. To promote walkability and compatibility, auto-oriented uses are restricted. CD-5 promotes mixed use and pedestrian-oriented activity.

**Density**
Impervious Cover 100% max.

**Transportation**
- Block Perimeter: 2,000 ft. max (Section 3.6.2.1)
- Streetscape Type: Main Street Multi-Way (Section 3.8.1.6, Section 3.8.1.9)

**Building Types Allowed**
- Accessory Dwelling (Section 4.4.5.1)
- Townhouse (Section 4.4.5.6)
- Apartment (Section 4.4.5.9)
- Live/Work (Section 4.4.5.10)
- Mixed Use Shopfront (Section 4.4.5.13)
- Civic Building (Section 4.4.5.14)
### Building Standards

<table>
<thead>
<tr>
<th>Building Type</th>
<th>Lot Area</th>
<th>Lot Width</th>
</tr>
</thead>
<tbody>
<tr>
<td>Townhouse</td>
<td>1,500 sq. ft.  min.</td>
<td>15 ft. min.</td>
</tr>
<tr>
<td>Apartment Building</td>
<td>2,000 sq. ft.  min.</td>
<td>20 ft. min.</td>
</tr>
<tr>
<td>Live/Work</td>
<td>1,100 sq. ft.  min.</td>
<td>15 ft. min.</td>
</tr>
<tr>
<td>Mixed Use Shopfront</td>
<td>2,000 sq. ft.  min.</td>
<td>20 ft. min.</td>
</tr>
<tr>
<td>Civic Building</td>
<td>2,000 sq. ft.  min.</td>
<td>20 ft. min.</td>
</tr>
</tbody>
</table>

* Alternative Compliance available (see Section 4.3.4.4 or Section 4.3.4.6)

### Lot

<table>
<thead>
<tr>
<th>Building Type</th>
<th>Lot Area</th>
<th>Lot Width</th>
</tr>
</thead>
<tbody>
<tr>
<td>Townhouse</td>
<td>1,500 sq. ft. min.</td>
<td>15 ft. min.</td>
</tr>
<tr>
<td>Apartment Building</td>
<td>2,000 sq. ft. min.</td>
<td>20 ft. min.</td>
</tr>
<tr>
<td>Live/Work</td>
<td>1,100 sq. ft. min.</td>
<td>15 ft. min.</td>
</tr>
<tr>
<td>Mixed Use Shopfront</td>
<td>2,000 sq. ft. min.</td>
<td>20 ft. min.</td>
</tr>
<tr>
<td>Civic Building</td>
<td>2,000 sq. ft. min.</td>
<td>20 ft. min.</td>
</tr>
</tbody>
</table>

### Parking Location

<table>
<thead>
<tr>
<th>Layer (Section 4.3.3.1)</th>
<th>Surface</th>
<th>Garage</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Layer</td>
<td>Not Allowed</td>
<td>Not Allowed</td>
</tr>
<tr>
<td>Second Layer</td>
<td>Allowed along secondary street only</td>
<td>Not Allowed</td>
</tr>
<tr>
<td>Third Layer</td>
<td>Allowed</td>
<td>Allowed</td>
</tr>
</tbody>
</table>

### Build-to Zone (BTZ)

| Building Facade in primary street | 80% min. |
| Building Facade in secondary street | 60% min. |

### Durable Building Material Area

| Primary Material | 80% min. |
| Secondary Material | 20% max. |
| Blank Wall Area   | 25 ft. max. |

### Setbacks - Principal Building

| Primary Street     | 0 ft. min./12 ft. max. |
| Secondary Street   | 0 ft. min./12 ft. max. |
| Side               | 0 ft. min. |
| Rear               | 0 ft. min. |
| Rear, abutting alley | 3 ft. min. |

### Setbacks - Accessory Structure

| Primary Street     | 20 ft. plus principal structure setback min. |
| Secondary Street   | 20 ft. plus principal structure setback min. |
| Side               | 0 ft. min. |
| Rear               | 3 ft. min. or 15 ft. from centerline of alley |
SECTION 4.4.4.3 LIGHT INDUSTRIAL

DISTRICT INTENT STATEMENTS
LI is intended to accommodate manufacturing and light industrial uses in order promote economic viability, encourage employment growth, and limit the encroachment of non-industrial development within established industrial areas. Development should be operated in a relatively clean and quiet manner, and should not be obnoxious to nearby residential or commercial uses.

DENSITY
Impervious Cover  
80% max.

TRANSPORTATION
Block Perimeter  
5,000 ft. max.  
Section 3.6.2.1

Streetscape Type  
Conventional  
Section 3.8.1.7

BUILDING TYPES ALLOWED
General Commercial  
Section 4.4.6.12

Civic Building  
Section 4.4.6.14

BUILDING STANDARDS
Principle Building Height  
4 stories max.  
62 ft. max.

Accessory Structure Height  
N/A  
24 ft. max.
### Lot

<table>
<thead>
<tr>
<th>Building Type</th>
<th>Lot Area</th>
<th>Lot Width</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Commercial</td>
<td>7,000 sq. ft. min.</td>
<td>70 ft. min.</td>
</tr>
<tr>
<td>Civic Building</td>
<td>7,000 sq. ft. min.</td>
<td>70 ft. min.</td>
</tr>
</tbody>
</table>

### Setbacks - Principal Building

- **Primary Street**: 20 ft. min.
- **Secondary Street**: 20 ft. min.
- **Side**: 20 ft. min.
- **Rear**: 20 ft. min.

### Setbacks - Accessory Structure

- **Primary Street**: 50 ft. min.
- **Secondary Street**: 20 ft. min.
- **Side**: 5 ft. min.
- **Rear**: 5 ft. min.

### Parking Location

<table>
<thead>
<tr>
<th>Layer (Section 4.3.3.1)</th>
<th>Surface</th>
<th>Garage</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Layer</td>
<td>Allowed</td>
<td>Allowed</td>
</tr>
<tr>
<td>Second Layer</td>
<td>Allowed</td>
<td>Allowed</td>
</tr>
<tr>
<td>Third Layer</td>
<td>Allowed</td>
<td>Allowed</td>
</tr>
</tbody>
</table>

### Durable Building Material and Blank Wall Area

- **Primary Material**: 70% min.
- **Secondary Material**: 30% max.
- **Blank Wall Area**: 50 ft. max.
### Table 5.1 Land Use Matrix

#### Types of Land Uses

<table>
<thead>
<tr>
<th>AGRICULTURAL USES</th>
<th>CONVENTIONAL RESIDENTIAL</th>
<th>NEIGHBORHOOD DENSITY DISTRICTS</th>
<th>CHARACTER DISTRICTS</th>
<th>SPECIAL DISTRICTS</th>
<th>DEFINITION USE STANDARDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barns or agricultural buildings</td>
<td>P L -- --</td>
<td>-- -- -- -- --</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Stables</td>
<td>P L -- --</td>
<td>-- -- -- -- --</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Community Garden</td>
<td>P P L L</td>
<td>L L L L</td>
<td>P P L L</td>
<td>L L</td>
<td>P P P</td>
</tr>
<tr>
<td>Urban Farm</td>
<td>P C C C</td>
<td>C C L L</td>
<td>C P L L L</td>
<td>C</td>
<td>P</td>
</tr>
<tr>
<td>Plant Nursery</td>
<td>L -- -- --</td>
<td>-- -- -- --</td>
<td>P</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

#### Accessory Uses and Structures

<table>
<thead>
<tr>
<th>ACCESSORY USES AND STRUCTURES</th>
<th>CONVENTIONAL RESIDENTIAL</th>
<th>NEIGHBORHOOD DENSITY DISTRICTS</th>
<th>CHARACTER DISTRICTS</th>
<th>SPECIAL DISTRICTS</th>
<th>DEFINITION USE STANDARDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accessory Building/Structure</td>
<td>P P P P</td>
<td>P P -- -- --</td>
<td>P P P P</td>
<td>P P P P</td>
<td>P P P P</td>
</tr>
<tr>
<td>Accessory Dwelling Unit</td>
<td>L L L L</td>
<td>L L L L</td>
<td>--</td>
<td>P L L</td>
<td>P P P</td>
</tr>
<tr>
<td>Accessory Use, except as listed below:</td>
<td>P P P P</td>
<td>P P P P</td>
<td>P P P</td>
<td>P P P</td>
<td>P P P</td>
</tr>
<tr>
<td>Outdoor Storage</td>
<td>-- -- -- --</td>
<td>-- -- -- --</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Outdoor Display</td>
<td>-- -- -- --</td>
<td>-- -- -- --</td>
<td>L</td>
<td>--</td>
<td>L L</td>
</tr>
<tr>
<td>Food Truck</td>
<td>-- -- -- --</td>
<td>-- -- -- --</td>
<td>P</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Drive-thru or Drive-in</td>
<td>-- -- -- --</td>
<td>-- -- -- --</td>
<td>C</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Home Occupation</td>
<td>L L L L</td>
<td>L L L L</td>
<td>-- --</td>
<td>L L L</td>
<td>--</td>
</tr>
<tr>
<td>Family Home Care</td>
<td>P P P P</td>
<td>P P P P</td>
<td>--</td>
<td>P P P</td>
<td>--</td>
</tr>
<tr>
<td>Short Term Rental</td>
<td>L L L L</td>
<td>L L L L</td>
<td>P --</td>
<td>L L L</td>
<td>P P P</td>
</tr>
</tbody>
</table>

#### Residential Uses

<table>
<thead>
<tr>
<th>RESIDENTIAL USES</th>
<th>CONVENTIONAL RESIDENTIAL</th>
<th>NEIGHBORHOOD DENSITY DISTRICTS</th>
<th>CHARACTER DISTRICTS</th>
<th>SPECIAL DISTRICTS</th>
<th>DEFINITION USE STANDARDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Detached / Tiny Home</td>
<td>P L L L</td>
<td>L L L L</td>
<td>--</td>
<td>P L P</td>
<td>--</td>
</tr>
<tr>
<td>Cottage Court</td>
<td>-- -- -- --</td>
<td>-- -- -- --</td>
<td>--</td>
<td>L L</td>
<td>--</td>
</tr>
<tr>
<td>Two Family</td>
<td>-- -- -- --</td>
<td>-- -- -- --</td>
<td>--</td>
<td>L L</td>
<td>--</td>
</tr>
<tr>
<td>Single Family Attached</td>
<td>-- -- -- --</td>
<td>L L L L</td>
<td>L</td>
<td>--</td>
<td>P P P</td>
</tr>
<tr>
<td>Small Multi-Family (up to 9 units)</td>
<td>-- -- -- --</td>
<td>-- -- -- --</td>
<td>--</td>
<td>L L</td>
<td>--</td>
</tr>
<tr>
<td>Courtyard Housing (up to 24 units)</td>
<td>-- -- -- --</td>
<td>-- -- -- --</td>
<td>--</td>
<td>L L</td>
<td>--</td>
</tr>
<tr>
<td>Multi-family (10 or more units)</td>
<td>-- -- -- --</td>
<td>-- -- -- --</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Purpose Built Student Housing</td>
<td>-- -- -- --</td>
<td>-- -- -- --</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Manufactured Home</td>
<td>-- -- -- --</td>
<td>-- -- -- --</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

### Legend

<table>
<thead>
<tr>
<th>P</th>
<th>Permitted Use</th>
<th>L</th>
<th>Limited Use</th>
<th>C</th>
<th>Conditional Use</th>
<th>--</th>
<th>Uses Not Permitted</th>
</tr>
</thead>
</table>

### Character District - 5 vs. Light Industrial

San Marcos Development Code Amended: November 3, 2021
## Table 5.1 Land Use Matrix

<table>
<thead>
<tr>
<th>Types of Land Uses</th>
<th>Conventional Residential</th>
<th>Neighborhood Density Districts</th>
<th>Character Districts</th>
<th>Special Districts</th>
<th>Definition Use Standards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile Home Community / Manufactured Home Park / Tiny Home Village</td>
<td>-- -- -- --</td>
<td>-- -- -- --</td>
<td>-- -- -- --</td>
<td>-- -- -- --</td>
<td>P</td>
</tr>
<tr>
<td>Community Home</td>
<td>L L L L</td>
<td>L L L P</td>
<td>P L P P</td>
<td>P P P P</td>
<td>L</td>
</tr>
<tr>
<td>Fraternity or Sorority Building</td>
<td>-- -- -- --</td>
<td>-- -- -- --</td>
<td>C C</td>
<td>-- -- -- C</td>
<td>P P</td>
</tr>
</tbody>
</table>

### Commercial Uses

| Professional Office                    | -- -- -- -- | -- -- -- -- | L P | -- -- -- -- | L P P P | P -- -- | P | Section 5.1.5.1 |
| Medical, except as listed below:      | -- -- -- -- | -- -- -- -- | L P | -- -- -- -- | L P P P | -- -- -- | P | Section 5.1.5.2 |
| Urgent care, emergency clinic, or hospital | -- -- -- -- | -- -- -- -- | P | -- -- -- -- | P P P P | -- -- -- | P | Section 5.1.5.2 |
| Nursing/ retirement home              | -- -- -- -- | -- -- -- -- | P P | -- -- -- P | P P P | -- -- -- | P | Section 5.1.5.2 |
| Personal Services, except as listed below: | -- -- -- -- | -- -- -- -- | L P | -- -- -- -- | L P P P | -- -- -- | P | Section 5.1.5.3 |
| Animal care (indoor)                  | C -- -- -- | -- -- -- -- | P | -- -- -- -- | P P P | -- -- -- | P | Section 5.1.5.3 |
| Animal care (outdoor)                 | C -- -- -- | -- -- -- -- | -- | -- -- -- -- | -- C | -- -- -- | C | Section 5.1.5.3 |
| Funeral Home                          | -- -- -- -- | -- -- -- -- | -- | -- -- -- -- | -- | C C | P | Section 5.1.5.3 |
| Adult Oriented Businesses             | See Section 18, Article 6 of the City Code |
| All Retail Sales, except as listed below: | -- -- -- -- | -- -- -- -- | L P | -- -- -- -- | L P P P | P -- -- | P | Section 5.1.5.4 |
| Gasoline Sales                        | -- -- -- -- | -- -- -- -- | L | -- -- -- -- | C C P | -- -- | C | Section 5.1.5.4 |
| Truck stop                            | -- -- -- -- | -- -- -- -- | -- | -- -- -- -- | -- L | -- -- | -- | Section 5.1.5.4 |
| Tattoo, body piercing                 | -- -- -- -- | -- -- -- -- | C C | -- -- -- -- | C P P | -- -- | P | Section 5.1.5.4 |
| Building material sales               | -- -- -- -- | -- -- -- -- | C | -- -- -- -- | C C P | P P | P | Section 5.1.5.4 |
| Vehicle Sales/ Rental                 | -- -- -- -- | -- -- -- -- | C | -- -- -- -- | C C P | P P | P | Section 5.1.5.4 |
| Pawnshop                              | -- -- -- -- | -- -- -- -- | C | -- -- -- -- | C P P | P P | P | Section 5.1.5.4 |
| Restaurant/ Bar, as listed below:     | -- -- -- -- | -- -- -- -- | L P | -- -- -- -- | L P P P | P -- -- | P | Section 5.1.5.5 |
| Eating Establishment                  | -- -- -- -- | -- -- -- -- | C C | -- -- -- -- | C | -- -- | C | Section 5.1.5.5 |
| Bar                                   | -- -- -- -- | -- -- -- -- | C | -- -- -- -- | C C C | -- -- | C | Section 5.1.5.5 |
| Mobile Food Court                     | -- -- -- -- | -- -- -- -- | C | -- -- -- -- | P | -- -- | -- | Section 5.1.5.5 |

### Legend

| P | Permitted Use | L | Limited Use | C | Conditional Use | -- | Uses Not Permitted |
# 5.6 Use Regulations

## Character District - 5 vs. Light Industrial

### Table 5.1 Land Use Matrix

<table>
<thead>
<tr>
<th>Types of Land Uses</th>
<th>Conventional Residential</th>
<th>Neighborhood Density Districts</th>
<th>Character Districts</th>
<th>Special Districts</th>
<th>Definition Use Standards</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FD</td>
<td>SF-R</td>
<td>SF-6</td>
<td>SF-4.5</td>
<td>ND-3</td>
</tr>
<tr>
<td>Sale of Alcohol for on premise consumption</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overnight Lodging, as listed below:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bed and Breakfast (up to 8 rooms)</td>
<td>L</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Boutique Hotel (9 - 30 rooms)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hotel/ Motel (more than 30 rooms)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outdoor Recreation, except as listed below:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Golf Course</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Traveler Trailers/ RVs Short Term stays</td>
<td>P</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Shooting Range</td>
<td>C</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Indoor Recreation, except as listed below:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gym/ Health club</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Smoking Lounge</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charitable Gaming Facility</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Event Facility</td>
<td>C</td>
<td>C</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

### Public & Institutional

| Civic, except as listed below:           | P | L | L | L | L | L | L | P | P | L | L | L | P | P | P | P | P | P | P | P | Section 5.1.6.1 |
| Day Care Center                         | C | -- | -- | -- | C | C | C | L | P | -- | C | C | C | L | P | P | -- | -- | -- | P | Section 5.1.6.1 |
| Parks, Open Space, and Greenways        | P | P | P | P | P | P | P | P | P | P | P | P | P | P | P | P | P | P | P | P | Section 5.1.6.2 |
| Major Utilities                         | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | C | C | C | C | -- | Section 5.1.6.3 |
| Antenna                                 | See Section 5.1.6.3D |

### Industrial

| Light Industrial                        |   |   |   |   |   |   |   |   | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | Section 5.1.7.1 |
| Light Manufacturing                      |   |   |   |   |   |   |   |   | C | -- | -- | -- | P | P | P | P | P | P | P | P | P | Section 5.1.7.2 |

### Legend

<table>
<thead>
<tr>
<th>P</th>
<th>L</th>
<th>C</th>
<th>--</th>
<th>Uses Not Permitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permitted Use</td>
<td>Limited Use</td>
<td>Conditional Use</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

San Marcos Development Code  Amended: November 3, 2021
## Table 5.1 Land Use Matrix

<table>
<thead>
<tr>
<th>Types of Land Uses</th>
<th>Conventional Residential</th>
<th>Neighborhood Density Districts</th>
<th>Character Districts</th>
<th>Special Districts</th>
<th>Definition Use Standards</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FD</td>
<td>SF-R</td>
<td>SF-6</td>
<td>SF-4.5</td>
<td>ND-3</td>
</tr>
<tr>
<td>Vehicle Service, as listed below:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Car Wash</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Vehicle repair (minor)</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Vehicle repair (major)</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Warehouse &amp; Distribution</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Waste-Related service</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Wholesale trade</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Self Storage</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Research and Development</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Wrecking/Junk Yard</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

**Legend**

| P | Permitted Use | L | Limited Use | C | Conditional Use | -- | Uses Not Permitted |

(Ord. No. 2020-60, 9-1-2020; Ord. No. 2021-47, 8-3-21)
### Zoning District Comparison Chart

<table>
<thead>
<tr>
<th>Topic</th>
<th>Existing Zoning: Character District – 5 (CD-5)</th>
<th>Proposed Zoning: Light Industrial (LI)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Zoning Description</strong></td>
<td>The CD-5 district is primarily intended to provide a variety of residential, retail, service, and commercial uses. To promote walkability and compatibility, auto-oriented uses are restricted. CD-5 promotes mixed use and pedestrian-oriented activity.</td>
<td>Light Industrial is intended to accommodate manufacturing and light industrial uses in order to promote economic viability, encourage employment growth, and limit the encroachment of non-industrial development within established industrial areas. Development should be operated in a relatively clean and quiet manner and should not be obnoxious to nearby residential or commercial uses.</td>
</tr>
<tr>
<td><strong>Uses</strong></td>
<td>Residential, Commercial, Office, etc. (See Land Use Matrix)</td>
<td>Primarily industrial uses as well as light manufacturing, offices, waste related services, and warehouse and distribution. Examples of light industrial uses include food and beverage products, breweries, contractor storage, dry-cleaning, furniture manufacturing, and welding (See Land Use Matrix)</td>
</tr>
<tr>
<td><strong>Parking Location</strong></td>
<td>No parking in the 1st layer; Parking allowed in 2nd layer along secondary street only</td>
<td>No location standards</td>
</tr>
<tr>
<td><strong>Parking Standards</strong></td>
<td>Dependent upon use</td>
<td>Depends on use.</td>
</tr>
<tr>
<td><strong>Max Residential Units per acre</strong></td>
<td>N/A</td>
<td>N/A - Residential uses are not allowed</td>
</tr>
<tr>
<td><strong>Occupancy Restrictions</strong></td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Landscaping</strong></td>
<td>Tree and shrub requirements</td>
<td>Tree and shrub requirements</td>
</tr>
<tr>
<td><strong>Building Height (max)</strong></td>
<td>2 stories (min), 5 stories (max)</td>
<td>4 stories</td>
</tr>
<tr>
<td></td>
<td>*Additional stories can be allowed by City Council via alternative compliance</td>
<td></td>
</tr>
<tr>
<td><strong>Setbacks</strong></td>
<td>0' minimum/12’ max front, 0’ side, and 0’ rear</td>
<td>20’ minimum front, side, and rear</td>
</tr>
<tr>
<td><strong>Impervious Cover (max)</strong></td>
<td>100%</td>
<td>80%</td>
</tr>
<tr>
<td><strong>Lot Sizes</strong></td>
<td>Allows a variety of lot sizes depending on Building Type with 1,100 sq ft in area and 15’ lot in width being the smallest allowed minimums</td>
<td>Minimum 7,000 sq ft lot area, Minimum 70 ft lot width</td>
</tr>
<tr>
<td>Streetscapes</td>
<td>Main Street: 10' sidewalk, street trees every 35' on center average, 7' planting area between sidewalk and street required</td>
<td>Conventional Street: 6' sidewalk, street trees every 40' on center average, 7' planting area between sidewalk and street required.</td>
</tr>
<tr>
<td>----------------------</td>
<td>-------------------------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Blocks</td>
<td>2,000 ft. block perimeter max</td>
<td>5,000 ft. Block Perimeter max</td>
</tr>
</tbody>
</table>
### Section 4.2.1.2 Building Types Allowed by District

Building types are allowed by district as set forth below.

#### Table 4.10 Building types allowed by district

<table>
<thead>
<tr>
<th>Building Type</th>
<th>FD</th>
<th>CD-2 SF-R</th>
<th>SF-6 SF 4.5</th>
<th>MD-3</th>
<th>ND-3</th>
<th>ND-4</th>
<th>N-CM</th>
<th>CD-3</th>
<th>CD-4</th>
<th>CD-5</th>
<th>CD-5D</th>
<th>HC</th>
<th>LI</th>
<th>HI</th>
<th>CM</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACCESSORY DWELLING UNIT</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
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<td>■</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>House</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>—</td>
<td>■</td>
<td>■</td>
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<td>—</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Cottage Court</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>—</td>
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<tr>
<td>Duplex</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
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<td>—</td>
<td>—</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>ZERO LOT LINE HOUSE</td>
<td>—</td>
<td>—</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>—</td>
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<td>—</td>
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</tr>
<tr>
<td>Townhouse</td>
<td>—</td>
<td>—</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
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<td>■</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SMALL MULTI-FAMILY</td>
<td>—</td>
<td>—</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>—</td>
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<td>—</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Courtyard Housing</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>■</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Apartment</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>■</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Amended: November 3, 2021  San Marcos Development Code
### Table 4.10  Building types allowed by district

<table>
<thead>
<tr>
<th></th>
<th>FD CD-2 SF-R</th>
<th>SF-6 SF 4.5</th>
<th>ND-3</th>
<th>ND-3.5</th>
<th>ND-4</th>
<th>N-CM</th>
<th>CD-3</th>
<th>CD-4</th>
<th>CD-5</th>
<th>CD-5D</th>
<th>HC</th>
<th>LI</th>
<th>HI</th>
<th>CM</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Live/Work</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>Neighborhood Shopfront</strong></td>
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<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Mixed Use Shopfront</strong></td>
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<tr>
<td><strong>General Commercial</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Civic</strong></td>
<td>■ ■ ■ ■ ■ ■ ■</td>
<td>■ ■ ■ ■ ■ ■■</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Legend**

■ = Allowed  
-- = Not Allowed

(Ord. No. 2020-60, 9-1-2020)
**LAND USE** – Preferred Scenario Map / Land Use Intensity Matrix

<table>
<thead>
<tr>
<th></th>
<th>YES</th>
<th>NO (map amendment required)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the request meet the intent of the Preferred Scenario Map and the Land Use Intensity Matrix?</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

**ECONOMIC DEVELOPMENT** – Furthering the goal of the Core 4 through the three strategies

<table>
<thead>
<tr>
<th>STRATEGY</th>
<th>SUMMARY</th>
<th>Supports</th>
<th>Contradicts</th>
<th>Neutral</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preparing the 21st Century Workforce</td>
<td>Provides / Encourages educational opportunities</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Competitive Infrastructure &amp; Entrepreneurial Regulation</td>
<td>Provides / Encourages land, utilities, and infrastructure for business</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>The Community of Choice</td>
<td>Provides / Encourages safe &amp; stable neighborhoods, quality schools, fair wage jobs, community amenities, distinctive identity</td>
<td></td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

**ENVIRONMENT & RESOURCE PROTECTION** – Land Use Suitability & Development Constraints

<table>
<thead>
<tr>
<th></th>
<th>1 (least)</th>
<th>2</th>
<th>3 (moderate)</th>
<th>4</th>
<th>5 (most)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of Overall Constraint</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cultural</td>
<td>X</td>
<td></td>
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<tr>
<td>Edwards Aquifer</td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>Endangered Species</td>
<td>X</td>
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<td></td>
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</tr>
<tr>
<td>Floodplains</td>
<td>X</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Geological</td>
<td>X</td>
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<td></td>
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</tr>
<tr>
<td>Slope</td>
<td>X</td>
<td></td>
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<tr>
<td>Soils</td>
<td>X</td>
<td>X</td>
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<tr>
<td>Vegetation</td>
<td>X</td>
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<tr>
<td>Watersheds</td>
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<tr>
<td>Water Quality Zone</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**ENVIRONMENT & RESOURCE PROTECTION** – Water Quality Model Results

Located in Subwatershed: **York Creek**

<table>
<thead>
<tr>
<th>Modeled Impervious Cover Increase Anticipated for watershed</th>
<th>0-25%</th>
<th>25-50%</th>
<th>50-75%</th>
<th>75-100%</th>
<th>100%+</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The 2013 Comprehensive Plan predicted a 98% increase of impervious cover under the Preferred Scenario of development. Although this may seem alarming, the area is primarily rural, undeveloped, and used for agriculture so any increase in impervious cover will seem high compared to the existing amount of 1% at the time the Comprehensive Plan was adopted.

**NEIGHBORHOODS** – Where is the property located

<table>
<thead>
<tr>
<th>CONA Neighborhood(s):</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neighborhood Commission Area(s):</td>
<td>Sector 5</td>
</tr>
<tr>
<td>Neighborhood Character Study Area(s):</td>
<td>N/A</td>
</tr>
</tbody>
</table>

**PARKS, PUBLIC SPACES AND FACILITIES** – Availability of parks and infrastructure

<table>
<thead>
<tr>
<th>Will Parks and / or Open Space be Provided?</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Will Trails and / or Green Space Connections be Provided?</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Maintenance / Repair Density</th>
<th>Low (maintenance)</th>
<th>Medium</th>
<th>High (maintenance)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wastewater Infrastructure</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Infrastructure</td>
<td></td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

**Public Facility Availability**

<table>
<thead>
<tr>
<th>Parks / Open Space within ¼ mile (walking distance)?</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wastewater service available? <strong>Extensions are required, and developer will provide.</strong></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Water service available? <strong>Extensions are required, and developer will provide.</strong></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

**TRANSPORTATION** – Level of Service (LOS), Access to sidewalks, bicycle lanes and public transportation

<table>
<thead>
<tr>
<th>Existing Daily LOS</th>
<th>Centerpoint Rd</th>
<th>S Old Bastrop Hwy</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing Peak LOS</td>
<td>Centerpoint Rd</td>
<td>S Old Bastrop Hwy</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preferred Scenario Daily LOS</td>
<td>Centerpoint Rd</td>
<td>S Old Bastrop Hwy</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preferred Scenario Peak LOS</td>
<td>Centerpoint Rd</td>
<td>S Old Bastrop Hwy</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sidewalk Availability</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sidewalks are required to be built as part of the development.</strong></td>
<td>YES</td>
<td>NO</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjacent to existing bicycle lane?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjacent to existing public transportation route?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

Notes: The closest CARTS bus route is Route 5, which is the Texas State/Outlet Malls route.
ZONING CHANGE, OVERLAY OR ESTABLISHMENT OF A HISTORIC DISTRICT/LANDMARK APPLICATION

CONTACT INFORMATION

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant’s Name</td>
<td>Clayton Strolle</td>
</tr>
<tr>
<td>Property Owner</td>
<td>Walton Texas LP</td>
</tr>
<tr>
<td>Company</td>
<td>Westwood Professional</td>
</tr>
<tr>
<td>Company</td>
<td>Walton Global</td>
</tr>
<tr>
<td>Applicant’s Mailing Address</td>
<td>8701 N. Mopac Expwy., Suite 320, Austin, Texas</td>
</tr>
<tr>
<td>Owner’s Mailing Address</td>
<td>8800 N. Gainey Center Dr., Suite 345, Scottsdale,</td>
</tr>
<tr>
<td>Applicant’s Phone #</td>
<td>512-485-0891</td>
</tr>
<tr>
<td>Owner’s Phone #</td>
<td>832-699-8328</td>
</tr>
<tr>
<td>Applicant’s Email</td>
<td>clayton.strolle@westwoodp.</td>
</tr>
<tr>
<td>Owner’s Email</td>
<td><a href="mailto:jbuford@walton.com">jbuford@walton.com</a></td>
</tr>
</tbody>
</table>

PROPERTY INFORMATION

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subject Property Address(es)</td>
<td>3,300’ east of IH 35 along Centerpoint Road</td>
</tr>
<tr>
<td>Legal Description</td>
<td>Lot 1 and 3 Block 2 and 1 Subdivision John H. Yearby Survey, Abstract No. 508</td>
</tr>
<tr>
<td>Total Acreage</td>
<td>18.841</td>
</tr>
<tr>
<td>Preferred Scenario Designation</td>
<td></td>
</tr>
<tr>
<td>Existing Land Use(s)</td>
<td>Vacant</td>
</tr>
<tr>
<td>Tax ID #</td>
<td>R 19162</td>
</tr>
<tr>
<td>Existing Zoning</td>
<td>Character District - 5</td>
</tr>
</tbody>
</table>

DESCRIPTION OF REQUEST

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Zoning District(s)</td>
<td>Light Industrial</td>
</tr>
<tr>
<td>Proposed Land Uses / Reason for Change</td>
<td>Industrial / Rezone property to align with adjacent parcels</td>
</tr>
</tbody>
</table>

AUTHORIZATION

I certify that the information on this application is complete and accurate. I understand the fees and the process for this application. I understand my responsibility, as the applicant, to be present at meetings regarding this request.

Filing Fee* $1,000 plus $150 per acre  Technology Fee $15  MAXIMUM COST $5,015

*Existing Neighborhood Regulating Plan Included.

Submittal of this digital Application shall constitute as acknowledgment and authorization to process this request.

APPLY ONLINE – WWW.MYGOVERNMENTONLINE.ORG/

Planning & Development Services • 630 East Hopkins • San Marcos, Texas 78666 • 512-393-8230
I, ________________, (owner name) on behalf of
_____________________________ (company, if applicable) acknowledge that I/we
am/are the rightful owner of the property located at
A0508 A0508 - John H Yearby Survey, ACRES 400.4827 (address).

I hereby authorize ________________ (agent name) on behalf of
Westwood Professional Services (agent company) to file this application for
Rezoning (application type), and, if necessary, to work with
the Responsible Official / Department on my behalf throughout the process.

OWNER: WALTON TEXAS, LP, a Texas limited partnership, on behalf of itself in its capacity as owner and on behalf of all other
owners in its capacity as manager, operator, or agent, as applicable, By: Walton Texas GP, LLC, a Texas limited liability
company, its General Partner, By: Walton International Group, Inc., a Nevada corporation, its Manager

Signature of Owner: ____________________________ Date: 08/02/2023
Printed Name, Title: Todd Woodhead, Vice President

Signature of Agent: ____________________________ Date: 07/31/2023
Printed Name, Title: Clayton Strolle

Form Updated October, 2019
It shall be the responsibility of the applicant to periodically check sign locations to verify that the signs remain in place had have not been vandalized or removed. The applicant shall immediately notify the responsible official of any missing or defective signs. It is unlawful for a person to alter any notification sign, or to remove it while the request is pending. However, any removal or alteration that is beyond the control of the applicant shall not constitute a failure to meet notification requirements. It shall be the responsibility of the applicant to periodically check sign locations to verify that the signs remain in place had have not been vandalized or removed. The applicant shall immediately notify the responsible official of any missing or defective signs. It is unlawful for a person to alter any notification sign, or to remove it while the case is pending; however, any removal or alteration that is beyond the control of the applicant shall not constitute a failure to meet notification requirements.

If, for any reason, more than one notice is required to be published it may be at the expense of the applicant. The renotification fee shall be $150 plus a $15 technology fee.

If, for any reason, more than one notice is required to be mailed it may be at the expense of the applicant. The renotification fee shall be $150 plus a $15 technology fee.

I have read the above statements and agree to the required public notification, as required, based on the attached application. The City’s Planning and Development Services Department staff has my permission to place signs, as required, on the property and I will notify City staff if the sign(s) is/are damaged, moved or removed. I understand the process of notification and public hearing and hereby submit the attached application for review by the City.

Signature: [Signature] Date: 07/31/2023

Clayton Strolle

Print Name: Clayton Strolle

Form Updated March, 2023
EXHIBIT “A”
DESCRIPTION

A 18.74 acres (816,302 square feet), tract of land, lying within the John H. Yearby Survey, Abstract 508, Hays County, Texas, and being a portion of a called 495.23 acre tract, conveyed to Walton Texas, LP in Volume 3822, Page 246, Official Public Records of Hays County, Texas, described as follows:

COMMENCING at a 1/2” iron rod found for an ell corner of said 495.23 acre tract, the western corner of a called 2.183 acre tract, conveyed to Pablo Zapata in Volume 1165, Page 11, Deed Records of Hays County, Texas and also being on the northeastern right of way line of Centerpoint Road, from which a 1/2” iron rod found for the southern corner of said 495.23 acre tract, the eastern corner of a called 1.109 acre tract, conveyed to Fleur Geiger in Document No. 21026919, Official Public Records of Hays County, Texas and also being on the northwestern right-of-way line of South Old Bastrop Highway, bears S64°35’28”E, a distance of 705.63 feet;

THENCE, over and across said 495.23 acre tract, the following seventeen (17) courses and distances:

1. N20°27’56”W, a distance of 3316.61 feet to a calculated point for the POINT OF BEGINNING and the southern corner of the herein described tract,
2. N45°55’13”W, a distance of 631.61 feet to a calculated point for the western corner of the herein described tract,
3. N48°25’30”E, a distance of 1218.78 feet to a calculated point for the northern corner of the herein described tract,
4. S43°16’46”E, a distance of 606.50 feet to a calculated point,
5. S46°41’16”E, a distance of 66.88 feet to a calculated point for the eastern corner of the herein described tract,
6. S34°46’21”W, a distance of a 545.78 feet to a calculated point on the arc of a curve to the right,
7. With said curve to the right, an arc distance of 178.93 feet, having a radius of 1000.00 feet, an angle of 10°15’07”, and a chord bearing N46°28’14” W, a distance of 178.69 feet to a calculated point;
8. S44°12’02”W, a distance of 45.39 feet to a calculated point,
9. S31°33’25”W, a distance of 70.21 feet to a calculated point,
10. S39°01’30”W, a distance of 76.09 feet to a calculated point,
11. S46°46’40”W, a distance of 67.44 feet to a calculated point,
12. S64°53’45”W, a distance of 72.82 feet to a calculated point,
13. S71°08’35”W, a distance of 59.54 feet to a calculated point,
14. S57°09’17”W, a distance of 78.76 feet to a calculated point,
15. S49°54’54”W, a distance of 67.77 feet to a calculated point,
16. S72°24’23”W, a distance of 49.18 feet to a calculated point,
17. S18°33’04” W, a distance of 91.21 feet to the POINT OF BEGINNING.

Containing 18.74 acres or 816,302 square feet, more or less.

BEARING BASIS NOTE
This project is referenced for all bearing and coordinate basis to the Texas State Plane Coordinate System NAD 83 (2011 adjustment), South Central Zone (4204).

Robert J. Gertson, RPLS
Texas Registration No. 6367
Atwell, LLC
805 Las Cimas Parkway, Suite 310
Austin, Texas 78746
Ph. 512-904-0505
TBPLS Firm No. 10193726

03/30/2022
AGENDA CAPTION:
Consider approval of Ordinance 2024-02, on the second of two readings, amending the city’s 2023-2024 Fiscal Year budget to carry forward funds from the 2022-2023 Fiscal Year; to adjust revenue and expenditure accounts in multiple operating, special revenue, internal service, and capital improvement project funds; including procedural provisions; and providing an effective date.

Meeting date: January 30, 2024

Department: Finance Department

Amount & Source of Funding
Funds Required: N/A
Account Number: N/A
Funds Available: N/A
Account Name: N/A

Fiscal Note:
Prior Council Action: N/A

City Council Strategic Initiative: [Please select from the dropdown menu below]
Public Safety, Core Services & Fiscal Excellence
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
Background Information:
This is the first budget amendment for Fiscal Year 2023-2024. During a fiscal year, the purchasing process will begin for certain projects, services, or operational supplies and not be completed until the following fiscal year. The purpose of this budget amendment is to carry forward purchase orders and contracts for goods and services that began in Fiscal Year 2022-2023 and were not received or completed by the end of the fiscal year. It also includes items to adjust revenue and expenditure accounts in multiple operating, special revenue, internal service, and capital improvement project funds.

Carry forward amounts tied to purchase orders and contracts by fund are as follows:

- General Fund - $2,686,681
- Special Revenue - $680,452
- Stormwater - $37,866
- Electric Utility - $775,924
- Water-Wastewater - $627,829
- Resource Recovery - $(9,189)

Cash to fund FY24 CIP by fund are as follows:

- General Fund - $863,000
- Electric Utility - $40,000
- Water-Wastewater - $2,500,000

Below is a table that shows the total requested revenue and expense amendments by Fund. Attachment Exhibit A shows the amount being amended by fund and account and a includes a brief explanation.
**Recommendation:**
City Council approve the ordinance amending the City’s 2023-2024 Fiscal Year budget.

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

**Alternatives:**
N/A

**Council of San Marcos**

**Printed on 1/24/2024**

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ORDINANCE NO. 2024-02

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS AMENDING THE CITY’S 2023-2024 FISCAL YEAR BUDGET TO CARRY FORWARD FUNDS FROM THE 2022-2023 FISCAL YEAR; TO ADJUST REVENUE AND EXPENDITURE ACCOUNTS IN MULTIPLE OPERATING, SPECIAL REVENUE, INTERNAL SERVICE, AND CAPITAL IMPROVEMENT PROJECT FUNDS; INCLUDING PROCEDURAL PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

RECITALS:

In accordance with Section 8.16 of the City Charter, the City Council declares that a public necessity exists that requires an amendment to the City’s 2023 - 2024 Fiscal Year Budget.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

SECTION 1. The City Budget Ordinance for the 2023-2024 Fiscal Year is amended as set forth in the attached Exhibit A, and as summarized by Fund in the following table:

<table>
<thead>
<tr>
<th>FUND</th>
<th>TYPE</th>
<th>ADOPTED FY 2024 BUDGET</th>
<th>REQUESTED AMENDMENTS</th>
<th>REVISED FY 2024 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>GENERAL FUND</td>
<td>Revenue</td>
<td>$111,351,806</td>
<td>$137,791</td>
<td>$111,489,597</td>
</tr>
<tr>
<td>TIRZ 5 - DOWNTOWN</td>
<td>Revenue</td>
<td>$693,181</td>
<td>$(17,624)</td>
<td>$675,557</td>
</tr>
<tr>
<td>ELECTRIC UTILITY FUND</td>
<td>Revenue</td>
<td>$72,749,545</td>
<td>$31,312</td>
<td>$72,780,857</td>
</tr>
<tr>
<td>GENERAL FUND</td>
<td>Expense</td>
<td>$114,880,338</td>
<td>$3,549,681</td>
<td>$118,429,019</td>
</tr>
<tr>
<td>SPECIAL REVENUE</td>
<td>Expense</td>
<td>$10,169,750</td>
<td>$680,452</td>
<td>$10,850,202</td>
</tr>
<tr>
<td>STORMWATER FUND</td>
<td>Expense</td>
<td>$9,440,380</td>
<td>$37,066</td>
<td>$9,478,246</td>
</tr>
<tr>
<td>ELECTRIC UTILITY FUND</td>
<td>Expense</td>
<td>$73,934,172</td>
<td>$815,924</td>
<td>$74,750,096</td>
</tr>
<tr>
<td>WATER- WASTE WATER UTILITY FUND</td>
<td>Expense</td>
<td>$65,200,822</td>
<td>$3,127,829</td>
<td>$68,328,651</td>
</tr>
<tr>
<td>RESOURCE RECOVERY FUND</td>
<td>Expense</td>
<td>$7,243,073</td>
<td>$(9,189)</td>
<td>$7,233,884</td>
</tr>
</tbody>
</table>

TOTAL INCREASE IN REVENUE: $151,479
TOTAL INCREASE IN EXPENDITURES: $8,202,563

SECTION 2. If any word, phrase, clause, sentence, or paragraph of this ordinance is held to be unconstitutional or invalid by a court of competent jurisdiction, the other provisions of this ordinance will continue in force if they can be given effect without the invalid portion.

SECTION 3. All ordinances and resolutions or parts of ordinances or resolutions in conflict with this ordinance are repealed.

SECTION 4. This ordinance will take effect immediately after its passage, approval, and adoption on second reading.

PASSED AND APPROVED on first reading on January 16, 2024

PASSED, APPROVED AND ADOPTED on second reading on January 30, 2024.
Jane Hughson
Mayor

Attest:

Liz Trevino
City Clerk

Approved:

Sam Aguirre
City Attorney
<table>
<thead>
<tr>
<th>FUND / ACCOUNT</th>
<th>DEPARTMENT</th>
<th>INCREASE TO BUDGET</th>
<th>JUSTIFICATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>10000000</td>
<td>GENERAL FUND</td>
<td>137,791</td>
<td>EMBASSY PARKING LOT RE-STRIPING</td>
</tr>
<tr>
<td>14063000</td>
<td>TIRZ 5 - DOWNTOWN</td>
<td>(17,624)</td>
<td>DECREASE TO COUNTY REVENUES</td>
</tr>
<tr>
<td>21000000</td>
<td>ELECTRIC UTILITY FUND</td>
<td>31,312</td>
<td>INCREASE TO INDIRECT COST ALLOCATION</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td><strong>$ 151,479</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FUND / ACCOUNT</th>
<th>DEPARTMENT</th>
<th>INCREASE TO BUDGET</th>
<th>JUSTIFICATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1000101</td>
<td>CITY CLERK</td>
<td>3,181</td>
<td>FY23 BUDGET CARRYFORWARD (CFWD)</td>
</tr>
<tr>
<td>1000102</td>
<td>COUNCIL</td>
<td>23,384</td>
<td>LEGISTAR SOFTWARE REPLACEMENT - IMPL IN PROGRESS</td>
</tr>
<tr>
<td>1000105</td>
<td>FINANCE</td>
<td>42,421</td>
<td>INCR TO 2024 CERTIFIED ALLOCATION SHARE FOR HAYS APPRAISAL DISTRICT</td>
</tr>
<tr>
<td>1000111</td>
<td>HUMAN RESOURCES</td>
<td>83,800</td>
<td>COMP STUDY; HR OFFICE MOVE / EXPANSION - FY23 CONSTRUCTION</td>
</tr>
<tr>
<td>1000117</td>
<td>INFORMATION TECHNOLOGY [IT]</td>
<td>638,018</td>
<td>PROJECT BACKLOG - REPLACEMENT CITY FILE STORAGE ($616K); FY23 BUDGET CARRYFORWARD (CFWD)</td>
</tr>
<tr>
<td>1000120</td>
<td>GEOGRAPHIC INFO SYSTEMS [GIS]</td>
<td>1,932</td>
<td>FY23 BUDGET CARRYFORWARD (CFWD)</td>
</tr>
<tr>
<td>1000132</td>
<td>ENGINEERING</td>
<td>173,349</td>
<td>FY23 BUDGET CARRYFORWARD (CFWD)</td>
</tr>
<tr>
<td>1000133</td>
<td>ECONOMIC DEVELOPMENT</td>
<td>5,000</td>
<td>ESG REPORT REMB</td>
</tr>
<tr>
<td>10001280</td>
<td>GF - SPECIAL SERVICES</td>
<td>1,025,972</td>
<td>FY24 CASH FUND CIP ($86K); AVAYA PHONE UPGRADE ($80K); INCR TO COVER FY24 INCREASED TML-IRP INSURANCE CONTRACT COSTS ($58K); COMMEMORATIVE AIR FORCE MUSEUM (CAF - $25K)</td>
</tr>
<tr>
<td>10002135</td>
<td>FIRE</td>
<td>380,112</td>
<td>FY23 BUDGET CARRYFORWARD (CFWD)</td>
</tr>
<tr>
<td>10002141</td>
<td>POLICE</td>
<td>164,232</td>
<td>FY23 BUDGET CARRYFORWARD (CFWD)</td>
</tr>
<tr>
<td>10003171</td>
<td>PARKS &amp; RECREATION</td>
<td>75,884</td>
<td>FY23 BUDGET CARRYFORWARD (CFWD)</td>
</tr>
<tr>
<td>10003180</td>
<td>FACILITIES &amp; GROUNDS</td>
<td>96,254</td>
<td>FY23 BUDGET CARRYFORWARD (CFWD)</td>
</tr>
<tr>
<td>10003183</td>
<td>ACTIVITY CENTER</td>
<td>74,781</td>
<td>FY23 BUDGET CARRYFORWARD (CFWD)</td>
</tr>
<tr>
<td>10006144</td>
<td>PUBLIC WORKS - ADMIN</td>
<td>598,580</td>
<td>CITY HALL COMPLEX-OFFICE REMOD ($477K); FY23 BUDGET CARRYFORWARD (CFWD)</td>
</tr>
<tr>
<td>10006147</td>
<td>PUBLIC WORKS - TRAFFIC</td>
<td>15,079</td>
<td>FY23 BUDGET CARRYFORWARD (CFWD)</td>
</tr>
<tr>
<td>10006150</td>
<td>PUBLIC WORKS - STREETS</td>
<td>147,702</td>
<td>FY23 BUDGET CARRYFORWARD (CFWD)</td>
</tr>
<tr>
<td><strong>TOTAL GENERAL FUND</strong></td>
<td><strong>$ 3,549,681</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FUND / ACCOUNT</th>
<th>DEPARTMENT</th>
<th>INCREASE TO BUDGET</th>
<th>JUSTIFICATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>12008165</td>
<td>LIBRARY - MEMORIAL</td>
<td>9,616</td>
<td>BALANCE FROM PY ENCUMBRANCE</td>
</tr>
<tr>
<td>12007214</td>
<td>MAIN STREET SPONSORSHIPS</td>
<td>3,500</td>
<td>MAINSTREET BOARD ORIENTATION AND WORKSHOPS</td>
</tr>
<tr>
<td>12004224</td>
<td>CVB</td>
<td>143,071</td>
<td>BALANCE FROM PY ENCUMBRANCE; EMBASSY PARKING LOT RE-STRIPING</td>
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<td>12004226</td>
<td>TOURISM</td>
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<td>GATEWAY MURAL</td>
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<td>64,657</td>
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<td>14063256</td>
<td>TIRZ 5 - DOWNTOWN</td>
<td>155,248</td>
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<td><strong>TOTAL SPECIAL REVENUE FUND</strong></td>
<td><strong>$ 680,452</strong></td>
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<tr>
<td>20006300</td>
<td>ELECTRIC - OPERATIONS</td>
<td>1,022</td>
<td>FY23 BUDGET CARRYFORWARD (CFWD)</td>
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<tr>
<td>20006301</td>
<td>ELECTRIC - OPERATIONS</td>
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<td>EDO ENCUMBRANCES FOR CONTRACT; INCREASE TO INDIRECT COST ALLOCATION</td>
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<td><strong>TOTAL STORMWATER FUND</strong></td>
<td><strong>$ 37,866</strong></td>
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<td>21006322</td>
<td>ELECTRIC - SPECIAL SERVICES</td>
<td>104,051</td>
<td>FY24 CASH FUND CIP ($40K); AVAYA PHONE UPGRADE ($7K); INCR TO COVER FY24 INCREASED TML-IRP INSURANCE CONTRACT COSTS ($57K)</td>
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<td><strong>TOTAL ELECTRIC UTILITY FUND</strong></td>
<td><strong>$ 815,924</strong></td>
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<td>FY23 BUDGET CARRYFORWARD (CFWD)</td>
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<td>22006335</td>
<td>W/WW - SPECIAL SERVICES</td>
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<td>FY24 CASH FUND CIP ($52.5M); AVAYA PHONE UPGRADE ($3K); INCR TO COVER FY24 INCREASED TML-IRP INSURANCE CONTRACT COSTS ($70K); INCREASE TO INDIRECT COST ALLOCATION ($46K)</td>
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<td><strong>TOTAL W/WW UTILITY FUND</strong></td>
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<td>RESOURCE RECOVERY - ADMIN</td>
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<td>INCREASE TO INDIRECT COST ALLOCATION</td>
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<td><strong>TOTAL RESOURCE RECOVERY FUND</strong></td>
<td><strong>$ (9,189)</strong></td>
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**TOTAL INCREASE IN REVENUE** | **$ 151,479** | |
**TOTAL INCREASE IN EXPENDITURES** | **$ 8,202,563** | |
AGENDA CAPTION:
Consider approval of Ordinance 2024-03, on the second of two readings, amending Chapter 82 of the San Marcos City Code to, among other things, define the authority of the city’s Parking Advisory Board, update the list parking violations and associated fines, and allowing for the creation of parking benefit districts; providing a savings clause; providing for the repeal of any conflicting provisions; and providing an effective date.

Meeting date: January 30, 2024

Department: Public Works

Amount & Source of Funding
Funds Required: NA
Account Number: NA
Funds Available: NA
Account Name: NA

Fiscal Note:
Prior Council Action: NA

City Council Strategic Initiative: [Please select from the dropdown menu below]
Mobility & Connectivity
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 - Multimodal transportaion network to improve accessibility and mobility, minimize congestion and reduce pollution
Background Information:
Chapter 82 of the City of San Marcos Code of Ordinances contains all regulations for all parking and enforcement related ordinances. The Parking Advisory Board has made recommendations for changes to the Ordinance and staff has evaluated those recommendations. The Ordinance changes for consideration are a collaborative effort of staff and the Board in an effort to improve parking management for the City. Below is the timeline for this effort and a summary of the changes present in this Ordinance amendment. See PAB recommended amendment for second reading below.

Timeline:
- December 2018: Parking Advisory Board (PAB) established. Charge includes providing recommendations on:
  - Parking and transportation demand management
  - Creation and management of Parking Benefit Districts
  - On-Street, Off-Street, and Permit parking regulations
- April 2022: PAB approved RR 2022-01 PAB.
  - Outlines Board’s intent to request the City Council to authorize modifications to Chapter 82 (TRAFFIC & VEHICLES) where all parking codes resides.
- June 2022: PAB approved recommendations for revisions to Chapter 82.
- June 2023: Staff presented Recommended Resolution 2022-01 to Council for direction.
- December 2023: PAB approved Chapter 82 ordinance revisions.

Summary of Revisions:
- Defines the term “mobility” as the safe and convenient ability of a person or object to move throughout the City in a manner other than automotive traffic.
- Defines City’s parking manager’s roles and responsibilities.
- Makes the City’s traffic register available to the public on the City’s website.
- Revises the penalties for parking violations.
- Provides alternative means to satisfy fines.
- Establishes timeline for future review of penalties structure.
- Provides the process for creating and managing Parking Benefit Districts.
Council Committee, Board/Commission Action:

Parking Advisory Board Recommended Amendment for 2\textsuperscript{nd} Reading: At its January 22 meeting, the PAB recommended adding the following to the list of Level 1 violations: \textit{Non-electric vehicle parked in electric vehicle space without charging}

If the council wishes to add this violation the council may entertain a motion to amend as follows: \textit{I MOVE TO AMEND SECTION 82.159(A)(1) TO ADD NON-ELECTRIC VEHICLE PARKED IN ELECTRIC VEHICLE SPACE WITHOUT CHARGING AS A LEVEL 1 VIOLATION.}

Alternatives:

Click or tap here to enter text.

Recommendation:

Staff recommends amending the ordinance.
ORDINANCE NO. 2024-03

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS AMENDING CHAPTER 82 OF THE SAN MARCOS CITY CODE TO, AMONG OTHER THINGS, DEFINE THE AUTHORITY OF THE CITY’S PARKING ADVISORY BOARD, UPDATE THE LIST PARKING VIOLATIONS AND ASSOCIATED FINES, AND ALLOWING FOR THE CREATION OF PARKING BENEFIT DISTRICTS; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF ANY CONFLICTING PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

SECTION 1. Various sections of Chapter 82 of the San Marcos City Code are amended as set forth below. Added provisions are indicated by underlining. Deleted provisions are indicated by strikethroughs.

SECTION 2. Section 82.001 of the San Marcos City Code is hereby amended by adding the following definition to be inserted in alphabetical order.

Mobility means the safe and convenient ability of a person or object to move throughout the city other than as automotive traffic.

SECTION 3. Chapter 82, Article 2, of the San Marcos City is amended by modifying Division 2 as follows and creating a new Division 2 as provided in Section 4:

DIVISION 2. TRAFFIC CONTROL DEVICES PARKING ADVISORY BOARD AND PARKING MANAGEMENT

Sec. 82.037. Advisory Board.

The Parking Advisory Board, hereinafter referred to as the “board” is created and subject to the rules governing its composition, purposes, duties and affairs under Sections 2.171 through 2.178 of the City Code.

Sec. 82.038. Parking Personnel.

Subject to annual appropriations in the city’s approved budget, the city manager will assign a staff member to serve as a parking mobility manager. The parking mobility manager will make recommendations to or assist the board in formulating proposed new or revised parking regulations and rates consistent with recommendations found in the Kimley-Horn Parking Framework plan or successor plan.

Secs. 82.039-82.065. Reserved.
SECTION 4. A new Division 3 is created by adding the following title immediately preceding Section 82.066:

DIVISION 3. TRAFFIC CONTROL DEVICES

SECTION 5. Section 82.067 of the San Marcos City Code is hereby amended as set forth below.

Sec. 82.067. Traffic register.

The traffic engineer shall develop and maintain a traffic register containing a record of every location in the city where any traffic control device or special regulation is made applicable, whether by ordinance or by the traffic engineer's authority established under this chapter. The traffic register shall be continuously maintained by the traffic engineer, and made publicly available as an interactive map on the city's Open Data Portal or other publicly accessible location on the city's website. The interactive map shall be accompanied by links or references to applicable definitions of each device and regulations. All persons shall be charged with notice of the contents of the traffic register. Defects, omissions, or entries in the traffic register shall not constitute a defense to prosecution for traffic law violations. Whenever any traffic control device or special regulation no longer applies in the city, the record of the location shall remain in the traffic register, but shall be prominently marked "deleted" by the traffic engineer, who shall also note the date of the deletion and the authority therefor.

SECTION 6. Section 82.159 of the San Marcos City Code is hereby amended as set forth below.

Sec. 82.159. Penalties for parking violations.

(a) A person who violates this article shall be liable for a civil penalty (except for disabled parking violations) of not more than $200.00 but not less than the following (except for disabled parking violations) as follows:

(1) Level one violations ($50.00*$20.00)

Parked overtime
Parked within 20 feet of crosswalk
Wheels more than 18 inches from the curb
Parked on wrong side of the street

[If a motion to amend is approved on second reading, then add: Non-electric vehicle parked in electric vehicle space without charging]
Parking within four feet of a residential mailbox during prohibited hours
Parked for sale or repair within the public right-of-way
* For the first Level 1 violation within a 12-month period, a 50 percent discount shall be applied to the penalty if paid within 14 days of the citation.

(2) Level two violations ($100.00 $30.00)

Backed into parking space not designated for back-in parking or parked head-in into a parking space designated for back-in parking
Oversize vehicle in angle parking
Parked for sale or repair
No parking zone
Blocking alley
Blocking crosswalk
Blocking driveway of business or residence
Parked on sidewalk
Double parked
Parked in loading zone
Parked in lane of traffic
Parked in intersection
Large motor vehicle, travel trailer, personal watercraft or boat, either attached or unattached to a motor vehicle on street in a residential area
Vehicle parked across striped parking stall lines

(3) Level three violations ($250.00 $50.00 except as provided below*)

Commercial vehicle, semi-trailer, pole trailer, construction vehicle or farm equipment on street in residential area
Parked in fire zone
Parked within 15 feet of a fire hydrant
Parked in front or side yard or vacant lot
Parked in a bicycle lane

* The full penalty shall be assessed for each additional violation within 12 months of the most recent previous level three violation.

(4) Level four violations ($500.00* $250.00)
Violations regarding disabled parking (Pursuant to Chapter 681 of the Texas Transportation Code)

* In addition to the penalty, all applicable costs of court and related administrative fees as allowed or required by state law shall be assessed.

(b) Any penalty not paid within 45 30 days of the date due is subject to an additional fee of 50 per cent of the original penalty.

(e) The board may recommend and the city manager, in coordination with the municipal court judge, may implement alternative means of satisfying payment of fines or incentives for prompt payment of fines, such as fine reductions for early payment, community service in lieu of payment, or waiver of late charges under an amnesty or similar program.

(f) No less than every three years, Staff shall conduct a comprehensive parking violation rate study. This study shall include, but not be limited to, an assessment of comparable violations in neighboring cities, the cost of enforcement, administrative expenses, and the impact on public safety and traffic management. Following the completion of the rate study the Parking Advisory Board shall review the rate study and make a recommendation to the City Council regarding any proposed parking rates.

SECTION 7. Chapter 82 of the San Marcos City Code is hereby amended by adding a new Article 10 as set forth below.

ARTICLE 10. PARKING BENEFIT DISTRICTS.

Sec. 82.300. Definitions.

In this Article:

(a) City Manager means the city manager or the city manager’s designee.

(b) District means a parking benefit district.

(c) Notice owner means the owner of real property as shown on the records of the tax appraisal district in the county in which the property is located.

Sec. 82.301. Parking benefit district.

A parking benefit district is an area defined by separate ordinance in which a percentage of the funds collected from paid parking spaces within district is used to fund improvements within the district including but not limited to those that:
(a) promote walking, cycling, and public transit use;

(b) enhance the public realm with items such as trees, shade, lighting, and street furnishings; or

(c) improve parking efficiency or availability.

**Sec. 82.302. Requirements.**

(a) A district must include at least 100 potential paid parking spaces.

(b) At the time that a district is created, the required paid parking spaces may include both existing and new spaces.

(c) All combined paid parking space fees within a parking benefit district shall be first expended to defray any ancillary costs associated with parking and parking management within a parking benefit district including the total administrative costs, signage, debt service, and the installation, operation and maintenance of parking management devices and technologies placed in service in a parking benefit district on or after the effective date of designation of the parking benefit district.

(d) No less than 80 percent of paid parking space fees in excess of the total costs identified in Section 82.302(c) shall be applied to the projects recommended by the Parking Advisory Board and subject to council approval. The remaining funds shall be deposited in the City’s General Fund.

(e) The application shall include:

(1) Boundaries of the proposed district identified by streets and static land features;

(2) Justification for the proposed district;

(3) Anticipated parking regulations, including parking rates, permit parking areas, permit parking rates, and time restrictions;

(4) Plans for revenue allocation, including how funds from parking fees and permits will be reinvested in the proposed parkingbenefit district;

(5) Support from affected residents, businesses, and property owners within the proposed district; and
(6) Visual representation or map of the proposed block faces or lots that have paid parking spaces or that are proposed to have paid parking spaces.

Sec. 82.303. Creation.

The city council may request or any city board or commission may recommend that the city council request that the city manager initiate the process to establish a district.

Sec. 82.304. Processing requests to create a district.

(a) The city manager shall review each proposal for the creation of a district or the modification of an existing district submitted under Section 82.303.

(b) The city manager shall provide the Parking Advisory Board with a recommendation on the application.

(c) The Parking Advisory Board shall hold a public hearing after the proposal is submitted to the manager and shall submit a recommendation on the application to the council.

(d) The council shall hold a public hearing and consider the recommendation of the board before adopting an ordinance for the creation of a proposed district or the modification of an existing district.

Sec. 82.305. Public Hearing Notice.

(a) The city manager shall give notice of a public hearing before the Parking Advisory Board by mailing notice not later than the 11th day before the date of the hearing to the:

(1) notice owner of real property located within the proposed district; and

(2) utility account addresses as shown in the City utility record son the date of the filing of the application that are located within the proposed district;

(b) The city manager shall give notice of a public hearing before the council by mailing notice not later than the 16th day before the date of the hearing to the:

(1) notice owner of real property located within the proposed district; and
(2) utility account addresses as shown in the City utility records on the date of the filing of the application that are located within the proposed district.

(c) Notice provided under this section must:

(1) describe the subject matter of the public hearing;

(2) identify the boundaries of the proposed district;

(3) identify the body holding the public hearing and the date, time, and place of the public hearing; and

(4) include the address and telephone number of the city department from which additional information may be obtained.

SECTION 8. In codifying the changes authorized by this ordinance, paragraphs, sections and subsections may be renumbered and reformatted as appropriate consistent with the numbering and formatting of the San Marcos City Code.

SECTION 9. If any word, phrase, clause, sentence, or paragraph of this ordinance is held to be unconstitutional or invalid by a court of competent jurisdiction, the other provisions of this ordinance will continue in force if they can be given effect without the invalid portion.

SECTION 10. All ordinances and resolutions or parts of ordinances or resolutions in conflict with this ordinance are repealed.

SECTION 11. This ordinance will take effect after its passage, approval and adoption on second reading.

PASSED AND APPROVED on first reading on

PASSED, APPROVED AND ADOPTED on second reading on

Jane Hughson
Mayor
ORDINANCE NO. 2024-03

AN ORDINANCE OF THE CITY COUNCIL OF THE OF THE CITY OF SAN MARCOS, TEXAS AMENDING CHAPTER 82 OF THE SAN MARCOS CITY CODE TO, AMONG OTHER THINGS, DEFINE THE AUTHORITY OF THE CITY’S PARKING ADVISORY BOARD, UPDATE THE LIST PARKING VIOLATIONS AND ASSOCIATED FINES, AND ALLOWING FOR THE CREATION OF PARKING BENEFIT DISTRICTS; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF ANY CONFLICTING PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

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Subject to annual appropriations in the city’s approved budget, the city manager will assign a staff member to serve as a parking mobility manager. The parking mobility manager will make recommendations to or assist the board in formulating proposed new or revised parking regulations and rates consistent with recommendations found in the Kimley-Horn Parking Framework plan or successor plan.

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(1) Level one violations ($50.00*20.00)

Parked overtime
Parked within 20 feet of crosswalk
Wheels more than 18 inches from the curb
Parked on wrong side of the street

[If a motion to amend is approved on second reading, then add: Non-electric vehicle parked in electric vehicle space without charging]
Parking within four feet of a residential mailbox during prohibited hours
Parked for sale or repair within the public right-of-way

* For the first Level 1 violation within a 12-month period, a 50 percent discount shall be applied to the penalty if paid within 14 days of the citation.

(2) Level two violations ($100.00 $30.00)

Backed into parking space not designated for back-in parking or parked head-in into a parking space designated for back-in parking
Oversize vehicle in angle parking
Parked for sale or repair
No parking zone
Blocking alley
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Double parked
Parked in loading zone
Parked in lane of traffic
Parked in intersection
Large motor vehicle, travel trailer, personal watercraft or boat, either attached or unattached to a motor vehicle on street in a residential area
Vehicle parked across striped parking stall lines

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Commercial vehicle, semi-trailer, pole trailer, construction vehicle or farm equipment on street in residential area
Parked in fire zone
Parked within 15 feet of a fire hydrant
Parked in front or side yard or vacant lot
Parked in a bicycle lane

* The full penalty shall be assessed for each additional violation within 12 months of the most recent previous level three violation.

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Violations regarding disabled parking (Pursuant to Chapter 681 of the Texas Transportation Code)

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(f) No less than every three years, Staff shall conduct a comprehensive parking violation rate study. This study shall include, but not be limited to, an assessment of comparable violations in neighboring cities, the cost of enforcement, administrative expenses, and the impact on public safety and traffic management. Following the completion of the rate study the Parking Advisory Board shall review the rate study and make a recommendation to the City Council regarding any proposed parking rates.

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(b) The city manager shall give notice of a public hearing before the council by mailing notice not later than the 16th day before the date of the hearing to the:

(1) notice owner of real property located within the proposed district; and
(2) utility account addresses as shown in the City utility records on the date of the filing of the application that are located within the proposed district.

(c) Notice provided under this section must:

(1) describe the subject matter of the public hearing;

(2) identify the boundaries of the proposed district;

(3) identify the body holding the public hearing and the date, time, and place of the public hearing; and

(4) include the address and telephone number of the city department from which additional information may be obtained.

SECTION 8. In codifying the changes authorized by this ordinance, paragraphs, sections and subsections may be renumbered and reformatted as appropriate consistent with the numbering and formatting of the San Marcos City Code.

SECTION 9. If any word, phrase, clause, sentence, or paragraph of this ordinance is held to be unconstitutional or invalid by a court of competent jurisdiction, the other provisions of this ordinance will continue in force if they can be given effect without the invalid portion.

SECTION 10. All ordinances and resolutions or parts of ordinances or resolutions in conflict with this ordinance are repealed.

SECTION 11. This ordinance will take effect after its passage, approval and adoption on second reading.

PASSED AND APPROVED on first reading on January 16, 2024.

PASSED, APPROVED AND ADOPTED on second reading on January 30, 2024.

Jane Hughson
Mayor
<table>
<thead>
<tr>
<th>City</th>
<th>Overstay/Expired Meter</th>
<th>Double Parked</th>
<th>Handicap</th>
<th>Blocking Alley or Driveway</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austin</td>
<td>$30.00</td>
<td>$70.00</td>
<td>$300.00</td>
<td>$40.00</td>
</tr>
<tr>
<td>New Braunfels</td>
<td>Up to $200</td>
<td>Up to $200</td>
<td>Up to $200</td>
<td>Up to $200</td>
</tr>
<tr>
<td>San Antonio</td>
<td>$35.00</td>
<td>$35.00</td>
<td>$230.00</td>
<td>$35.00</td>
</tr>
<tr>
<td>Fredericksburg</td>
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<td>$50.00</td>
<td>$100.00</td>
<td></td>
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<tr>
<td>Waco</td>
<td>$32.00</td>
<td>$102.00</td>
<td>$522.00</td>
<td>$37.00</td>
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<tr>
<td>Denton</td>
<td>Up to $200</td>
<td></td>
<td></td>
<td>Up to $500</td>
</tr>
<tr>
<td>Bastrop</td>
<td>Up to $200</td>
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<td>$500.00</td>
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<tr>
<td>Round Rock</td>
<td>Up to $102</td>
<td></td>
<td></td>
<td>$519.00</td>
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<tr>
<td>Houston</td>
<td>$30.00</td>
<td>$40.00</td>
<td>$500.00</td>
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</tr>
<tr>
<td>Georgetown</td>
<td>Up to $500</td>
<td>Up to $500</td>
<td>Up to $500</td>
<td>Up to $500</td>
</tr>
<tr>
<td>San Marcos (Current)</td>
<td>$20.00</td>
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<td>$250.00</td>
<td>$30.00</td>
</tr>
<tr>
<td>San Marcos (Proposed)</td>
<td>$50.00¹</td>
<td>$100.00</td>
<td>$500.00</td>
<td>$100.00</td>
</tr>
</tbody>
</table>

¹For the 1st violation with a 12-month period, a 50% discount will be applied (payment must be made within 14-days from date of violation)
AGENDA CAPTION:
Consider approval of Ordinance 2024-04, on the second of two readings, amending Section 2.566 of the San Marcos City Code concerning the city manager’s spending authority to remove obsolete provisions related to the COVID-19 pandemic and to clarify the types of agreements to which the city manager’s authority extends; including procedural provisions; and providing an effective date.

Meeting date: January 30, 2024

Department: Engineering/CIP and Legal

Amount & Source of Funding
Funds Required: N/A
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: N/A

City Council Strategic Initiative: [Please select from the dropdown menu below]
N/A
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.
☒ Not Applicable
**Background Information:**
In 2020, the city council approved provisions expanding the city manager’s spending authority in limited circumstances related to the COVID-19 pandemic. These provisions were to remain in effect only for the duration of the declaration of local disaster related to the pandemic which is no longer in effect. The amendment, therefore, removes the obsolete provisions related to the pandemic. In addition, the amendment clarifies that the city manager’s spending authority extends to all spending agreements, including agreements for the purchase of real property interests.

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

**Alternatives:**
Click or tap here to enter text.

**Recommendation:**
Staff recommends approval.
ORDINANCE NO. 2024-04

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS, AMENDING SECTION 2.566 OF THE SAN MARCOS CITY CODE CONCERNING THE CITY MANAGER'S SPENDING AUTHORITY TO REMOVE OBSOLETE PROVISIONS RELATED TO THE COVID-19 PANDEMIC AND TO CLARIFY THE TYPES OF AGREEMENTS TO WHICH THE CITY MANAGER'S AUTHORITY EXTENDS; INCLUDING PROCEDURAL PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

SECTION 1. Section 2.566 of the San Marcos City Code is amended to read as follows. Added text is indicated by underlining. Deleted text is indicated by strikethroughs.

Sec. 2.566. Authority of city manager—Contracts for expenditures; limitation.

(a) Except as otherwise provided in this subsection required by state law, the city manager, or the city manager's designee, is authorized to contract on behalf of the city for the expenditure of city funds or the purchase of goods, and services and real property interests without further city council approval for all budgeted items not exceeding $100,000.00. Except as required by state law the city manager and the city manager's designee(s) are hereby authorized to approve change orders or amendments to city contracts involving increases or decreases of $50,000.00 or less.

(1) For the duration of the declaration of the local state of disaster related to COVID-19 promulgated by Mayor Jane Hughson on March 15, 2020, and extended for an indefinite period by resolution of the city council adopted on March 17, 2020, the city manager is authorized to contract on behalf of the city for the purchase of goods and services necessary for the preservation of the public health, safety and welfare in relation to COVID-19 for all budgeted items not exceeding $500,000.00 without further city council approval, provided such purchases are exempt from the competitive bidding or proposal requirements of V.T.C.A., Local Government Code, Ch. 252 or other applicable laws. The city manager shall notify the city council of any and all expenditures made under this subsection within three days of initiating the purchase.

(b) The city manager is authorized to promulgate purchasing policies and procedures for all purchases made by the city. Through such purchasing
policies, the city manager may delegate his general contracting authority for purchases previously approved by the city council. The city manager may amend these policies from time to time. All these policies shall conform to applicable requirements of the Charter, city ordinances and state laws and are subject to review and approval by the city attorney.

(c) The city manager or designee is authorized to determine the purchase method for goods and services that provides the best value to the city in accordance with state law.

(d) The city manager is authorized to approve change orders in amounts not to exceed $100,000.00 each without the approval of the city council when the city manager deems it necessary to amend contracts previously approved by the city council in order to address a public calamity, to preserve or protect the public health or safety of the city's residents, or because of unforeseen damage to public machinery, equipment or other property. The city manager shall submit a quarterly report to the city council of all change orders in excess of $25,000.00 each that were administratively approved pursuant to the authority granted in this subsection. The general authority granted by this subsection may be suspended or revoked by adoption of a resolution applicable to a particular individual who holds the position or performs the duties of city manager.

SECTION 2. If any word, phrase, clause, sentence, or paragraph of this ordinance is held to be unconstitutional or invalid by a court of competent jurisdiction, the other provisions of this ordinance will continue in force if they can be given effect without the invalid portion.

SECTION 3. All ordinances and resolution or parts of ordinances or resolutions in conflict with this ordinance are repealed.

SECTION 4. This ordinance shall become effective upon adoption.

PASSED AND APPROVED on first reading on January 16, 2024.

PASSED, APPROVED AND ADOPTED on second reading on January 30, 2024.

Jane Hughson
Mayor
ATTEST:

Elizabeth Trevino
City Clerk

APPROVED:

Samuel J. Aguirre
City Attorney
AGENDA CAPTION:
Consider approval of Resolution 2024-07R, approving funding agreements with Operation Triage and Mission Able in the amounts of $400,000.00 each for a total of $800,000.00 from funds received by the City of San Marcos under the American Rescue Plan for the purpose of establishing a Home Repair and Rehabilitation Program to support the recovery of the community; authorizing the City Manager, or her designee, to execute said agreements and any necessary documents on behalf of the city; and declaring an effective date.

Meeting date: January 30, 2024

Department: Neighborhood Enhancement

Amount & Source of Funding
Funds Required: $800,000
Account Number: Click or tap here to enter text.
Funds Available: $800,000
Account Name: Click or tap here to enter text.

Fiscal Note:
Prior Council Action: City Council approved Resolution No. 2023-104R on June 6, 2023 allocating $800,000 of American Rescue Plan funding toward a Home Repair and Rehabilitation Program.

City Council Strategic Initiative: [Please select from the dropdown menu below]
Quality of Life & Sense of Place
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 - Protected Neighborhoods in order to maintain high quality of life and stable property values
Background Information:
The US Treasury launched the Coronavirus State and Local Fiscal Recovery Fund totaling $350B approved through the American Rescue Plan. San Marcos has received an allocation of $18,101,483. The City received half of the funds in June 2021 and the remaining funds in June 2022. Funds must be allocated by 12/31/24 with funds expended by 12/31/26. The first tranche was allocated in 2021, the first round of the second tranche was allocated in 2022, and the remaining funds were allocated in June 2023.

At the June 6, 2023 meeting, City Council allocated $800,000 to a Home Repair and Rehabilitation Program in order to help residents improve their homes. The Resolution will allocate the funding to be split between the following two organizations:

<table>
<thead>
<tr>
<th>Project</th>
<th>ARP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Repair and Rehabilitation</td>
<td></td>
</tr>
<tr>
<td>Operation Triage</td>
<td>$400,000</td>
</tr>
<tr>
<td>Mission Able</td>
<td>$400,000</td>
</tr>
<tr>
<td>Total</td>
<td>$800,000</td>
</tr>
</tbody>
</table>

- **Operation Triage** - Operation Triage will provide home repair and rehabilitation services with the primary focus on veterans.

- **Mission Able** - Mission Able will provide home repair and rehabilitation services with the primary focus on non-veterans.
Staff recommends approval of the Resolution.
RESOLUTION NO. 2024-07R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS APPROVING FUNDING AGREEMENTS WITH OPERATION TRIAGE AND MISSION ABLE IN THE AMOUNTS OF $400,000.00 EACH FOR A TOTAL OF $800,000.00 FROM FUNDS RECEIVED BY THE CITY OF SAN MARCOS UNDER THE AMERICAN RESCUE PLAN FOR THE PURPOSE OF ESTABLISHING A HOME REPAIR AND REHABILITATION PROGRAM TO SUPPORT THE RECOVERY OF THE COMMUNITY; AUTHORIZING THE CITY MANAGER, OR HER DESIGNEE, TO EXECUTE SAID AGREEMENTS AND ANY NECESSARY DOCUMENTS ON BEHALF OF THE CITY; AND DECLARING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. Funding agreements with Operation Triage and Mission Able in the amount of $400,000.00 each, for a total of $800,000.00, using American Rescue Plan funds for establishing a home repair and rehabilitation program are approved.

PART 2. The City Manager, or her designee, is authorized to execute said agreements and related documents on behalf of the city.

PART 3. This resolution will be in full force and effect immediately from and after its passage.

ADOPTED on January 30, 2024.

Jane Hughson
Mayor

Attest:

Elizabeth Trevino
City Clerk
City of San Marcos
Neighborhood Enhancement
630 East Hopkins
San Marcos, Texas 78666

CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS

This contract agreement ("Agreement" or "Contract Agreement") is entered into as of the 16th day of January, 2024 by the City of San Marcos, Neighborhood Enhancement Department (herein referred to as “the City of San Marcos”) and Operation Triage (hereinafter referred to as the “Subrecipient”) in connection with a certain grant and/or loan to Subrecipient under the State and Local Fiscal Recovery Funds ("SLFRF"). The Subrecipient agrees to the terms and conditions of this Agreement to undertake the following: Provide home rehabilitation and repairs so that residents in lower income identified areas (qualified census tracts) can remain in their homes. The program will address roof repair/replacement; heating, ventilation, and air conditioning (HVAC); plumbing and electrical systems; weatherization; elimination of health and safety hazards; provide safety/accessibility improvements for people with disabilities; and repair/replace windows, doors, flooring, and siding, (herein referred to as the “Program”). The Subrecipient shall in a satisfactory manner, to be determined in the sole and exclusive discretion of the City of San Marcos and/or the United States Department of Treasury ("USDT"), perform all obligations and duties as contained in this Agreement and any/all addenda.

This Contract Agreement shall mean this agreement, any and all Exhibits hereto (including but not limited to the Program budget), and any and all loan closing documents executed in connection herewith.

<table>
<thead>
<tr>
<th>Subrecipient:</th>
<th>Operation Triage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization Type:</td>
<td>Non-Profit</td>
</tr>
<tr>
<td>Mailing Address:</td>
<td>158 Louisiana Ave, New Braunfels, TX 78130</td>
</tr>
<tr>
<td>Award Type &amp; Amount (Grant or Loan):</td>
<td>Grant $400,000</td>
</tr>
<tr>
<td>Final Funding Spend Down Date:</td>
<td>December 31st, 2026</td>
</tr>
</tbody>
</table>

1. Time of Performance

The Subrecipient shall commence performance of its obligations under this Contract Agreement on January 16, 2024 and complete the Program no later than December 31st, 2026, (hereinafter referred to as the “Program Expiration Date”).

2. Method of Payment

Payments made by the City of San Marcos to the Subrecipient will be made in the form of both (1) an advance payment of 15% of the total grant contracted amount and (2) reimbursement for monies already spent on eligible Program costs, as discussed in further detail in Section 7 of this Contract Agreement. Within 30 days of receipt of the SLFRF Requisition Form (Exhibit 3), the City of San Marcos will pay out a total of 15% of the total grant contracted amount to the Subrecipient. The City of San Marcos shall make reimbursement payments only after the Subrecipient has submitted to the satisfaction of the City of San Marcos adequate documentation confirming the Subrecipient has spent down the advance payment. All payments are contingent upon Subrecipient’s continued compliance with the provisions set forth in this Contract Agreement and any/all SLFRF Rules and Regulations 31 CFR Part 35, OMB Uniform Guidance 2 CFR Part 200, USDT Requirements, the City of San Marcos SLFRF Policies and Procedures, any applicable local, state, and federal laws, and any applicable USDT and/or City of San Marcos policy memo, regulation, communication or guideline, as the same may be amended from time to time.
3. Funding
It is expressly understood that in no event will the total funding exceed $400,000 unless otherwise mutually agreed upon in writing by amendment to this Contract Agreement. It is expressly understood that funding is contingent upon the City of San Marcos’s receipt of full USDOT federal funding and authorization from USDOT to use funds in support of the Program. Any reduction in federal funding may result in reduction or elimination of funding for this Contract Agreement.

4. SLFR Regulations
The Subrecipient shall conduct all work funded under this Contract Agreement in compliance with the following:

- SLFRF’s Rules and Regulations 31 CFR Part 35, as amended from time to time, and all other federal regulations cited herein;
- OMB Uniform Guidance 2 CFR Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;
- All applicable local, state, and federal laws; and
- Any applicable USDOT and/or City of San Marcos Policy Memos, Regulations, Communications, and guidance.

5. Program Description, Program Schedule, and Scope of Work
The Subrecipient is responsible for completing the Program in accordance with the approved Program Description, Program Schedule and Scope of Work as outlined in Exhibit 1 attached hereto and made a part hereof. In any instance where the Program Description, Program Schedule and/or Scope of Work may be in conflict with other terms of this Contract Agreement, the Contract Agreement will prevail.

If the Subrecipient wishes to amend the Program Description and/or Scope of Work, the Subrecipient shall seek approval from the City of San Marcos in writing prior to undertaking any actions relative to such change. Failure to do so may result in termination of this Contract Agreement at The City of San Marcos’s discretion.

6. Program Budget
An approved budget is incorporated and made a part of this Contract Agreement as attached in Exhibit 2 ("Program Budget"). The City of San Marcos may require a more detailed Program Budget breakdown from time to time. The Subrecipient shall provide such supplementary Program Budget information as required by and on forms provided by the City of San Marcos upon request.

The Subrecipient shall not obligate, encumber, spend or otherwise utilize SLFRF funds for any activity or purpose not included or not in conformance with the Program Budget unless the Subrecipient has received explicit written approval from the City of San Marcos to undertake such actions, including but not limited to, changes between Program Budget categories as follows:

- For the purposes of this Contract Agreement, Program Budget categories include:
  - Non-Administrative Personnel Costs
  - Non-Administrative Office Space Costs
  - Administrative Personnel Costs
  - Program Delivery Costs

- The Subrecipient must submit Program Budget category changes in the same form as originally proposed in the approved Program Budget, accompanied by a letter of justification. Program Budget changes may occur within a Program Budget category without the need for written approval from The City of San Marcos so long as (i) the specific category has been approved; (ii) there is no change to the total Program Budget category amount; and (iii) the changes to the Program Budget are documented.

The Subrecipient acknowledges that this section has no effect upon the Program Description and or Program Schedule. Any amendment to the Program Description and or Program Schedule must be in writing approved by the City of San Marcos as provided for elsewhere in this Contract Agreement.
7. Fund Disbursement

An initial payment of 15% of the total grant contracted amount will be made within 30 days of receipt of the SLFRF Requisition Form (Exhibit 3). Following sufficiently documented spend down of the 15% advance payment, the Subrecipient may request reimbursements as needed by submitting the SLFRF requisition form attached hereto as Exhibit 3 (“Requisition Form”) with backup documentation detailing itemized expenditures by activity and cost categories. The City of San Marcos reserves the right to request additional compliance documentation before disburse funds. Subrecipient must utilize SLFRF Requisition Form for monthly invoices.

Except as otherwise provided in this Agreement, the Subrecipient shall not request disbursement of funds until funds are needed for reimbursement of eligible costs. The amount of each request must be limited to the amount needed and the proposed use of the funds must be documented and in accordance with the Program Budget, and all SLFRF regulations/guidance. Per the Subrecipient, reimbursements must be made within 30 days upon receiving proper documentation and forms, in order to keep the Subrecipient in good standing and in full operation.

In the event the Subrecipient fails to pay contractors, subcontractors, vendors or others with claims against the Program, the City of San Marcos reserves the right to withhold all remaining program funds until payments and/or all conflicts/liens are resolved. The Subrecipient pledges to undertake contracts and subcontracts and manage payments using mechanisms that protect the interests of the Subrecipient and the City of San Marcos, such as retaining portions of contracts until completion and requiring bonds, warranties and insurance as appropriate.

The Subrecipient will obtain competitive pricing quotes or bids for all services, contracts or purchases, in compliance 2 CFR 200.317-326 – Procurement Standards and the Manual.

8. SLFRF Commitment

The City of San Marcos agrees to disburse SLFRF funds subject to the terms and conditions contained in this Contract Agreement. Such disbursements shall not, in the aggregate, exceed that amount designated for total funding listed on page two (2) of this Contract Agreement and as detailed in the Program Budget. In no instance shall the City of San Marcos be liable for any costs incurred in excess of this commitment (hereinafter referred to as the “SLFRF commitment”), nor for any unauthorized or ineligible costs. Expenses that are out of compliance with this Contract Agreement may be determined ineligible and may be subject to repayment and/or recapture by USDT and/or the City of San Marcos.

9. Commencement and Duration

The Subrecipient agrees that the Program shall not commence, nor shall any costs be incurred or obligated, prior to execution of this Contract Agreement unless approved in writing by the City of San Marcos.

The Subrecipient agrees that the Program shall be carried out in accordance with the Program Schedule outlined in Exhibit 2 and the Time of Performance identified on page one (1) of this Contract Agreement.

In no event shall funds be obligated or spent after the Program Expiration Date unless approved in writing by the City of San Marcos.

10. Drug-Free Workplace

The Subrecipient shall comply with the applicable provisions of the Drug-Free Work Place Act of 1988 (Public Law 100-690, Title V, Subtitle D; 41 USC § 701 et seq.) and maintain a drug-free work environment; and the final rule, government-wide requirements for drug-free work place (grants), issued by the Office of Management and Budget and the Department of Defense (32 CFR part 280, subpart F) to implement the provisions of the Drug-Free Work Place Act of 1988 is incorporated by reference and the Subrecipient shall comply with the relevant provisions thereof, including any amendments to the final rule that may hereafter be issued which are made apart of this Contract Agreement.

11. Insurance & Bonding

The Subrecipient shall carry sufficient insurance coverage to protect Contract Agreement assets from loss due to theft, fraud, and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the City of San Marcos. Subrecipient shall provide the City of San Marcos with proof of Commercial General Liability insurance in the amount of one million dollars.
($1,000,000) for each occurrence and One Million Dollars ($1,000,000) in the aggregate for bodily injury and property damage, naming the City of San Marcos, its departments, employees, and/or agents, as additional insureds.

The Subrecipient shall also comply with the bonding and insurance requirements of 2 CFR 200.310- Insurance and 2 CFR 200.326, -Bonding.

12. The City of San Marcos and USDT Recognition

The Subrecipient agrees to recognize the role of the City of San Marcos and USDT in providing assistance pursuant to this Contract Agreement by referencing the support provided in all publications and media efforts that relate to this Program. All activities, facilities and items utilized pursuant to this Contract Agreement shall be prominently labeled as to this funding source.

13. Program Income

Program income includes, but is not limited to, income from fees for services performed, the use of rental or real or personal property acquired under Federal awards and principal and interest on loans made with Federal award funds. Program income does not include interest earned on advances of Federal funds, rebates, credits, discounts, or interest on rebates, credits, or discounts. The Subrecipients of SLFRF funds should calculate, document, and record the program income. Additional controls that your organization should implement include written policies that explicitly identify appropriate allocation methods, accounting standards and principles, compliance monitoring checks for program income calculations, and records. The Subrecipient shall comply with The Uniform Guidance outlines the requirements that pertain to program income at 2 CFR 200.307. Donations and sponsorships of the Mission Able program not directly related to projects funded by SLFRF do not count as program income.

14. Equal Employment Opportunity

During the performance of this Contract Agreement, the Subrecipient must ensure that no otherwise qualified person shall be excluded from participation or employment, denied program benefits, or be subject to discrimination based on race, color, national origin, sex, age, handicap, religion, or religious preference, under any program or activity funded under this Contract Agreement, as required by Title VI of the Civil Rights Act of 1964, the Fair Housing Act (42 USC §§ 3601-29) and all implementing regulations, and the Age Discrimination Act of 1975, and all implementing regulations. The Subrecipient shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include but not be limited to: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Subrecipient shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the government setting forth the provisions of this non-discrimination clause. The Subrecipient shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

15. Contractors and Subcontractors

All work supported under this Contract Agreement must be in compliance with the following regulations:

a. The Copeland Anti-Kickback Act (40 USC, Chapter 3, Section 276c and 18 USC, Part 1, Chapter 41, Section 874; and 29 CFR part 3) requires that workers be paid weekly, that deductions from workers' pay be permissible, and that contractors maintain and submit weekly payrolls. The Contract Work Hours and Safety Standards Act (40 USC, Chapter 5, Sections 326-332; and 29 CFR Part 4, 5, 6 and 8; 29 CFR parts 70 to 240) applies to contracts over $100,000 and requires that workers receive overtime compensation (time and one-half pay) for hours they have worked in excess of 40 hours in one week. Violations under this Act carry a liquidated damages penalty ($10 per day per violation).

b. Executive Order 11246 - Subrecipients hereby agree to place in every contract and subcontract for construction exceeding $10,000 the Notice of Requirement for Affirmative Action to ensure Equal Employment Opportunity. The Subrecipient furthermore agrees to insert the appropriate Goals and Timetables issued by the Department of Labor in such contracts and subcontracts. The Executive Order also requires contractors with 51 or more employees and contracts of $50,000 or more to implement affirmative action plans to increase the participation of minorities and women in the workplace if a
workforce analysis demonstrates their under-representation, meaning that there are fewer minorities and women than would be expected given the numbers of minorities and women qualified to hold the positions available.

c. Environmental Laws—All recipients of subgrants in excess of $150,000 shall comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387).


e. Certain Telecommunications Equipment—Grant funds may not be used to contract, re-contract, procure, or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

f. Domestic Preference—As appropriate and to the extent consistent with law, the subrecipient should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States, as defined by 2 CFR § 200.322(b).

g. Debarred and Suspended Contractors - Subrecipients shall not enter into any agreement, written or oral, with any contractor without the prior determination by the City of San Marcos of the contractor's eligibility. A contractor or subcontractor is not eligible to receive funds if the contractor is listed on the Federal Consolidated List of Debarred, Suspended, and Ineligible Contractors.

The Subrecipient will obtain competitive pricing quotes or bids for all contracts or purchases, in compliance with 2 CFR 200.319.

16. Right to Monitor

The City of San Marcos shall have the right to monitor Subrecipient’s compliance with all applicable SLFRF Program requirements by whatever means the City of San Marcos deems appropriate. This right shall continue throughout and until the City of San Marcos’s grant closeout with USDT or for a 10-year period following the execution of this Contract Agreement, whichever period is longer in duration.

17. Right to Inspect

The City of San Marcos, its agents and designees, shall have the right, from time to time, to inspect the Program site for purposes of ensuring compliance with the terms and conditions of this Contract Agreement and SLFRF’s Rules and Regulations.

Subrecipient agrees to permit the City of San Marcos, its agents and designees (i) to have reasonable access to the SLFRF assisted program meetings or events, and (ii) to examine its books and records, including all financial statements and records, from time to time, insofar as the same may apply to Subrecipient's use of the SLFRF funds. Subrecipient further agrees to furnish such other information to the City of San Marcos, as and when requested, for the purpose of determining Subrecipient's compliance with this Contract Agreement and SLFRF’s Rules and Regulations.

18. Record Retention and Access to Records

Subrecipient agrees that the City of San Marcos, USDT, the Comptroller General of the United States or any of their authorized representatives, has the right to access the Program and any books, documents, papers or other records of Subrecipient or the Program, which are pertinent to this Contract Agreement in order to make audits,
examinations, excerpts or transcripts. Subrecipient will maintain all books and records pertaining to this Contract Agreement throughout and until the City of San Marcos’s grant closeout with USDT or for a 4-year period following the execution of this Contract Agreement, whichever period is longer in duration. The City of San Marcos and the Subrecipient will develop a workflow approval document that will serve as the Master Project Document, and monitor a share drive providing all stakeholders with current and correct progress as to each project undertaken.

19. Limitation of Liability
Subrecipient acknowledges that City of San Marcos shall not be liable to Subrecipient for the completion of, or the failure to complete, any activities, which are a part of the Program contemplated by this Contract Agreement. Subrecipient acknowledges that should the City of San Marcos find a material default or noncompliance with this Contract Agreement, as determined by the City of San Marcos in its sole discretion and, as a result thereof, cease disbursement of SLFRF funds, the City of San Marcos shall incur no liability to Subrecipient.

20. Subrecipient Responsibilities and Indemnification for Non-Compliance
Subrecipient is responsible for performing each and every activity comprising the Program in a manner that complies with all aspects of the SLFRF program and the guidance provided. Subrecipient represents that it has accurately and completely described the Program in its Application and, except as otherwise agreed in writing, is responsible for bearing the full cost and expense of execution thereof and of continued compliance with the SLFRF program. In the event USDT disallows any Program cost paid in whole or in part with SLFRF funds, Subrecipient shall indemnify, defend and hold the City of San Marcos harmless against any resulting loss, including reasonable attorney fees.

21. Indemnification Generally
Subrecipient shall defend, hold harmless and indemnify the City of San Marcos, its agents and assigns, from and against any and all claims, losses, expenses, costs, and/or damages (including, without limitation, out-of-pocket expenses, reasonable attorneys' fees and costs, and other related expenses) arising out of, in connection with, or resulting from the performance contemplated by this Agreement, including but not limited to (i) any injury or damage to persons or property that may occur as a result of work performed in connection with its SLFRF Program, (ii) any third party, including without limitation, development professionals and contractors who may be engaged by Subrecipient; and (iii) any third party claiming that a third party beneficiary relationship has been established between the City of San Marcos and such third party, it being the intention of the parties hereto that no such relationships be created or established.

Subrecipient’s indemnification of the City of San Marcos shall survive the disbursement of any funds hereunder and the termination of this Contract Agreement.

22. No Delegation of Duties
Subrecipient shall remain fully obligated under the provisions of this Contract Agreement notwithstanding its designation of any third party or parties for the undertaking of all or any part of the Program. Any party or parties so designated shall also be obligated to perform such duties under the same restrictions and requirements as if Subrecipient were performing them.

23. Conflicts of Interest
Subrecipient must maintain a written conflict of interest policy governing the performance of all persons engaged in the award and administration of contracts that comply with 2 CFR 200.112 and 2 CFR 200.318 as applicable. No person, employee, agent, consultant, officer, director or elected official or appointed official of Subrecipient who exercises or has exercised any function or responsibilities with respect to activities assisted with SLFRF funds or who is in a position to participate in a decision-making process or to gain inside information with regard to these activities, may obtain a financial interest or benefit from a SLFRF-assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one (1) year thereafter. Subrecipient must provide a copy of its written conflict of interest policy to the City of San Marcos upon its request.

Page 6 of 16

Initials: ___________
The Subrecipient covenants that its employees have no interest and will not acquire an interest, direct or indirect, in the project area or any parcels therein or any other interest which would conflict in any manner or degree with the performance of services hereunder. The Subrecipient further covenants that in the performance of this Contract Agreement, no person having such interest will be employed.

24. Privacy Protection

Subrecipient must establish and adhere to a written policy for the protection of non-public personal information collected in the course of Subrecipient’s activities under this Contract Agreement. The City of San Marcos shall have the right to review this policy and to require additional measures to ensure adequate protection of such private information. Review shall be strictly limited to whether such policy complies with the City of San Marcos requirements. In no event may any statement by the City of San Marcos be construed as an opinion on whether a privacy policy complies with the requirements of any law, regulation, institution, government or court. Nor may any statement by the City of San Marcos be used by Subrecipient for any purpose whatsoever, except as necessary to correct or improve Subrecipient’s practices, without the City of San Marcos’s prior written consent.

25. Minority/Women’s Business Enterprises

The Subrecipient will take all necessary affirmative steps to afford small businesses, minority business enterprises, and women’s business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. Subrecipient agrees to utilize the Texas Comptroller of Public Accounts CMBL/HUB directory to search for businesses in this category.

26. Religious Organizations

Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the SLFRF program. The Subrecipient shall not, in carrying out this Contract Agreement, discriminate against a potential client or tenant or vendor on the basis of religion or religious belief. If the Subrecipient engages in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, or proselytization, the Subrecipient must perform such activities and offer such services outside of any part of this Program and separately, in time and location, from the activities funded under this Contract Agreement.

27. Reliance Upon Information

The commitment of SLFRF funds under this Contract Agreement has been made in part on the basis of certain financial and other information furnished to the City of San Marcos by Subrecipient. SLFRF Funds may be withdrawn or recaptured by SLFRF at any time if the information furnished by Subrecipient should prove to be untrue or incorrect in any material respect, or if SLFRF should determine that it is inadvisable to fund the Program because of a material and adverse change in the condition of Subrecipient and/or the Program as determined by SLFRF in its sole discretion.

28. Programmatic Changes

Subrecipient will promptly notify the City of San Marcos in writing in the event of changes in key personnel and obtain the prior written approval from The City of San Marcos whenever any of the following actions is anticipated: (i) any revision in the scope or objectives of the eligible program activities, including source and use of funds, set forth in the Scope of Work and/or Application; (ii) any revision in the Program Budget between Program Budget categories for the eligible program activities; (iii) any need to extend the period of availability of SLFRF funds; or (iv) obtaining the services of a third party to perform activities which are central to the purposes of this Contract Agreement, which are material to the management or completion of the Program, or which could be construed by The City of San Marcos as an assignment of Subrecipient’s rights and responsibilities under this Contract Agreement. Failure to so notify the City of San Marcos may result in termination of this Contract Agreement.

29. Subrecipient Reporting, Audit, and Record Keeping Requirements

The Subrecipient must retain certain records and must submit to the City of San Marcos quarterly, or at such other intervals as requested, any information, documents or certifications requested by the City of San Marcos which the City of San Marcos deems reasonably necessary to substantiate Subrecipient’s continuing compliance with the
provisions of all applicable SLFRF program rules, guidelines, criteria, and regulations. Reports must be submitted in such format as prescribed by the City of San Marcos. The City of San Marcos shall retain the right to change reporting requirements from time to time as it deems necessary. The City of San Marcos assigns the Director of Neighborhood Enhancement as the point of contact for the program. A shared secure drive shall be established between the two entities to allow the Director of Neighborhood Enhancement to sign off on particular projects as needed.

Subrecipient must maintain records for inspection by the City of San Marcos. These include, but are not limited to:

a. Records of all SLFRF program-related account transactions including deposits, disbursements, and balances.
b. Records supporting requests for payment and disbursement of funds.
c. Records indicating the source and amount of any repayment, interest and other return on investment of SLFRF funds.
d. Records of all written agreements and contracts pertaining to SLFRF Program.
e. Records supporting a competitive bid process of procurement.
f. Audits and resolution of audit findings.
g. Any program fees or program income collected.
h. Efforts to recruit MBEs and WBEs.

The following records and reports must be submitted to the City of San Marcos:

a. Monthly programmatic narrative updates and expense reports with supporting documentation of program expenses.
b. Close out reports shall be submitted no later than 15 days following the final drawdown of SLFRF funds on forms provided by the City of San Marcos.
c. Staff payroll and benefit reports and timesheets.
d. Financial documents, terms of agreement, and contracts upon request.
e. Records of all transactions.
f. Any other program information as requested by the City of San Marcos from time to time.

To ensure continued compliance, the City of San Marcos and the Subrecipient will meet in a monthly formal session with at least two Subrecipient representatives present to review future projects, bid process, work process, WIP and any other business that is associated with this partnership. During this meeting, the City shall review the financial status of all projects and once reviewed, approve the documentation and process for all outstanding undertakings.

30. Close-Outs

The Subrecipient’s obligation to the City of San Marcos shall not end until all close-out requirements are completed. Activities during this close-out period shall include but are not limited to:

a. Making final payments;
b. Disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable) to The City of San Marcos; and
c. Determining custodianship of records.

Notwithstanding the foregoing, the terms of this Contract Agreement shall remain in effect during any period that the Subrecipient has control over SLFRF funds, including program income.

31. Audit Standards

Subrecipient agrees to comply with the audit standards outlined in Subpart F of 2 CFR Part 200-Audit Requirements, and to prepare an audit within two hundred seventy (270) days after the close of any fiscal year in which Subrecipient expends federal awards of at least $750,000 (or such other amount as specified by the Director of the Office of Management and Budget). Audits must comply with the provisions of OMB Uniform Guidance 2 CFR Part 200, must be conducted by an independent certified public accountant (“CPA”), and must include a
management letter and any responses thereto and CPA-prepared financial statements. Such financial statements must include a balance sheet, operating statements, source and use of funds statement, Schedule of Expenditures of Federal Awards and sufficient supporting schedules and notes as may be necessary for the City of San Marcos to determine the financial status of Subrecipient’s activities. If such audit contains material findings, Subrecipient must provide a copy of the audit, together with any comments and plans for correction, to the City of San Marcos. If such audit contains no material findings, Subrecipient is not required to submit a copy to the City of San Marcos unless otherwise required by the terms of this Contract Agreement; provided, however, that upon request Subrecipient must provide a copy of any and all audits performed during the term of this Contract Agreement to the City of San Marcos, USDT, or any designee thereof. Subrecipient acknowledges that, in the event the City of San Marcos requires an audit, SLFRF administrative funds may not be used to offset the costs associated with the audit. Subrecipient assumes full responsibility for compliance with this paragraph.

32. Financial Management System

Subrecipient will establish and maintain a financial management system pursuant to 2 CFR Part 200, Subpart D that will provide for a) accurate, current, and complete disclosure of the financial results of the functions and services performed under this Contract Agreement; and b) record and identify the source and application of funds for the activities, functions and services performed pursuant to this Contract Agreement. These records will contain information pertaining to federal and state funds received, and assets, liabilities, expenditures, and income; c) effective control over and accountability for all funds, property, and other assets. Subrecipient will safeguard all such assets and will assure that they are used solely for authorized purposes as provided in this Contract Agreement; and d) accounting records that are supported by source documentation.

33. Repayment of Investment, Time Limits for Performance,

In the event that the Program is not completed in compliance with the requirements of this Contract Agreement, whether voluntarily or otherwise, an amount equal to the unused SLFRF funds disbursed for the Program must be repaid to the City of San Marcos. Any Program assisted with SLFRF funds that does not meet the national objective as outlined on page 1of this Contract Agreement and as outlined in the Scope of Work will require repayment in full of the SLFRF funds for that Program to the City of San Marcos.

34. Uniform Administrative Requirements

Subrecipients funded under the SLFRF program must comply with applicable uniform administrative requirements as described in 2 CFR Part 200.

35. Subrecipient’s Covenants and Agreements

Subrecipient covenants and agrees with the City of San Marcos as follows:

a. All SLFRF funds shall be allocated to units to be occupied by persons or families meeting the income qualifications required by the SLFRF Rules and Regulations;
b. To complete the program by the program expiration date;
c. To comply with the City of San Marcos’s guidance, OMB Uniform Guidance 2 CFR 200, and the USDT regulations pertaining to the SLFRF Program, as amended from time to time.

36. Subrecipient’s Representations.

Subrecipient represents to the City of San Marcos as follows:

a. It has no knowledge of any notices or violations of federal or state statutes or regulations or municipal ordinances or orders, or requirements of any governmental body or authority to whose jurisdiction any of the real estate making up the SLFRF Program is subject;
b. Its execution, delivery and carrying out of the terms and conditions of the Application and this Contract Agreement have been duly authorized by an officer with the ability to obligate Subrecipient to this Agreement and will not conflict with or result in a breach of its Articles of Incorporation or by-laws, or any vote of members or directors or of the terms or provisions of any existing law, regulation or order of any court or government body or authority or agreement to which it is a party or by which it is bound;
c. There has been no material adverse change in its financial condition since the filing of its Application;

d. The representations, warranties and statements of fact of Subrecipient as set forth in the Application and this Contract Agreement are true, accurate and complete in all material respects as of the date hereof;

e. It has not failed to provide the City of San Marcos with any material information necessary to make the representations, warranties, and statements contained herein; and are not misleading, in light of the circumstances under which they were made;

f. The Subrecipient has duly authorized the officer executing this Contract Agreement to execute, in its name and on its behalf, this Contract Agreement and all such other documents and instruments as the City of San Marcos may request in connection therewith; and

g. The Subrecipient has no knowledge of any existing, threatened or pending actions by any person or governmental authority against it which would have a material adverse effect on its ability to acquire and complete any necessary construction or renovations to the proposed activity.

37. Survival of Agreements

All agreements, covenants, representations, and warranties made in the Subrecipient’s Application and this Contract Agreement including Exhibits hereto shall survive the making of any loan hereunder and the termination of this Contract Agreement.

38. Events of Default and Pursuit of Remedies

The occurrence of any one or more of the following events shall constitute an Event of Default hereunder:

a. Any breach or non-compliance by Subrecipient with the conditions, provisions, obligations, duties, agreements, covenants, representations and warranties made and set forth in this Contract Agreement and any/all accompanying closing documents, SLFRF Rules and Regulations, OMB Uniform Guidance 2 CFR Part 200, USDT Requirements, any applicable local, state, and federal laws, and any applicable USDT and/or City of San Marcos policy memo, regulation, communication or guideline as the same may be amended from time to time, as determined by the City of San Marcos in its sole discretion; or

b. Any representation or warranty made herein or in any/all Subrecipient applications, accompanying closing documents, addenda, exhibits, amendment, binder, and/or other instruments executed in connection with this Contract Agreement is proven to be false or misleading in any respect, whether through commission or omission.

Upon the occurrence of an Event of Default, the City of San Marcos may, at its option, send Subrecipient a Notice of Default stating that Subrecipient has thirty (30) days to cure said default. In the event Subrecipient fails to cure said default within thirty days, the City of San Marcos may, upon ten (10) business days’ notice, terminate or suspend this Contract Agreement and declare the entire outstanding balance, plus any interest accruing from the date hereof, to be immediately due and payable, without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by Subrecipient. Subrecipient agrees to pay all costs and expenses, including reasonable attorney fees, incurred by the City of San Marcos in collection of the moneys due hereunder or in the exercise or defense of its rights and powers under this Contract Agreement. In addition, the City of San Marcos may pursue any other remedies, legal or equitable, available to it in the event of Subrecipient’s default, fraud or misrepresentation, whether through commission or omission.

39. Termination

This Contract Agreement shall remain in effect for the period defined on page one (1) of this Contract Agreement.

In accordance with 2 CFR 200.338, the City of San Marcos may suspend or terminate this Contract Agreement if the Subrecipient materially fails to comply with any terms of this Contract Agreement, which include (but are not limited to) the following:

a. Failure to comply with City of San Marcos guidance and any of the rules, regulations or provisions referred to herein, or such statues, regulations, executive orders, and USDT guidelines, policies or directives as may become applicable at any time;

b. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Contract Agreement;
c. Ineffective of improper use of funds provided under this Contract Agreement; or

d. Submission by the Subrecipient to the City of San Marcos of reports that are incorrect or incomplete in any material respect.

In accordance with OMB Uniform Guidance 2 CFR Part 200, Appendix II, this Contract Agreement may also be terminated for convenience by either the City of San Marcos or the Subrecipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the City of San Marcos determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the City of San Marcos may terminate the award in its entirety.

40. No Waiver

The City of San Marcos’ failure to act with respect to a breach by the Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the City of San Marcos to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

Benefit

This Contract Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns; provided, however, that no assignment by Subrecipient of its rights under this Contract Agreement shall be of any effect unless the prior written consent of the City of San Marcos to such assignment has been first obtained.

41. Severability; Survivability

If any provision of this Contract Agreement shall be deemed unenforceable or invalid, such provision shall not affect, impair or invalidate any other provision of this Contract Agreement. Any provision of this Contract Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable. The terms of this Contract Agreement shall survive the closing of any loan or grant contemplated by this Contract Agreement.

42. Governing Law

This Contract Agreement is being executed and delivered in the State of Texas and shall in all respects be governed, construed, applied and enforced in accordance with the laws of said State, irrespective of its conflict of laws provisions.

43. Section Headings and Subheadings

The section headings and subheadings contained in this Contract Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Contract Agreement.

44. Notices

All notices to be given pursuant to this Contract Agreement shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing:

City

Stephanie Reyes, City Manager
City of San Marcos
630 East Hopkins
San Marcos Texas 78666
Phone: (512)393-8230
Email: sreyes@sanmarcostx.gov

With a copy to:
45. Changes to the Agreement

The terms of the Contract Agreement may be changed by executing an amendment or new agreement at the sole discretion of the City of San Marcos. Certain terms of the Contract Agreement, such as the Program Budget line items or Program Schedule, may be changed by written approval by the City of San Marcos or as provided herein.

Amendments shall make specific reference to this Contract Agreement, will be executed in writing, and signed by duly authorized representatives of each party. Such amendments shall not invalidate this Contract Agreement, nor relieve or release the City of San Marcos or the Subrecipient from its obligations under this Contract Agreement.

The City of San Marcos may, in its discretion, amend this Contract Agreement to conform with federal, state, or local governmental guidelines, policies, and available funding amounts, or for other reasons. If such amendments result in a change in the funding, Scope of Work, or Program Schedule of the activities to be undertaken as part of this Contract Agreement, such modifications will be incorporated only by written amendment signed by both the City of San Marcos and the Subrecipient.

46. Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall be deemed to be one and the same instrument.

47. List of Exhibits

Exhibit 1: Program Description, Program Schedule, and Scope of Work
Exhibit 2: Program Budget
Exhibit 3: Request for Payment Form (Requisition Form)
Exhibit 4: Subrecipient Quarterly Progress Report
The City of San Marcos and the Subrecipient agree to the conditions in the Contract Agreement and all Exhibits hereto and sign to that effect:

**City of San Marcos,**

__________________________ Date: ________________  
Stephanie Reyes, City Manager

**Subrecipient:**

__________________________ Date: ________________  
Name: Daniel Vargas  
Title: President

Approved as to form and correctness:

__________________________ Date: ________________  
Sam Aguirre, City Attorney
Exhibit 1:

Program Description, Schedule, and Scope of Work

Program Description:

The Home Rehabilitation/Repair Program is designed to eliminate health and safety hazards in homes, benefit low to moderate income residents, improve neighborhoods and encourage long-term stability, and address energy efficiency issues.

Program Schedule:

All funds must be expended by December 31, 2026.

Scope of Work:

<table>
<thead>
<tr>
<th>Home Rehabilitation / Repair Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocation</td>
</tr>
<tr>
<td>Overview</td>
</tr>
<tr>
<td>Focus Population</td>
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<tr>
<td>Program Activities</td>
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<tr>
<td>Income Eligibility</td>
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<tr>
<td>Other Eligibility Requirements</td>
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- The applicant may have open housing code violation on the property. The program is designed to correct housing code violations.

**Tenant Occupied:**

- Same as homeowner eligibilities plus the rehabilitated structure must be used for residential purposes only.
- Tenant occupied housing must be approved through Subrecipients City of San Marcos designated contact before submitting Scope of Work documents for service.

**Other Notable Items**

**Program Exclusions:**

- Commercial rental buildings (3 or more units).
- Condemned buildings.
- Structures outside the City of San Marcos limits.
- All other non-residential buildings.
- Structure not in a Qualified Census Tract.

Subrecipients provide cost reasonableness documentation of all repairs made.

- For projects where volunteer labor is utilized, material price comparison required.
- For projects where a contractor is utilized, three bids are required or may utilize information provided by the city from an estimator.
Exhibit 2:

Program Budget

Below is the approved budget for Home Rehabilitation and Repair Program. It is expressly agreed and understood that the total amount to be paid for the Program by the City using ARPA funds shall not exceed $400,000.

<table>
<thead>
<tr>
<th>Program Activity</th>
<th>ARPA Funds</th>
<th>Match Funds</th>
<th>All other Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>INDIRECT COSTS</td>
<td></td>
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<tr>
<td>Administrative costs, such as overhead</td>
<td></td>
<td>$</td>
<td></td>
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<tr>
<td>DIRECT COSTS</td>
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<tr>
<td>Environmental Review Expenses</td>
<td></td>
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<tr>
<td>Staff salaries and benefits, tracked by the hour</td>
<td>$</td>
<td>$</td>
<td></td>
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<tr>
<td>Program Delivery Supplies and Expenses</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Payments to Beneficiaries</td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Project Total</td>
<td>$</td>
<td>N/A</td>
<td>N/A</td>
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</tbody>
</table>

The Environmental Review shall be performed by the City, with related expenses charged to the project as noted above. Unexpended funds may be reallocated to a different line item in the above budget for use by the Subrecipient upon receipt of written concurrence from the City, without a formal amendment to this Agreement.

DIRECT COSTS

The funding category for the following direct costs is “Activity Delivery”.

Program administration by Subrecipient and subcontractor staff must be tracked by the hour. Eligible project administration salary and benefit costs are limited to time spent working directly on this project.

This direct cost allocation plan will be used to document, identify, and allocate all allowable direct costs to be reimbursed with ARPA funds under the terms of the above referenced Subrecipient Agreement. Direct Costs to be reimbursed with ARPA funds include costs that can be easily and accurately assigned to the activities of the Subrecipient Agreement.

Direct costs to be reimbursed under this plan include the following (check all that apply):

___ Salaries & Wages   ___ Fringe benefits   ___ Program Supplies

Allocation of Cost Method

1. All employees subject to this Cost Allocation Plan will keep time record sheets.
2. The time record sheet will identify the actual hours worked on activities covered by the Subrecipient Agreement.
3. Fringe benefits will be allocated on the same basis as salaries & wages.
4. Program Supplies will be reimbursed upon submission of acceptable documentation for reasonable costs associated with administering the program.

ARPA is the sole funding source for this activity.
Exhibit 3:

Request for Payment Form (Requisition Form)

Billing Period: _____________________  _______________________

<table>
<thead>
<tr>
<th>Position Title</th>
<th>Rate</th>
<th>Hours</th>
<th>Total</th>
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<tbody>
<tr>
<td>Name, Title</td>
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**Total Salaries**

<table>
<thead>
<tr>
<th>Position Title</th>
<th>Total Salary Charged this period</th>
<th>Fringe Benefit Rate</th>
<th>Total</th>
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<tbody>
<tr>
<td>Name, Title</td>
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**Fringe Benefits Total**

Billing Period: _____________________  _______________________

<table>
<thead>
<tr>
<th>Subcontractor</th>
<th>Service</th>
<th>Invoiced</th>
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Attach
1. Invoice for each subcontractor
2. Confirmation of payment to subcontractor
Billing Period: _____________________    _________________________

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<th>Vendor</th>
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Attach

1. Invoice for each vendor
2. Confirmation of payment to vendor

Billing Period: _____________________    _________________________

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<tr>
<th>All Other Items</th>
<th>Description</th>
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Attach

1. Invoice for each vendor
2. Confirmation of payment to vendor
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS

This contract agreement ("Agreement" or "Contract Agreement") is entered into as of the 16th day of January, 2024 by the City of San Marcos, Neighborhood Enhancement Department (herein referred to as “the City of San Marcos”) and Mission Able (hereinafter referred to as the “Subrecipient”) in connection with a certain grant and/or loan to Subrecipient under the State and Local Fiscal Recovery Funds ("SLFRF"). The Subrecipient agrees to the terms and conditions of this Agreement to undertake the following: Provide home rehabilitation and repairs so that residents in lower income identified areas (qualified census tracts) can remain in their homes. The program will address roof repair/replacement; heating, ventilation, and air conditioning (HVAC); plumbing and electrical systems; weatherization; elimination of health and safety hazards; provide safety/accessibility improvements for people with disabilities; and repair/replace windows, doors, flooring, and siding. (herein referred to as the “Program”). The Subrecipient shall in a satisfactory manner, to be determined in the sole and exclusive discretion of the City of San Marcos and/or the United States Department of Treasury ("USDT"), perform all obligations and duties as contained in this Agreement and any/all addenda.

This Contract Agreement shall mean this agreement, any and all Exhibits hereto (including but not limited to the Program budget), and any and all loan closing documents executed in connection herewith.

<table>
<thead>
<tr>
<th>Subrecipient: Mission Able</th>
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<tbody>
<tr>
<td>Organization Type: Non-Profit</td>
</tr>
<tr>
<td>Mailing Address: 325 W. McCarty Lane, San Marcos, TX 78666</td>
</tr>
<tr>
<td>Award Type &amp; Amount (Grant or Loan): Grant $400,000</td>
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<tr>
<td>Final Funding Spend Down Date: December 31st, 2026</td>
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1. Time of Performance

The Subrecipient shall commence performance of its obligations under this Contract Agreement on January 16, 2024 and complete the Program no later than December 31st, 2026, (hereinafter referred to as the “Program Expiration Date”).

2. Method of Payment

Payments made by the City of San Marcos to the Subrecipient will be made in the form of both (1) an advance payment of 15% of the total grant contracted amount and (2) reimbursement for monies already spent on eligible Program costs, as discussed in further detail in Section 7 of this Contract Agreement. Within 30 days of receipt of the SLFRF Requisition Form (Exhibit 3), the City of San Marcos will pay out a total of 15% of the total grant contracted amount to the Subrecipient. The City of San Marcos shall make reimbursement payments only after the Subrecipient has submitted to the satisfaction of the City of San Marcos adequate documentation confirming the Subrecipient has spent down the advance payment. All payments are contingent upon Subrecipient’s continued compliance with the provisions set forth in this Contract Agreement and any/all SLFRF Rules and Regulations 31 CFR Part 35, OMB Uniform Guidance 2 CFR Part 200, USDT Requirements, the City of San Marcos SLFRF Policies and Procedures, any applicable local, state, and federal laws, and any applicable USDT and/or City of San Marcos policy memo, regulation, communication or guideline, as the same may be amended from time to time.
3. **Funding**

It is expressly understood that in no event will the total funding exceed **$400,000** unless otherwise mutually agreed upon in writing by amendment to this Contract Agreement. It is expressly understood that funding is contingent upon the City of San Marcos’s receipt of full USDT federal funding and authorization from USDT to use funds in support of the Program. Any reduction in federal funding may result in reduction or elimination of funding for this Contract Agreement.

4. **SLFR Regulations**

The Subrecipient shall conduct all work funded under this Contract Agreement in compliance with the following:

- SLFRF’s Rules and Regulations 31 CFR Part 35, as amended from time to time, and all other federal regulations cited herein;
- OMB Uniform Guidance 2 CFR Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;
- All applicable local, state, and federal laws; and
- Any applicable USDT and/or City of San Marcos Policy Memos, Regulations, Communications, and guidance.

5. **Program Description, Program Schedule, and Scope of Work**

The Subrecipient is responsible for completing the Program in accordance with the approved Program Description, Program Schedule and Scope of Work as outlined in **Exhibit 1** attached hereto and made a part hereof. In any instance where the Program Description, Program Schedule and/or Scope of Work may be in conflict with other terms of this Contract Agreement, the Contract Agreement will prevail.

If the Subrecipient wishes to amend the Program Description and/or Scope of Work, the Subrecipient shall seek approval from the City of San Marcos in writing prior to undertaking any actions relative to such change. Failure to do so may result in termination of this Contract Agreement at the City of San Marcos’s discretion.

6. **Program Budget**

An approved budget is incorporated and made a part of this Contract Agreement as attached in **Exhibit 2** ("Program Budget"). The City of San Marcos may require a more detailed Program Budget breakdown from time to time. The Subrecipient shall provide such supplementary Program Budget information as required by and on forms provided by the City of San Marcos upon request.

The Subrecipient shall not obligate, encumber, spend or otherwise utilize SLFRF funds for any activity or purpose not included or not in conformance with the Program Budget unless the Subrecipient has received explicit written approval from the City of San Marcos to undertake such actions, including but not limited to, changes between Program Budget categories as follows:

- For the purposes of this Contract Agreement, Program Budget categories include:
  - Non-Administrative Personnel Costs
  - Non-Administrative Office Space Costs
  - Administrative Personnel Costs
  - Program Delivery Costs

- The Subrecipient must submit Program Budget category changes in the same form as originally proposed in the approved Program Budget, accompanied by a letter of justification. Program Budget changes may occur within a Program Budget category without the need for written approval from The City of San Marcos so long as (i) the specific category has been approved; (ii) there is no change to the total Program Budget category amount; and (iii) the changes to the Program Budget are documented.

The Subrecipient acknowledges that this section has no effect upon the Program Description and/or Program Schedule. Any amendment to the Program Description and/or Program Schedule must be in writing approved by the City of San Marcos as provided for elsewhere in this Contract Agreement.
7. Fund Disbursement
An initial payment of 15% of the total grant contracted amount will be made within 30 days of receipt of the SLFRF Requisition Form (Exhibit 3). Following sufficiently documented spend down of the 15% advance payment, the Subrecipient may request reimbursements as needed by submitting the SLFRF requisition form attached hereto as Exhibit 3 (“Requisition Form”) with backup documentation detailing itemized expenditures by activity and cost categories. The City of San Marcos reserves the right to request additional compliance documentation before disbursing funds. Subrecipient must utilize SLFRF Requisition Form for monthly invoices.

Except as otherwise provided in this Agreement, the Subrecipient shall not request disbursement of funds until funds are needed for reimbursement of eligible costs. The amount of each request must be limited to the amount needed and the proposed use of the funds must be documented and in accordance with the Program Budget, and all SLFRF regulations/guidance. Per the Subrecipient, reimbursements must be made within 30 days upon receiving proper documentation and forms, in order to keep the Subrecipient in good standing and in full operation.

In the event the Subrecipient fails to pay contractors, subcontractors, vendors or others with claims against the Program, the City of San Marcos reserves the right to withhold all remaining program funds until payments and/or all conflicts/liens are resolved. The Subrecipient pledges to undertake contracts and subcontracts and manage payments using mechanisms that protect the interests of the Subrecipient and the City of San Marcos, such as retaining portions of contracts until completion and requiring bonds, warranties and insurance as appropriate.

The Subrecipient will obtain competitive pricing quotes or bids for all services, contracts or purchases, in compliance 2 CFR 200.317-326 – Procurement Standards and the Manual.

8. SLFRF Commitment
The City of San Marcos agrees to disburse SLFRF funds subject to the terms and conditions contained in this Contract Agreement. Such disbursements shall not, in the aggregate, exceed that amount designated for total funding listed on page two (2) of this Contract Agreement and as detailed in the Program Budget. In no instance shall the City of San Marcos be liable for any costs incurred in excess of this commitment (hereinafter referred to as the “SLFRF commitment”), nor for any unauthorized or ineligible costs. Expenses that are out of compliance with this Contract Agreement may be determined ineligible and may be subject to repayment and/or recapture by USDOT and/or the City of San Marcos.

9. Commencement and Duration
The Subrecipient agrees that the Program shall not commence, nor shall any costs be incurred or obligated, prior to execution of this Contract Agreement unless approved in writing by the City of San Marcos.

The Subrecipient agrees that the Program shall be carried out in accordance with the Program Schedule outlined in Exhibit 2 and the Time of Performance identified on page one (1) of this Contract Agreement.

In no event shall funds be obligated or spent after the Program Expiration Date unless approved in writing by the City of San Marcos.

10. Drug-Free Workplace
The Subrecipient shall comply with the applicable provisions of the Drug-Free Work Place Act of 1988 (Public Law 100-690, Title V, Subtitle D: 41 USC § 701 et seq.) and maintain a drug-free work environment; and the final rule, government-wide requirements for drug-free work place (grants), issued by the Office of Management and Budget and the Department of Defense (32 CFR part 280, subpart F) to implement the provisions of the Drug-Free Work Place Act of 1988 is incorporated by reference and the Subrecipient shall comply with the relevant provisions thereof, including any amendments to the final rule that may hereafter be issued which are made apart of this Contract Agreement.

11. Insurance & Bonding
The Subrecipient shall carry sufficient insurance coverage to protect Contract Agreement assets from loss due to theft, fraud, and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the City of San Marcos. Subrecipient shall provide the City of San Marcos with proof of Commercial General Liability insurance in the amount of one million dollars.

Page 3 of 16
Initials: __________
($1,000,000) for each occurrence and One Million Dollars ($1,000,000) in the aggregate for bodily injury and property damage, naming the City of San Marcos, its departments, employees, and/or agents, as additional insureds. The Subrecipient shall also comply with the bonding and insurance requirements of 2 CFR 200.310- Insurance and 2 CFR 200.326, -Bonding.

12. The City of San Marcos and USDT Recognition

The Subrecipient agrees to recognize the role of the City of San Marcos and USDT in providing assistance pursuant to this Contract Agreement by referencing the support provided in all publications and media efforts that relate to this Program. All activities, facilities and items utilized pursuant to this Contract Agreement shall be prominently labeled as to this funding source.

13. Program Income

Program income includes, but is not limited to, income from fees for services performed, the use of rental or real or personal property acquired under Federal awards and principal and interest on loans made with Federal award funds. Program income does not include interest earned on advances of Federal funds, rebates, credits, discounts, or interest on rebates, credits, or discounts. The Subrecipients of SLFRF funds should calculate, document, and record the program income. Additional controls that your organization should implement include written policies that explicitly identify appropriate allocation methods, accounting standards and principles, compliance monitoring checks for program income calculations, and records. The Subrecipient shall comply with The Uniform Guidance outlines the requirements that pertain to program income at 2 CFR 200.307. Donations and sponsorships of the Mission Able program not directly related to projects funded by SLFRF do not count as program income.

14. Equal Employment Opportunity

During the performance of this Contract Agreement, the Subrecipient must ensure that no otherwise qualified person shall be excluded from participation or employment, denied program benefits, or be subject to discrimination based on race, color, national origin, sex, age, handicap, religion, or religious preference, under any program or activity funded under this Contract Agreement, as required by Title VI of the Civil Rights Act of 1964, the Fair Housing Act (42 USC §§ 3601-29) and all implementing regulations, and the Age Discrimination Act of 1975, and all implementing regulations. The Subrecipient shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include but not be limited to: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Subrecipient shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the government setting forth the provisions of this non-discrimination clause. The Subrecipient shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

15. Contractors and Subcontractors

All work supported under this Contract Agreement must be in compliance with the following regulations:

a. The Copeland Anti-Kickback Act (40 USC, Chapter 3, Section 276c and 18 USC, Part 1, Chapter 41, Section 874; and 29 CFR part 3) requires that workers be paid weekly, that deductions from workers' pay be permissible, and that contractors maintain and submit weekly payrolls. The Contract Work Hours and Safety Standards Act (40 USC, Chapter 5, Sections 326-332; and 29 CFR Part 4, 5, 6 and 8; 29 CFR parts 70 to 240) applies to contracts over $100,000 and requires that workers receive overtime compensation (time and one-half pay) for hours they have worked in excess of 40 hours in one week. Violations under this Act carry a liquidated damages penalty ($10 per day per violation).

b. Executive Order 11246 - Subrecipients hereby agree to place in every contract and subcontract for construction exceeding $10,000 the Notice of Requirement for Affirmative Action to ensure Equal Employment Opportunity. The Subrecipient furthermore agrees to insert the appropriate Goals and Timetables issued by the Department of Labor in such contracts and subcontracts. The Executive Order also requires contractors with 51 or more employees and contracts of $50,000 or more to implement affirmative action plans to increase the participation of minorities and women in the workplace if a
workforce analysis demonstrates their under-representation, meaning that there are fewer minorities and women than would be expected given the numbers of minorities and women qualified to hold the positions available.

c. Environmental Laws—All recipients of subgrants in excess of $150,000 shall comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387).


e. Certain Telecommunications Equipment—Grant funds may not be used to contract, re-contract, procure, or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

f. Domestic Preference—As appropriate and to the extent consistent with law, the subrecipient should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States, as defined by 2 CFR § 200.322(b).

16. Right to Monitor

The City of San Marcos shall have the right to monitor Subrecipient’s compliance with all applicable SLFRF Program requirements by whatever means the City of San Marcos deems appropriate. This right shall continue throughout and until the City of San Marcos’s grant closeout with USDT or for a 10-year period following the execution of this Contract Agreement, whichever period is longer in duration.

17. Right to Inspect

The City of San Marcos, its agents and designees, shall have the right, from time to time, to inspect the Program site for purposes of ensuring compliance with the terms and conditions of this Contract Agreement and SLFRF’s Rules and Regulations.

Subrecipient agrees to permit the City of San Marcos, its agents and designees (i) to have reasonable access to the SLFRF assisted program meetings or events, and (ii) to examine its books and records, including all financial statements and records, from time to time, insofar as the same may apply to Subrecipient's use of the SLFRF funds. Subrecipient further agrees to furnish such other information to the City of San Marcos, as and when requested, for the purpose of determining Subrecipient's compliance with this Contract Agreement and SLFRF’s Rules and Regulations.

18. Record Retention and Access to Records

Subrecipient agrees that the City of San Marcos, USDT, the Comptroller General of the United States or any of their authorized representatives, has the right to access the Program and any books, documents, papers or other records of Subrecipient or the Program, which are pertinent to this Contract Agreement in order to make audits,
19. Limitation of Liability

Subrecipient acknowledges that City of San Marcos shall not be liable to Subrecipient for the completion of, or the failure to complete, any activities, which are a part of the Program contemplated by this Contract Agreement. Subrecipient acknowledges that should the City of San Marcos find a material default or noncompliance with this Contract Agreement, as determined by the City of San Marcos in its sole discretion and, as a result thereof, cease disbursement of SLFRF funds, the City of San Marcos shall incur no liability to Subrecipient.

20. Subrecipient Responsibilities and Indemnification for Non-Compliance

Subrecipient is responsible for performing each and every activity comprising the Program in a manner that complies with all aspects of the SLFRF program and the guidance provided. Subrecipient represents that it has accurately and completely described the Program in its Application and, except as otherwise agreed in writing, is responsible for bearing the full cost and expense of execution thereof and of continued compliance with the SLFRF program. In the event USDT disallows any Program cost paid in whole or in part with SLFRF funds, Subrecipient shall indemnify, defend and hold the City of San Marcos harmless against any resulting loss, including reasonable attorney fees.

21. Indemnification Generally

Subrecipient shall defend, hold harmless and indemnify the City of San Marcos, its agents and assigns, from and against any and all claims, losses, expenses, costs, and/or damages (including, without limitation, out-of-pocket expenses, reasonable attorneys' fees and costs, and other related expenses) arising out of, in connection with, or resulting from the performance contemplated by this Agreement, including but not limited to (i) any injury or damage to persons or property that may occur as a result of work performed in connection with its SLFRF Program, (ii) any third party, including without limitation, development professionals and contractors who may be engaged by Subrecipient; and (iii) any third party claiming that a third party beneficiary relationship has been established between the City of San Marcos and such third party, it being the intention of the parties hereto that no such relationships be created or established.

Subrecipient's indemnification of the City of San Marcos shall survive the disbursement of any funds hereunder and the termination of this Contract Agreement.

22. No Delegation of Duties

Subrecipient shall remain fully obligated under the provisions of this Contract Agreement notwithstanding its designation of any third party or parties for the undertaking of all or any part of the Program. Any party or parties so designated shall also be obligated to perform such duties under the same restrictions and requirements as if Subrecipient were performing them.

23. Conflicts of Interest

Subrecipient must maintain a written conflict of interest policy governing the performance of all persons engaged in the award and administration of contracts that comply with 2 CFR 200.112 and 2 CFR 200.318 as applicable. No person, employee, agent, consultant, officer, director or elected official or appointed official of Subrecipient who exercises or has exercised any function or responsibilities with respect to activities assisted with SLFRF funds or who is in a position to participate in a decision-making process or to gain inside information with regard to these activities, may obtain a financial interest or benefit from a SLFRF-assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one (1) year thereafter. Subrecipient must provide a copy of its written conflict of interest policy to the City of San Marcos upon its request.
The Subrecipient covenants that its employees have no interest and will not acquire an interest, direct or indirect, in the project area or any parcels therein or any other interest which would conflict in any manner or degree with the performance of services hereunder. The Subrecipient further covenants that in the performance of this Contract Agreement, no person having such interest will be employed.

24. Privacy Protection

Subrecipient must establish and adhere to a written policy for the protection of non-public personal information collected in the course of Subrecipient’s activities under this Contract Agreement. The City of San Marcos shall have the right to review this policy and to require additional measures to ensure adequate protection of such private information. Review shall be strictly limited to whether such policy complies with the City of San Marcos requirements. In no event may any statement by the City of San Marcos be construed as an opinion on whether a privacy policy complies with the requirements of any law, regulation, institution, government or court. Nor may any statement by the City of San Marcos be used by Subrecipient for any purpose whatsoever, except as necessary to correct or improve Subrecipient’s practices, without the City of San Marcos’s prior written consent.

25. Minority/Women’s Business Enterprises

The Subrecipient will take all necessary affirmative steps to afford small businesses, minority business enterprises, and women’s business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. Subrecipient agrees to utilize the Texas Comptroller of Public Accounts CMBL/HUB directory to search for businesses in this category.

26. Religious Organizations

Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the SLFRF program. The Subrecipient shall not, in carrying out this Contract Agreement, discriminate against a potential client or tenant or vendor on the basis of religion or religious belief. If the Subrecipient engages in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, or proselytization, the Subrecipient must perform such activities and offer such services outside of any part of this Program and separately, in time and location, from the activities funded under this Contract Agreement.

27. Reliance Upon Information

The commitment of SLFRF funds under this Contract Agreement has been made in part on the basis of certain financial and other information furnished to the City of San Marcos by Subrecipient. SLFRF Funds may be withdrawn or recaptured by SLFRF at any time if the information furnished by Subrecipient should prove to be untrue or incorrect in any material respect, or if SLFRF should determine that it is inadvisable to fund the Program because of a material and adverse change in the condition of Subrecipient and/or the Program as determined by SLFRF in its sole discretion.

28. Programmatic Changes

Subrecipient will promptly notify the City of San Marcos in writing in the event of changes in key personnel and obtain the prior written approval from The City of San Marcos whenever any of the following actions is anticipated: (i) any revision in the scope or objectives of the eligible program activities, including source and use of funds, set forth in the Scope of Work and/or Application; (ii) any revision in the Program Budget between Program Budget categories for the eligible program activities; (iii) any need to extend the period of availability of SLFRF funds; or (iv) obtaining the services of a third party to perform activities which are central to the purposes of this Contract Agreement, which are material to the management or completion of the Program, or which could be construed by The City of San Marcos as an assignment of Subrecipient’s rights and responsibilities under this Contract Agreement. Failure to so notify the City of San Marcos may result in termination of this Contract Agreement.

29. Subrecipient Reporting, Audit, and Record Keeping Requirements

The Subrecipient must retain certain records and must submit to the City of San Marcos quarterly, or at such other intervals as requested, any information, documents or certifications requested by the City of San Marcos which the City of San Marcos deems reasonably necessary to substantiate Subrecipient’s continuing compliance with the
provisions of all applicable SLFRF program rules, guidelines, criteria, and regulations. Reports must be submitted in such format as prescribed by the City of San Marcos. The City of San Marcos shall retain the right to change reporting requirements from time to time as it deems necessary. The City of San Marcos assigns the Director of Neighborhood Enhancement as the point of contact for the program. A shared secure drive shall be established between the two entities to allow the Director of Neighborhood Enhancement to sign off on particular projects as needed.

Subrecipient must maintain records for inspection by the City of San Marcos. These include, but are not limited to:

a. Records of all SLFRF program-related account transactions including deposits, disbursements, and balances.
b. Records supporting requests for payment and disbursement of funds.
c. Records indicating the source and amount of any repayment, interest and other return on investment of SLFRF funds.
d. Records of all written agreements and contracts pertaining to SLFRF Program.
e. Records supporting a competitive bid process of procurement.
f. Audits and resolution of audit findings.
g. Any program fees or program income collected.
h. Efforts to recruit MBEs and WBEs.

The following records and reports must be submitted to the City of San Marcos:

a. Monthly programmatic narrative updates and expense reports with supporting documentation of program expenses.
b. Close out reports shall be submitted no later than 15 days following the final drawdown of SLFRF funds on forms provided by the City of San Marcos.
c. Staff payroll and benefit reports and timesheets.
d. Financial documents, terms of agreement, and contracts upon request.
e. Records of all transactions.
f. Any other program information as requested by the City of San Marcos from time to time.

To ensure continued compliance, the City of San Marcos and the Subrecipient will meet in a monthly formal session with at least two Subrecipient representatives present to review future projects, bid process, work process, WIP and any other business that is associated with this partnership. During this meeting, the City shall review the financial status of all projects and once reviewed, approve the documentation and process for all outstanding undertakings.

30. Close-Outs

The Subrecipient’s obligation to the City of San Marcos shall not end until all close-out requirements are completed. Activities during this close-out period shall include but are not limited to:

a. Making final payments;
b. Disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable) to The City of San Marcos; and
c. Determining custodianship of records.

Notwithstanding the foregoing, the terms of this Contract Agreement shall remain in effect during any period that the Subrecipient has control over SLFRF funds, including program income.

31. Audit Standards

Subrecipient agrees to comply with the audit standards outlined in Subpart F of 2 CFR Part 200-Audit Requirements, and to prepare an audit within two hundred seventy (270) days after the close of any fiscal year in which Subrecipient expends federal awards of at least $750,000 (or such other amount as specified by the Director of the Office of Management and Budget). Audits must comply with the provisions of OMB Uniform Guidance 2 CFR Part 200, must be conducted by an independent certified public accountant (“CPA”), and must include a
management letter and any responses thereto and CPA-prepared financial statements. Such financial statements must include a balance sheet, operating statements, source and use of funds statement, Schedule of Expenditures of Federal Awards and sufficient supporting schedules and notes as may be necessary for the City of San Marcos to determine the financial status of Subrecipient’s activities. If such audit contains material findings, Subrecipient must provide a copy of the audit, together with any comments and plans for correction, to the City of San Marcos. If such audit contains no material findings, Subrecipient is not required to submit a copy to the City of San Marcos unless otherwise required by the terms of this Contract Agreement; provided, however, that upon request Subrecipient must provide a copy of any and all audits performed during the term of this Contract Agreement to the City of San Marcos, USDT, or any designee thereof. Subrecipient acknowledges that, in the event the City of San Marcos requires an audit, SLFRF administrative funds may not be used to offset the costs associated with the audit. Subrecipient assumes full responsibility for compliance with this paragraph.

32. Financial Management System
Subrecipient will establish and maintain a financial management system pursuant to 2 CFR Part 200. Subpart D that will provide for a) accurate, current, and complete disclosure of the financial results of the functions and services performed under this Contract Agreement; and b) record and identify the source and application of funds for the activities, functions and services performed pursuant to this Contract Agreement. These records will contain information pertaining to federal and state funds received, and assets, liabilities, expenditures, and income; c) effective control over and accountability for all funds, property, and other assets. Subrecipient will safeguard all such assets and will assure that they are used solely for authorized purposes as provided in this Contract Agreement; and d) accounting records that are supported by source documentation.

33. Repayment of Investment, Time Limits for Performance,
In the event that the Program is not completed in compliance with the requirements of this Contract Agreement, whether voluntarily or otherwise, an amount equal to the unused SLFRF funds disbursed for the Program must be repaid to the City of San Marcos. Any Program assisted with SLFRF funds that does not meet the national objective as outlined on page 1 of this Contract Agreement and as outlined in the Scope of Work will require repayment in full of the SLFRF funds for that Program to the City of San Marcos.

34. Uniform Administrative Requirements
Subrecipients funded under the SLFRF program must comply with applicable uniform administrative requirements as described in 2 CFR Part 200.

35. Subrecipient’s Covenants and Agreements
Subrecipient covenants and agrees with the City of San Marcos as follows:

a. All SLFRF funds shall be allocated to units to be occupied by persons or families meeting the income qualifications required by the SLFRF Rules and Regulations;
b. To complete the program by the program expiration date;
c. To comply with the City of San Marcos’s guidance, OMB Uniform Guidance 2 CFR 200, and the USDT regulations pertaining to the SLFRF Program, as amended from time to time.

36. Subrecipient’s Representations.
Subrecipient represents to the City of San Marcos as follows:

a. It has no knowledge of any notices or violations of federal or state statutes or regulations or municipal ordinances or orders, or requirements of any governmental body or authority to whose jurisdiction any of the real estate making up the SLFRF Program is subject;
b. Its execution, delivery and carrying out of the terms and conditions of the Application and this Contract Agreement have been duly authorized by an officer with the ability to obligate Subrecipient to this Agreement and will not conflict with or result in a breach of its Articles of Incorporation or by-laws, or any vote of members or directors or of the terms or provisions of any existing law, regulation or order of any court or government body or authority or agreement to which it is a party or by which it is bound;
c. There has been no material adverse change in its financial condition since the filing of its Application;
d. The representations, warranties and statements of fact of Subrecipient as set forth in the Application and this Contract Agreement are true, accurate and complete in all material respects as of the date hereof;
e. It has not failed to provide the City of San Marcos with any material information necessary to make the representations, warranties, and statements contained herein; and are not misleading, in light of the circumstances under which they were made;
f. The Subrecipient has duly authorized the officer executing this Contract Agreement to execute, in its name and on its behalf, this Contract Agreement and all such other documents and instruments as the City of San Marcos may request in connection therewith; and
g. The Subrecipient has no knowledge of any existing, threatened or pending actions by any person or governmental authority against it which would have a material adverse effect on its ability to acquire and complete any necessary construction or renovations to the proposed activity.

37. Survival of Agreements

All agreements, covenants, representations, and warranties made in the Subrecipient’s Application and this Contract Agreement including Exhibits hereto shall survive the making of any loan hereunder and the termination of this Contract Agreement.

38. Events of Default and Pursuit of Remedies

The occurrence of any one or more of the following events shall constitute an Event of Default hereunder:

a. Any breach or non-compliance by Subrecipient with the conditions, provisions, obligations, duties, agreements, covenants, representations and warranties made and set forth in this Contract Agreement and any/all accompanying closing documents, SLFRF Rules and Regulations, OMB Uniform Guidance 2 CFR Part 200, USDT Requirements, any applicable local, state, and federal laws, and any applicable USDT and/or City of San Marcos policy memo, regulation, communication or guideline as the same may be amended from time to time, as determined by the City of San Marcos in its sole discretion; or
b. Any representation or warranty made herein or in any/all Subrecipient applications, accompanying closing documents, addenda, exhibits, amendment, binder, and/or other instruments executed in connection with this Contract Agreement is proven to be false or misleading in any respect, whether through commission or omission.

Upon the occurrence of an Event of Default, the City of San Marcos may, at its option, send Subrecipient a Notice of Default stating that Subrecipient has thirty (30) days to cure said default. In the event Subrecipient fails to cure said default within thirty days, the City of San Marcos may, upon ten (10) business days’ notice, terminate or suspend this Contract Agreement and declare the entire outstanding balance, plus any interest accruing from the date hereof, to be immediately due and payable, without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by Subrecipient. Subrecipient agrees to pay all costs and expenses, including reasonable attorney fees, incurred by the City of San Marcos in collection of the moneys due hereunder or in the exercise or defense of its rights and powers under this Contract Agreement. In addition, the City of San Marcos may pursue any other remedies, legal or equitable, available to it in the event of Subrecipient’s default, fraud or misrepresentation, whether through commission or omission.

39. Termination

This Contract Agreement shall remain in effect for the period defined on page one (1) of this Contract Agreement.

In accordance with 2 CFR 200.338, the City of San Marcos may suspend or terminate this Contract Agreement if the Subrecipient materially fails to comply with any terms of this Contract Agreement, which include (but are not limited to) the following:

a. Failure to comply with City of San Marcos guidance and any of the rules, regulations or provisions referred to herein, or such statues, regulations, executive orders, and USDT guidelines, policies or directives as may become applicable at any time;
b. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Contract Agreement;
c. Ineffective of improper use of funds provided under this Contract Agreement; or

d. Submission by the Subrecipient to the City of San Marcos of reports that are incorrect or incomplete in any material respect.

In accordance with OMB Uniform Guidance 2 CFR Part 200, Appendix II, this Contract Agreement may also be terminated for convenience by either the City of San Marcos or the Subrecipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the City of San Marcos determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the City of San Marcos may terminate the award in its entirety.

40. No Waiver

The City of San Marcos’ failure to act with respect to a breach by the Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the City of San Marcos to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

Benefit

This Contract Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns; provided, however, that no assignment by Subrecipient of its rights under this Contract Agreement shall be of any effect unless the prior written consent of the City of San Marcos to such assignment has been first obtained.

41. Severability; Survivability

If any provision of this Contract Agreement shall be deemed unenforceable or invalid, such provision shall not affect, impair or invalidate any other provision of this Contract Agreement. Any provision of this Contract Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable. The terms of this Contract Agreement shall survive the closing of any loan or grant contemplated by this Contract Agreement.

42. Governing Law

This Contract Agreement is being executed and delivered in the State of Texas and shall in all respects be governed, construed, applied and enforced in accordance with the laws of said State, irrespective of its conflict of laws provisions.

43. Section Headings and Subheadings

The section headings and subheadings contained in this Contract Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Contract Agreement.

44. Notices

All notices to be given pursuant to this Contract Agreement shall be in writing and shall be deemed given when mailed by certified or registered mail, return receipt requested, to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing:

City

Stephanie Reyes, City Manager
City of San Marcos
630 East Hopkins
San Marcos Texas 78666
Phone: (512)393-8230
Email: sreyes@sanmarcostx.gov

With a copy to:
Director of Neighborhood Enhancement  
Neighborhood Enhancement  
City of San Marcos  
630 East Hopkins  
San Marcos Texas 78666  
Phone: (512) 393-8160  
Email: gcarr@sanmarcostx.gov

Subrecipient  
Monica Followell, President  
MISSION ABLE  
325 W. McCarty Lane  
San Marcos, TX 78666  
Phone: (512) 392-3377  
Web: www.missionablesmtx.org

45. Changes to the Agreement  
The terms of the Contract Agreement may be changed by executing an amendment or new agreement at the sole discretion of the City of San Marcos. Certain terms of the Contract Agreement, such as the Program Budget line items or Program Schedule, may be changed by written approval by the City of San Marcos or as provided herein. Amendments shall make specific reference to this Contract Agreement, will be executed in writing, and signed by duly authorized representatives of each party. Such amendments shall not invalidate this Contract Agreement, nor relieve or release the City of San Marcos or the Subrecipient from its obligations under this Contract Agreement.

The City of San Marcos may, in its discretion, amend this Contract Agreement to conform with federal, state, or local governmental guidelines, policies, and available funding amounts, or for other reasons. If such amendments result in a change in the funding, Scope of Work, or Program Schedule of the activities to be undertaken as part of this Contract Agreement, such modifications will be incorporated only by written amendment signed by both the City of San Marcos and the Subrecipient.

46. Counterparts  
This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall be deemed to be one and the same instrument.

47. List of Exhibits  
Exhibit 1: Program Description, Program Schedule, and Scope of Work  
Exhibit 2: Program Budget  
Exhibit 3: Request for Payment Form (Requisition Form)  
Exhibit 4: Subrecipient Quarterly Progress Report

[SIGNATURE PAGE FOLLOWS]
The City of San Marcos and the Subrecipient agree to the conditions in the Contract Agreement and all Exhibits hereto and sign to that effect:

City of San Marcos,

_________________________________________ Date: ________________
Stephanie Reyes, City Manager

Subrecipient:

_________________________________________ Date: ________________
Name: Monica Followell
Title: President

Approved as to form and correctness:

_________________________________________ Date: ________________
Sam Aguirre, City Attorney
Exhibit 1:

Program Description, Schedule, and Scope of Work

Program Description:

The Home Rehabilitation/Repair Program is designed to eliminate health and safety hazards in homes, benefit low to moderate income residents, improve neighborhoods and encourage long-term stability, and address energy efficiency issues.

Program Schedule:

All funds must be expended by December 31, 2026.

Scope of Work:

<table>
<thead>
<tr>
<th>Home Rehabilitation / Repair Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocation</td>
</tr>
<tr>
<td>Overview</td>
</tr>
<tr>
<td>Focus Population</td>
</tr>
<tr>
<td>Program Activities</td>
</tr>
<tr>
<td></td>
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<tr>
<td>Income Eligibility</td>
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<tr>
<td>Other Eligibility Requirements</td>
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</tbody>
</table>
- The applicant may have open housing code violation on the property. The program is designed to correct housing code violations.

**Tenant Occupied:**

- Same as homeowner eligibilities plus the rehabilitated structure must be used for residential purposes only.
- Tenant occupied housing must be approved through Subrecipients City of San Marcos designated contact before submitting Scope of Work documents for service.

### Other Notable Items

<table>
<thead>
<tr>
<th>Program Exclusions:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Commercial rental buildings (3 or more units).</td>
</tr>
<tr>
<td>- Condemned buildings.</td>
</tr>
<tr>
<td>- Structures outside the City of San Marcos limits.</td>
</tr>
<tr>
<td>- All other non-residential buildings.</td>
</tr>
<tr>
<td>- Structure not in a Qualified Census Tract.</td>
</tr>
</tbody>
</table>

Subrecipients provide cost reasonableness documentation of all repairs made.

- For projects where volunteer labor is utilized, material price comparison required.
- For projects where a contractor is utilized, three bids are required or may utilize information provided by the city from an estimator.
Exhibit 2:

Program Budget

Below is the approved budget for Home Rehabilitation and Repair Program. It is expressly agreed and understood that the total amount to be paid for the Program by the City using ARPA funds shall not exceed $400,000.

<table>
<thead>
<tr>
<th>Program Activity</th>
<th>ARPA Funds</th>
<th>Match Funds</th>
<th>All other Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>INDIRECT COSTS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative costs, such as overhead</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DIRECT COSTS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Review Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff salaries and benefits, tracked by the hour</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program Delivery Supplies and Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments to Beneficiaries</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Project Total</strong></td>
<td>$</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

The Environmental Review shall be performed by the City, with related expenses charged to the project as noted above. Unexpended funds may be reallocated to a different line item in the above budget for use by the Subrecipient upon receipt of written concurrence from the City, without a formal amendment to this Agreement.

DIRECT COSTS

The funding category for the following direct costs is “Activity Delivery”.

Program administration by Subrecipient and subcontractor staff must be tracked by the hour. Eligible project administration salary and benefit costs are limited to time spent working directly on this project.

This direct cost allocation plan will be used to document, identify, and allocate all allowable direct costs to be reimbursed with ARPA funds under the terms of the above referenced Subrecipient Agreement. Direct Costs to be reimbursed with ARPA funds include costs that can be easily and accurately assigned to the activities of the Subrecipient Agreement.

Direct costs to be reimbursed under this plan include the following (check all that apply):

- [ ] Salaries & Wages
- [ ] Fringe benefits
- [ ] Program Supplies

Allocation of Cost Method

1. All employees subject to this Cost Allocation Plan will keep time record sheets.
2. The time record sheet will identify the actual hours worked on activities covered by the Subrecipient Agreement.
3. Fringe benefits will be allocated on the same basis as salaries & wages.
4. Program Supplies will be reimbursed upon submission of acceptable documentation for reasonable costs associated with administering the program.

ARPA is the sole funding source for this activity.
**Exhibit 3:**

**Request for Payment Form (Requisition Form)**

**Billing Period:**  
From _____________________  
To _____________________

<table>
<thead>
<tr>
<th><strong>Salary Costs</strong></th>
<th>Rate</th>
<th>Hours</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Position Title</strong></td>
<td><strong>Name, Title</strong></td>
<td><strong>Rate</strong></td>
<td><strong>Hours</strong></td>
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</tbody>
</table>

**Total Salaries**

<table>
<thead>
<tr>
<th><strong>Fringe Benefit Costs</strong></th>
<th><strong>Total Salary Charged this period</strong></th>
<th><strong>Fringe Benefit Rate</strong></th>
<th><strong>Total</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Position Title</strong></td>
<td><strong>Name, Title</strong></td>
<td><strong>Total Salary Charged this period</strong></td>
<td><strong>Fringe Benefit Rate</strong></td>
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</table>

**Fringe Benefits Total**

**Billing Period:**  
From _____________________  
To _____________________

<table>
<thead>
<tr>
<th><strong>Subcontractor</strong></th>
<th><strong>Service</strong></th>
<th><strong>Invoiced</strong></th>
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</table>

**Total**

**Attach**

1. Invoice for each subcontractor
2. Confirmation of payment to subcontractor
Billing Period: _____________________    _________________________

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Service</th>
<th>Invoiced</th>
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</tbody>
</table>

Total

Attach
1. Invoice for each vendor
2. Confirmation of payment to vendor

Billing Period: _____________________    _________________________

<table>
<thead>
<tr>
<th>All Other Items</th>
<th>Description</th>
<th>Invoiced</th>
</tr>
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<tbody>
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</table>

Total

Attach
1. Invoice for each vendor
2. Confirmation of payment to vendor
AGENDA CAPTION:
Receive a Staff presentation and consider Resolution 2024-08R, approving Substantial Amendment No. 14 to the Community Development Block Grant-Disaster Recovery (CDBG-DR) Action Plan for the purposes of reallocating project funding to different categories or projects and moving provisions concerning the duration of liens for affordable housing loans from the plan to program policies; authorizing the City Manager, or her designee, to act as the official representative of the city in matters related to the CDBG-DR Program Action Plan; and declaring an effective date.

Meeting date: January 30, 2024

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: The CDBG-DR Action Plan has been amended thirteen times in the past in order to refine the project descriptions and funding allocations. The City Council held the public hearing for proposed Amendment 14 on December 19, 2023.

City Council Strategic Initiative: [Please select from the dropdown menu below]
Quality of Life & Sense of Place
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 - Population Prepared for and resilient to Man-Made & Natural Disasters
☐ Land Use - Choose an item.
Background Information:
Amendments moving $1 million or more in funding from one project to another must have a 14-day review period and a public hearing.

The Amendment 14 public hearing was held at the December 19, 2023, City Council meeting. Comments were received from one resident and several City Council members. The resident requested more public outreach and education about the emergency warning system. City Council members requested that staff ensure that the public is well informed about the results of the funding as projects wrap up, similar to the Uhland Road ribbon cutting; and asked whether the emergency warning system information is shared with the federal government. (Answer: The National Oceanic and Atmospheric Administration (NOAA) receives and uses the information.)

The public review period was held December 24 - January 8 (2 extra days due to holidays). No comments were received. The draft Action Plan and a summary of proposed changes were posted online, and paper copies were provided at the library and City Hall.

Following is a description of proposed Amendment 14.

1. HUD initially required the City to move $178,901.89 in expenses from the discontinued Clarewood/Barbara project to the Administration category. HUD is now allowing the City to move these expenses from Administration to Planning.

   After more detailed design was completed, it was determined that the Clarewood/Barbara project would not accomplish its goals for stormwater control, and the project was discontinued. By HUD rules, expenses spent on a project that is discontinued must be moved to the Administration category. This
was accomplished by Substantial Amendment 10. The actual amount moved has been verified to be $178,901.89.

Upon further discussion, HUD representatives provided verbal approval to move the expenses to Planning. They agreed that the Clarewood/Barbara expenses were actually Planning expenses because a planning report (Preliminary Engineering Report) was developed with these funds that provides detailed planning, modeling, exhibits, professional assessments, and recommendations for multiple options for disaster recovery and mitigation for stormwater in an area with 70% of the population having low-to-moderate income per CDBG definition, and because this 2 volume report has been and will be used for planning purposes for future project development to serve this area.

2. **Remove references to affordability periods from the Action Plan.** This information is now found in the program Policies and Procedures “Form of Assistance” Section, which says: *In May, 2023, after receiving guidance from City Council, the City Manager approved removing the affordability periods from the Action Plan. The affordability periods are now described here in the Policies and Procedures for the housing projects funded by CDBG-DR. Guidance from City Council included five year affordability periods for all applicants currently in process and all prior homes constructed on their own lot, and ten year affordability periods for prior homes constructed on City-owned lots.*

3. **Move $773,165 from all Housing projects to the Blanco Gardens Stormwater Infrastructure Project, and $28,902 to the Midtown Stormwater Infrastructure Project.** This funding had been assigned to houses that were not constructed after applicants withdrew from the program, and approximately $300,000 is contingency funding that was not used. Please see additional information below.

4. **Move the following amounts from the completed Uhland Road Stormwater Infrastructure Project.** This funding was held as contingency and is available now that the project is completed.
   a. $178,901.89 to the Planning Category to cover the Clarewood/Barbara expenses.
   b. $121,098 to the Midtown Stormwater Infrastructure Project. Midtown needs additional funding due to higher than anticipated costs and special requirements by Union Pacific Railroad.
   c. $15,000 to the Blanco Riverine Flood Mitigation Project to ensure unencumbered funding is available for owner relocation costs.

Additional information on why $800,000 is left over from the CDBG-DR Housing Programs:
- Originally, the program was marketed to the community through five application periods. This created a
waiting list of applicants who had been approved as eligible to receive a house, which used up all funding. When staff was re-opening the program in late 2021, we contacted all the people on the waiting list and created a housing construction budget that used all remaining funds.

- However, late in the program, three applicants withdrew. Two withdrew in Fall 2022 stating they were no longer interested, and one withdrew in Spring 2023 since he was no longer able to live independently. By late 2022/early 2023, it was 7 years after the floods and it would be difficult to distinguish flood damage from damage caused in the interim; therefore the housing program was completed as planned, but without those three houses.

- Constructing the houses currently costs about $250,000 each, so these withdrawals meant that $750,000 would not be used. In addition, about $50,000 is available in contingency funding that was not used. Excess funding will be moved to the Blanco Gardens project, which will in turn free up some infrastructure funding in the MIT grant.

Council Committee, Board/Commission Action:
Click or tap here to enter text.

Alternatives:
Click or tap here to enter text.

Recommendation:
Staff recommends approval of Amendment 14 as presented.
Presentation and Public Hearing

Receive a Staff presentation and consider a resolution to approve Substantial Amendment Number 14 to the Community Development Block Grant-Disaster Recovery (CDBG-DR) Action Plan reallocating project funding and memorializing lien terms.
## Proposed Amendment 14 Amounts

<table>
<thead>
<tr>
<th>CDBG-DR Categories and Projects</th>
<th>Current Budget</th>
<th>Change</th>
<th>Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>$1,689,700</td>
<td>$0</td>
<td>$1,689,700</td>
</tr>
<tr>
<td>Planning</td>
<td>$1,069,100</td>
<td>$178,902</td>
<td>$1,248,002</td>
</tr>
<tr>
<td><strong>Category: Housing</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owner-Occupied Reconstruction</td>
<td>$3,269,911</td>
<td>($264,374)</td>
<td>$3,005,537</td>
</tr>
<tr>
<td>Owner-Occupied New Construction</td>
<td>$1,480,089</td>
<td>($357,722)</td>
<td>$1,122,367</td>
</tr>
<tr>
<td>Demolition</td>
<td>$250,000</td>
<td>($179,970)</td>
<td>$70,030</td>
</tr>
<tr>
<td>Public Housing Authority</td>
<td>$688,103</td>
<td>$0</td>
<td>$688,103</td>
</tr>
<tr>
<td><strong>Category: Infrastructure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uhland Road</td>
<td>$7,141,350</td>
<td>($315,000)</td>
<td>$6,826,350</td>
</tr>
<tr>
<td>Midtown/Aquarena Springs</td>
<td>$3,248,547</td>
<td>$150,000</td>
<td>$3,398,547</td>
</tr>
<tr>
<td>Blanco Riverine</td>
<td>$3,635,213</td>
<td>$15,000</td>
<td>$3,650,213</td>
</tr>
<tr>
<td>Blanco Gardens</td>
<td>$11,321,987</td>
<td>$773,165</td>
<td>$12,095,152</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$33,794,000</strong></td>
<td><strong>$0</strong></td>
<td><strong>$33,794,000</strong></td>
</tr>
</tbody>
</table>
Amendment 14 Public Process

Public Hearing  
December 19

Public Comment Period  
December 24 – January 8

City Council Action  
January 30
Staff Recommendation

Staff recommends approving CDBG-Disaster Recovery Amendment 14 as presented.
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS APPROVING SUBSTANTIAL AMENDMENT NO. 14 TO THE COMMUNITY DEVELOPMENT BLOCK GRANT-DISASTER RECOVERY (CDBG-DR) ACTION PLAN FOR THE PURPOSES OF REALLOCATING PROJECT FUNDING TO DIFFERENT CATEGORIES OR PROJECTS AND MOVING PROVISIONS CONCERNING THE DURATION OF LIENS FOR AFFORDABLE HOUSING LOANS FROM THE PLAN TO PROGRAM POLICIES; AUTHORIZING THE CITY MANAGER, OR HER DESIGNEE, TO ACT AS THE OFFICIAL REPRESENTATIVE OF THE CITY IN MATTERS RELATED TO THE CDBG-DR PROGRAM AND ACTION PLAN; AND DECLARING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The City Council of the City of San Marcos hereby approves Substantial Amendment No. 14 as attached hereto.

PART 2. The City Manager, or her designee, is hereby authorized to act as the official representative of the City in matters related to the CDBG-DR Program and Action Plan.

PART 3. This resolution shall be in full force and effect from and after its passage.

ADOPTED on January 30, 2024.

Jane Hughson
Mayor

Attest:

Elizabeth Trevino
City Clerk
City of San Marcos
Action Plan for Disaster Recovery

Disaster Relief Appropriations Act of 2016
(Public Law 114-113, Approved Dec. 18th, 2015)

Revised February 7, 2023 with Proposed Amendment 14 in red
NOTE ON AMENDMENTS:
Approved amendments are shown in blue
Proposed amendment is shown in “legal redline” by crossing out deletions and underlining additions.

AMENDMENT RECORD

<table>
<thead>
<tr>
<th>#</th>
<th>Description</th>
<th>City Approval Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Add quarterly projection of expenditure and performance outcomes to Appendix One</td>
<td>February 7, 2017</td>
</tr>
<tr>
<td>2</td>
<td>Add specific infrastructure projects</td>
<td>May 16, 2017</td>
</tr>
<tr>
<td></td>
<td>Add the related quarterly projection of expenditures and performance outcomes</td>
<td></td>
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<tr>
<td></td>
<td>Change rental home affordability period to five years</td>
<td></td>
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<tr>
<td>3</td>
<td>Change income eligibility determination method to IRS Adjusted Gross Income</td>
<td>August 1, 2017</td>
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<tr>
<td></td>
<td>Change the public comment period for substantial amendments to fourteen days and HUD notification period to five days</td>
<td></td>
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<tr>
<td>4</td>
<td>Add the Blanco Riverine infrastructure project</td>
<td>October 17, 2017</td>
</tr>
<tr>
<td></td>
<td>Increase Planning budget to $5,069,100 and Administration budget to $1,689,700</td>
<td></td>
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<tr>
<td>5</td>
<td>Increase the hard construction cap for a reconstructed house to $196,000</td>
<td>January 12, 2018</td>
</tr>
<tr>
<td>6</td>
<td>Add construction on a City-owned lot as approved activity for the single family owner occupied home construction program</td>
<td>May 1, 2018</td>
</tr>
<tr>
<td>7</td>
<td>Add reimbursement to San Marcos Public Housing Authority for flood-related eligible costs up to $864,987</td>
<td>September 4, 2018</td>
</tr>
<tr>
<td>8</td>
<td>Reallocate funds among projects</td>
<td>June 4, 2019</td>
</tr>
<tr>
<td></td>
<td>Create the Single Family Owner Occupied Housing Reimbursement project</td>
<td></td>
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<tr>
<td>9</td>
<td>Redefine the eligible service area for all single family housing activities to be the city limits of the City of San Marcos</td>
<td>March 3, 2020</td>
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<tr>
<td></td>
<td>Change the purpose of the Blanco Riverine project funding to acquisition</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Move Clarewood/Barbara Infrastructure Project expenditure of $177,887.13 to CDBG-DR Administration</td>
<td>April 20, 2021</td>
</tr>
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</table>
| Move approximately $1 million from Planning Projects to the Blanco Gardens Infrastructure Project  
Remove and replace references to a $196,000 cap on hard construction expenses for housing. |
|---|---|
| 11 | Move $175,000 from the Public Housing Authority project and close the project  
Move $1 million from the Blanco Riverine project  
Move $1,175,000 to the Midtown/Aquarena Springs Project  
(Amounts moved will be to the penny) |
| August 3, 2021 |
| 12 | Infrastructure:  
Move $2,075,000 from Midtown/Aquarena Springs Project to Blanco Gardens Project. It has been determined that a majority of Midtown/Aquarena Springs Project construction is to be paid for with funds outside of CDBG-Disaster Recovery and therefore the budget shall reflect anticipated costs.  
Housing:  
Add the following as approved activities for housing projects: New Construction, Demolition, Clearance, Temporary Relocation |
| March 23, 2022 |
| 13 | 1) As directed by City Council at the August 16, 2022, meeting, the following activities are proposed to be cancelled because implementation is infeasible at this time: the Single Family Owner Occupied Reimbursement activity ($1,000,000) and the Rental Unit Rehabilitation and Reconstruction activity ($659,013). Funding is proposed to be moved to the Midtown/Aquarena Springs Project as described below.  
2) Available funding is proposed to be reallocated from various projects to the Midtown/Aquarena Springs Project to fund its construction. The following amounts could be moved from infrastructure projects without impact to the scope of those projects: $37,650 from Uhland Road Project, and $750,000 from Blanco Riverine Project. In addition, $1,000,000 is proposed to be moved from the Single Family Owner Occupied Reimbursement activity and $659,013 from the Rental Unit Rehabilitation and Reconstruction activity. $1884.16 is proposed to be moved from the Public Housing Authority activity, as that activity has been completed. |
| February 7, 2023 |
| 14 | Substantial Amendment No. 14 to the CDBG-DR Action Plan is now proposed as follows. |
| To be presented 12/19/23 and |
1. HUD initially required the City to move $178,901.89 in expenses from the discontinued Clarewood/Barbara project to the Administration category. HUD is now allowing the City to move these expenses from Administration to Planning.

2. Remove references to affordability periods from the Action Plan. This information is now found in the program Policies and Procedures.

3. Move $773,165 from all Housing projects to the Blanco Gardens Stormwater Infrastructure Project, and $28,902 to the Midtown Stormwater Infrastructure Project. This funding had been assigned to houses that were not constructed after applicants withdrew from the program.

4. Move the following approximate amounts from the completed Uhland Road Stormwater Infrastructure Project. This funding was held as contingency and is available now that the project is completed.
   a. $178,901.89 to the Planning Category to cover the Clarewood/Barbara expenses.
   b. $121,098 to the Midtown Stormwater Infrastructure Project. Midtown needs additional funding due to higher than anticipated costs and special requirements by Union Pacific Railroad.
   c. $15,000 to the Blanco Riverine Flood Mitigation Project to ensure unencumbered funding is available for owner relocation costs.

NOTE: Amendment 14 creates changes on pages 5, 41, 44, 52, 53, 57

Amendment 13 Changes in Summary
### Amendment 13 Proposed Changes

<table>
<thead>
<tr>
<th>CDBG-DR Categories and Projects</th>
<th>Current Budget</th>
<th>Change</th>
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### Amendment 14 Changes in Summary

#### Amendment 14 Budget Changes

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<tr>
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<th>Change</th>
<th>Proposed Budget</th>
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Last Updated 2/07/2023 12/09/2023
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Tab 1:

Introduction and Funding Background (Sections I and II)
I. Introduction

The City of San Marcos, Texas (hereafter referred to as “the City”) was inundated with historic flash and river flooding in Hays County on two separate occasions within six months of each other in 2015.

The first event, now called the “Memorial Day Floods”, occurred overnight on May 23rd and early May 24th. May 2015 has been documented by the National Weather Service as the wettest month in Texas History, with well above-normal rainfall during the first two to three weeks of the month. A persistent area of low pressure over the western United States brought multiple rain events throughout the month of May that saturated soil throughout south-central Texas. By the time Memorial Day weekend arrived, much of the region was at least 2-4 inches (100-300%) above normal. These wet antecedent conditions meant that any new rain, and especially heavy rain, would become rapid run-off directly into rivers, streams, and flash flood prone areas.

This “worst-case” scenario came to pass Memorial Day weekend. A thunderstorm cluster organized west of Hays County on Saturday afternoon and produced upwards of 12 inches of rain in less than 6 hours. The majority of this rain fell in the upper reaches of the Blanco River watershed at rates that exceeded 4 inches per hour as thunderstorms merged and regenerated for hours over southern Blanco and eastern Kendall Counties.

Most of the rain fell from Saturday afternoon into the overnight hours of early Sunday morning, leading to a rapid rise in the Blanco and San Marcos Rivers. The Blanco River at Wimberley rose from near 5 feet at 9 p.m. on May 23rd to near 41 feet by 1am on May 24th. The Blanco River rose 5 feet every 15 minutes just before midnight, equating to a 20-foot rise along the river within a one-hour time frame. Numerous high-water rescues occurred throughout the late evening and morning hours along the banks of the Blanco River and eventually the San Marcos River. The resulting flash flooding caused a tragic loss of life and extreme property damage.

Rescue and recovery efforts stalled on May 25th as another round of severe weather struck the neighboring counties of Williamson, Travis, Bastrop and Caldwell. Large areas of these counties experienced flash flooding and tornados.

Another catastrophic flood event took the area on October 30, 2015, referred to as the “All Saints Flood”, where water caused portions of Interstate 35 to be closed for a second time that year.

The impacts of this event were widespread, leading to the closing of Austin-Bergstrom International Airport, approximately 30 miles away. The National Weather Service reported “nearly 6 inches of rain...within an hour...flooding the ground floor of the Austin Air Traffic Control Tower and Terminal Radar Approach Control facility.” Elsewhere in Texas, some areas received more than 10 inches of rain with heavy rains washing away RVs, boats and trailers along the Guadalupe River in New Braunfels, Texas.

The powerful waters of the All Saints Flood struck Cypress Creek in Wimberley, the Blanco River, and the San Marcos River, causing additional property damage and delaying recovery efforts from the previous flood. However, the community’s heightened sense of awareness and improved reaction to alerts translated to no loss of life during the All Saints Flood. Both events were considered historical flood events for Central Texas, but for different reasons. The Memorial Day Flood was noted for its extreme water velocities, analogous to the velocities of Niagara Falls. The All Saints Flood was noted for the extreme volume of precipitation in such a short period of time in various locations around Hays County quickly inundating the rivers, ditches and ephemeral streams.
II. Funding Background

Combined, these two disasters accounted for damage to 1,558 homes and 35 businesses, severely impacting the recovery and growth potential for this community nestled between San Antonio and Austin. The lingering devastation brought by these two floods prompted the U.S. Department of Housing and Urban Development (HUD) to allocate $25,080,000 to an initial Community Development Block Grant Disaster Recovery (CDBG-DR) Fund to assist with ongoing recovery needs. These funds must be utilized for disaster recovery work in the most impacted and distressed areas of the City, as declared in the 2015 disaster declarations and authorized under Title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42.U.S.C. 5121 et seq.). Pursuant to this Act, CDBG-DR funds may only be used for disaster related purposes.

In order to assist in the allocation of these funds, the City has completed the following Needs Assessment. This document will quantify the funding needed to repair damage and recoup losses, factoring in the funds already received by the Federal Emergency Management Agency (FEMA) grants, U. S. Small Business Administration (SBA) loans, insurance proceeds from the National Flood Insurance Program (NFIP), other CDBG funds and other funding sources available. The Needs Assessment also assists 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.
Tab 2:
Needs Assessment
(Section III)
III. Needs Assessment

HUD requires that the Needs Assessment evaluate the three core aspects of recovery – housing (interim and permanent, owner, rental, single-family and multi-family, affordable and market rate), infrastructure, and the economy (e.g., estimated job losses or tax revenue loss due to the disaster). By understanding where its critical needs lie, the City will be able to more effectively allocate the funds as needed and described further on in this Action Plan. The City recognizes that there is still data missing from these calculations and therefore cautions that this is an estimate of need, not a statement of fact. Information regarding NFIP payout amounts, FEMA Public Assistance payment amounts, unidentified disaster impacted projects, and more will be continually coming in and will need to be reviewed and incorporated into future revisions of this Needs Assessment and Action Plan. Finally, the City also wants to note that the current allocation is $25,080,000, which is not anticipated to be enough to cover the needs outlined below. Therefore, the City will need to seek additional ways to leverage these funds and extend the use of this very limited resource.

A. Housing

1. Prior to the Flooding
   a) Baseline Information and Data

The City, home to Texas State University (enrollment approximately 39,979) and a frequent tourist destination, has a very young demographic. Data from the American Community Survey (ACS) Data 2010 – 2014 shows that over 42.4% of the population falls in the 18-24 age cohort, with another 24.3% of the population in the 25-44 bracket, while only 6.7% are older than age 65. This young population, and the transient nature of students, lends the housing environment in the City to heavily lean towards rental housing rather than home ownership.

As of 2014, there were 18,782 occupied housing units within the City, with 72.8% of all housing units being rentals and only 27.2% of the housing units being owner occupied (ACS Data 2010 – 2014). Based on the total occupied households from all income brackets including both renter and owner-occupied units: Less than 1% live in substandard housing without complete plumbing and/or complete kitchens.

- 1.3% are considered to be “severely overcrowded” with more than 1.51 persons per room.
- 2.3% are considered to be “overcrowded” with 1.01 to 1.5 persons per room.
- 36.6% of homeowners (1,121 households) expend over 30% of their monthly income on housing costs.
- 75.1% of renters (9,660 households) expend over 30% of their monthly income on rent.

HUD considers any family that expends more than 30% of their monthly income on housing to have a housing cost burden. This is just one of the serious housing problems that HUD looks for in a community. Others include the presence of a disability in the household, substandard or unsafe housing and overcrowding. Of all of these, the primary statistically significant serious problem in the City is the existence of a high cost burden on families, especially for those who rent. Additionally, 33% of housing units are more than 35 years old - this imparts maintenance costs that can be prohibitive for low income households.

There are 5,630 non-family households in The City that have a cost burden that exceeds 30% of their monthly income and 3,925 non-family households with a cost burden exceeding 50% of their monthly income. The majority of these are renters. By contrast, there are only 30 non-family households who live in overcrowded (more than 1/per room) conditions. The 2010-14 ACS indicates that 32.8% of the
population is individuals living alone and 13.5% of the population has less than a high school diploma. Medium Gross Rent is $919/month (ACS 2010-14) with median non-family income $1,788/month ($21,456/year). The City of San Marcos has the lowest per capita income along the IH35 corridor between Austin and San Antonio.

b) Race and housing choices

The residents of the City, as indicated in the most recent census data, are primarily White or Hispanic in origin; the two races combined make up over 83% of the citizenry. By contrast, the minority population (not including the Hispanic or Latino origin) of the City is just 16.2% as of the 2014 ACS data, however, as in many jurisdictions, this cohort of population is severely cost burdened and impacted by low wages and high housing costs. Over 30% of the minority families (African American, Asian, or “Some Other” race as identified in the Census) were at or below the Poverty Level in 2014, and 20.4% of the Hispanic families were as well. As the majority of these families will be renters (given assumptions on income and housing units that can be afforded), any housing assistance program that supports recovery efforts in the most impacted areas identified below will be serving this cohort of the LMI population that HUD requires. These families will also be those most impacted by the housing cost burden listed above, and could therefore be seen as having 2 (or more) housing problems as identified by HUD. The City will make sure that these populations are provided every opportunity to make use of any appropriate CDBG-DR funds from this allocation.

c) Disabled households or victims of domestic violence

The Hays-Caldwell Women’s Center, a San Marcos non-profit organization that provides services, including an emergency shelter, for victims of family violence estimates in 2014 approximately 250 adult clients asked for housing assistance. Of those adults, 135 were families with children; 3 were disabled; and 4 were male adults. Following the floods in 2015, shelter assistance requests have gone up strikingly, over 200% in some instances as shown in the chart below. For most shelter residents, the primary barrier to securing housing was the lack of affordable housing in our area.

Within the city limits of San Marcos, the number of persons with a disability that need housing assistance is difficult to ascertain. However, a review of the 2008-2012 CHAS--Table 6 data shows that where at least one person has a self-care or independent living limitation, 11% reported a disability, including 5% under 18; 9% aged 18 to 64; and 45% over 65. It can be assumed that many of the households with self-care/independent living limitations need some form of housing assistance, especially renter households with an annual income less than 50% AMI, housing cost burden and the need for accessibility improvements. Through housing applications and case management the City will continue to engage the community during implementation so that the households with disabled family members receive appropriate assistance.

The following chart shows the households in both rental and owner-occupied housing. Those with at least one housing problem (as identified above) are shown and sorted by annual household income:

<table>
<thead>
<tr>
<th>Households where at least one member has a self-care or independent living limitation</th>
<th>Renter Occupied</th>
<th>Renter % of Income Category</th>
<th>Owner Occupied</th>
<th>Owner % of Income Categories</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Households</td>
<td>550</td>
<td>50%</td>
<td>555</td>
<td>50%</td>
<td>1,105</td>
</tr>
<tr>
<td>Households w/income at or below 30% AMI</td>
<td>140</td>
<td>78%</td>
<td>40</td>
<td>22%</td>
<td>180</td>
</tr>
<tr>
<td>Households w/income above 30% but less than 50% AMI</td>
<td>180</td>
<td>97%</td>
<td>5</td>
<td>3%</td>
<td>185</td>
</tr>
<tr>
<td>Households w/income above 50% but less than 80% AMI</td>
<td>20</td>
<td>20%</td>
<td>80</td>
<td>80%</td>
<td>100</td>
</tr>
<tr>
<td>Households w/income above 80% AMI</td>
<td>55</td>
<td>20%</td>
<td>220</td>
<td>80%</td>
<td>275</td>
</tr>
</tbody>
</table>

(Source: [www.huduser.org/portal/datasets/cp/chas/data_download_chas.html](http://www.huduser.org/portal/datasets/cp/chas/data_download_chas.html))

**d) Increased risk of homelessness**

Approximately 8% of all households with an annual income at or below 50% AMI have children six years old or younger. If we assume that the percent of households with children having a housing cost burden is similar to the population as a whole, then it can be estimated that 284 rental and 20 owner-occupied extremely low income households have a housing cost burden of 50% or greater. A cost burden this high puts the families at imminent risk of becoming homeless. There is a lack of homeless prevention dollars in the City. The City does not receive rapid re-housing assistance or Emergency Solutions Grant funds. The City does not have resources to provide this form of assistance.

The high cost of rental housing in the City creates instability and an increased risk of homelessness as a by-product. Very low-income households living in aging housing have limited resources for maintaining and repairing their homes; if no repairs are made, serious deficiencies can leave the home uninhabitable and create a risk of homelessness or overcrowding. The low or extremely low-income households with at least one person 75 years or older are also in danger of becoming homeless or having to double-up with families or friends as options for affordable living decrease and assisted living is not affordable.

**e) Pre-Flood Sources of Housing Funds**

Prior to the Floods, the City regularly programmed approximately $500,000 annually in CDBG funding. As of 2015, these funds had been allocated into the following “High Priority” categories:

- Affordable Housing
- Public Services
- Public Facilities/Infrastructure/Transportation
- Clearance Activities
- Program Administration

Given pre-existing contracts and set asides, the ability of the City to utilize these funds on disaster related activities can be difficult and therefore should not be relied upon as actual post-disaster funding. The amount of CDBG funding that the City can use to assist in disaster related activities is approximately $311,000. These funds have been allocated to third party contractors who have already used $35,812 to assist in the repair and rehabilitation of houses damaged by the floods.

**f) Additional Sources of Funding**

While there are many non-profit and philanthropic organizations in the City, the majority of them exist for very specific and limited purposes. This does not enable them to provide long term disaster recovery assistance, so cannot reliably be counted as a source of long-term funding. Organizations such as the United Way, Red Cross and the Blanco River Regional Recovery Team (BR3T) all provided assistance
immediately following the floods, however, the ability to continue providing ongoing funding is very limited.

The City does use up to $450,000 from the General Fund budget to provide annual grants to local non-profit organizations that provide services to the low, very low, and homeless population, including support to the three shelters located within the City. The City also utilizes their regular annual CDBG funding to provide public services such as supporting the Hays-Caldwell Women's Center. The City has also provided funding over the past several years to the Southside Community Center for a housing rehabilitation program. This program helps prevent homelessness by ensuring that the owner occupied housing for low and very low income families remains decent, safe, and sanitary.

g) Conclusion

The pre-flood housing needs in the City centered around the lack of affordable housing. Though few units are lacking plumbing or kitchen facilities, there is a need for minor to moderate housing rehabilitation to prevent further deterioration as well as a need to demolish unsafe/unsound housing, replacing with a safe and code-compliant home where appropriate. The remainder of this section will discuss the unmet need and provide recommendations on the allocation of CDBG-DR funding.

2. Unmet Needs

a) Damage and Areas of Greatest Impact

The majority of the damage occurred within the 100-year floodplain or right up against the banks of the Blanco and San Marcos Rivers. The Blanco Gardens area, immediately to the South of Interstate 35 and State Hwy 80, had the most claims submitted for insurance payouts, as seen in the map in Appendix A. Over 1,200 properties are in this area alone, and are at continued risk for additional flood impacts. The City is investigating mitigation measures for this area, and this information is described in more detail in the Infrastructure portion of this assessment. Additionally, the majority of the households within the impacted area are well below 50% of AMI, shown by the map in Appendix A. Therefore, any assistance that is rendered within the impacted areas of the City will ultimately serve the LMI populations that HUD has established as needing the greatest assistance. Graphical display of damage areas and impact can be found in Appendix A.

b) FEMA Damage Assessment

One of the largest and most important tasks of disaster recovery is identifying, documenting, and reporting the costs of all damages incurred by the disaster event. Immediately following a disaster, resources are scarce and expediency and timeliness are critical. However, it is important to identify the impact of those damages to the City and its residents through:

- Data collection;
- Housing and Business Surveys; and
- Planning and initiating housing inspections.

Immediately after the flood waters receded, the City, in a joint effort with FEMA, initiated planning to conduct residential damage assessments. The following activities were performed:

- Critical data sources were identified in order to calculate estimated damage values;
- Geographic Information Systems (GIS) was implemented to map damage assessment;
- U.S. Department of Housing and Urban Development Housing Quality Standards were identified as the acceptable minimum standard for health and safety; and
• Total FEMA Verified Loss (FVL) was determined from the 1,738 claims to be $7,093,633 – this represents the total cost that FEMA estimates residents were subjected to as a result of their loss. It is important to note that FVL is not a direct measure of total damage, simply a snapshot in time of how impacted a particular applicant was by the flood. Additionally, multiple claims on the same property may not be funded, thereby increasing the number of claims (1,738) versus the actual damaged properties (1,558).

**Conducting Damage Assessment Inspections** Initial damage inspections involved calculating a Damage Level (DL) from “Level 0” to “Level 4”, with “Level 0” meaning the unit suffered no damage in the flood and “Level 4” meaning the flood completely destroyed the unit and it could not be salvaged. Housing units that scored a “Level 3” or “Level 4” are considered uninhabitable; however, units that score a “Level 3” are considered repairable. These damage levels equate to established and well-defined FEMA damage levels. The “Damage Percentage” represents the percentage of the structure that was damaged.

<table>
<thead>
<tr>
<th>Damage Level</th>
<th>FEMA Description</th>
<th>Damage Percentage Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level 0</td>
<td>No Damage</td>
<td>0%</td>
</tr>
<tr>
<td>Level 1</td>
<td>Affected</td>
<td>0-25%</td>
</tr>
<tr>
<td>Level 2</td>
<td>Minor</td>
<td>26-50%</td>
</tr>
<tr>
<td>Level 3</td>
<td>Major</td>
<td>51-75%</td>
</tr>
<tr>
<td>Level 4</td>
<td>Severe</td>
<td>76-100%</td>
</tr>
</tbody>
</table>

**Initial Inspection Findings**
According to initial disaster estimates, flood insurance claims and other data sources, 1,558 housing units were damaged in the two floods. The vast majority of the damage, impacting 1,246 homes, occurred in the Blanco Gardens neighborhood and immediately adjacent areas. Consequently, this Needs Assessment will base the majority of its calculations on this population. As shown in the table below, within the areas most impacted by the floods, 675 were rental units and 571 were owner occupied units. In the same area, 136 housing units received no damage to the primary housing structure, or had damage well below the threshold to be considered in FEMA’s estimate. This indicates that over 89% of the units within this area were damaged in some manner, with initial estimates indicating that approximately 109 units received “Severe” or significant structural damage and will need to be completely rebuilt or replaced.
Following the floods, the City conducted multiple public workshops to determine the extent of damage to homes; minutes from these meetings are available and attached as exhibits to the City’s Action Plan for Disaster Recovery. From these meetings, and from flood insurance data, we know that over 78% of the housing units were not covered by flood insurance, and are therefore eligible for assistance from FEMA. FEMA has provided the victims in the City $4,333,990 for Individual Assistance related to housing, while the SBA has approved $3,357,700 in low-interest loans for home repair or replacement.

c) Overall HUD Unmet Needs Methodology

The method that HUD uses to determine Unmet Need is described in great detail in the Federal Register. Unmet Need, at its very basic level, is defined as that amount of funds necessary to make the City whole again following a disaster. Unmet Need also takes into account the amount of funds and resources that a city has already received from other external sources such as FEMA, NFIP or the SBA, as well as any other sources of funds that the City might have that could be directed to help solve these needs. Finally, no responsible jurisdiction would consider a Needs Assessment complete without discussing the cost of completing activities that will keep the City from incurring this same type of damage in the future. Unfortunately, this number is very hard to quantify, so as a result, unless a project has recently been studied or engineered, knowing exactly what “cost” mitigation activities will add to the formula of unmet needs is very difficult to determine.

For the purposes of this Needs Assessment, the City will use the following HUD established methodology to determine the remaining unmet need under Housing as well as the other categories of Infrastructure and Economic Development.

HUD has published guidance documents for the establishment of Unmet Housing Needs as attached to the Federal Register authorizing this allocation (published June 9, 2016). According to this guidance, HUD uses the following methodology for estimating unmet needs. The following information is taken from the Appendix to the Federal Register. It should be noted that this is guidance on how HUD would calculate unmet need; the City will endeavor to follow this guidance as much as the data permits.
The data HUD staff have identified as being available to calculate unmet needs for qualifying disasters come from the following data sources:

- FEMA Individual Assistance program data on housing-unit damage as of December 21, 2015;
- SBA for management of its disaster assistance loan program for housing repair and replacement as of January 13, 2016;
- SBA for management of its disaster assistance loan program for business real estate repair and replacement as well as content loss as of January 13, 2016; and
- FEMA- estimated and obligated amounts under its Public Assistance program for permanent work, Federal and State cost share as of February 3, 2016.

NFIP dollar amounts have been requested, but are currently unavailable.

d) Calculating Unmet Housing Needs

FEMA and SBA

According to HUD: The core data on housing damage for both the unmet housing needs calculation and the concentrated damage are based on home inspection data for FEMA’s Individual Assistance program. For unmet housing needs, the FEMA data are supplemented by SBA data from its Disaster Loan Program. HUD calculates "unmet housing needs" as the number of housing units with unmet needs times the estimated cost to repair those units less repair funds already provided by FEMA (and other sources), where:

- Each of the FEMA inspected owner units are categorized by HUD into one of five categories:
  0. Minor-Low: Less than $3,000 of FEMA-inspected real property damage.
  1. Minor-High: $3,000 to $7,999 of FEMA-inspected real property damage.
  2. Major-Low: $8,000 to $14,999 of FEMA-inspected real property damage and/or 1 to 4 feet of flooding on the first floor.
  3. Major-High: $15,000 to $28,800 of FEMA-inspected real property damage and/or 4 to 6 feet of flooding on the first floor.
  4. Severe: Greater than $28,800 of FEMA-inspected real property damage or determined destroyed and/or 6 or more feet of flooding on the first floor.

- For the purposes of categorizing damage in San Marcos, the levels above correspond to the Levels 0-4 listed above as follows (applicable to Rental units as well):
  - None: No Damage
  - Minor-Low = San Marcos Level 1, Affected
  - Minor-High = San Marcos Level 2, Minor
  - Major-Low = San Marcos Level 3, Major
  - Major-High and Severe = San Marcos Level 4, Severe

To meet the statutory requirement of "most impacted," homes are determined to have a serious level of damage if they have damage of "major-low" or higher. That is, they have a real property, FEMA-inspected damage of $8,000 or flooding over 1 foot. Furthermore, a homeowner is determined to have unmet needs if the homeowner received a FEMA grant to make home repairs. For homeowners with a FEMA grant and
insurance for the covered event, HUD assumes that the unmet need "gap" is 20 percent of the difference between total damage and the FEMA grant.

- FEMA does not inspect rental units for real property damage so personal property damage is used as a proxy for unit damage. Each of the FEMA inspected renter units are categorized by HUD into one of five categories:
  - Minor-Low: Less than $1,000 of FEMA-inspected personal property damage.
  - Minor-High: $1,000 to $1,999 of FEMA-inspected personal property damage.
  - Major-Low: $2,000 to $3,499 of FEMA-inspected personal property damage and/or 1 to 4 feet of flooding on the first floor.
  - Major-High: $3,500 to $7,499 of FEMA-inspected personal property damage and/or 4 to 6 feet of flooding on the first floor.
  - Severe: Greater than $7,500 of FEMA-inspected personal property damage or determined destroyed and/or 6 or more feet of flooding on the first floor.

For rental properties, to meet the statutory requirement of "most impacted," homes are determined to have a high level of damage if they have damage of "major-low" or higher. That is, they have a FEMA personal property damage assessment of $2,000 or greater or flooding over 1 foot. Furthermore, landlords are presumed to have adequate insurance coverage unless the unit is occupied by a renter with income of $30,000 or less. Units occupied by a tenant with income less than $30,000 are used to calculate likely unmet needs for affordable rental housing. For those units occupied by tenants with incomes under $30,000, HUD estimates unmet needs as 75 percent of the estimated repair cost.

- The average cost to fully repair a home to code for a specific disaster within each of the damage categories noted above is calculated using the average real property damage repair costs determined by the SBA for its disaster loan program for the subset of homes inspected by both SBA and FEMA. Because SBA is inspecting for full repair costs, it is presumed to reflect the full cost to repair the home, which is generally more than the FEMA estimates on the cost to make the home habitable. If fewer than 100 SBA inspections are made for homes within a FEMA damage category, the estimated damage amount in the category for that disaster has a cap applied at the 75th percentile of all damaged units for that category for all disasters and has a floor applied at the 25th percentile.

Given that the SBA awarded 88 loans to citizens of San Marcos, the City will utilize the average of these loans as the basis for the estimate to completely repair a substantially damaged housing unit. This number is pro-rated based upon the damage percentage ratios shown in the charts below and estimates that the current cost to repair homes to a pre-flood state is approximately $80,176. It is understood that this “damage universe” is a small percentage of the actual number of damaged units, however, the current lack of NFIP payout information makes this the only solid and reliable piece of data to represent reconstruction costs.

To obtain estimates for unmet needs, only properties receiving a FEMA grant are included in the calculation (since these are the cases assumed to have insufficient insurance coverage). Furthermore, the FEMA grant amount and all SBA loans are subtracted out of the total estimated damage to obtain a final unmet needs estimate. Although flood insurance payouts have been issued, and must be counted against the Unmet Need, the amount of those payouts is unavailable at this time.

The following chart shows the latest comprehensive damage estimate for housing units within the most impacted area of the City, and represents the basis for our unmet needs calculation. Given that the total costs to repair are not fully known at this time and that the majority of the impacted units are less than
50% damaged, it should be noted that the final costs may deviate significantly from this estimate. Therefore, this number should be seen as the maximum cost to repair at this point in time. Once firm costs to repair are determined, and additional NFIP payout information is included, this damage estimate will most likely change.

<table>
<thead>
<tr>
<th>Damage Type</th>
<th>Damage %</th>
<th>$ Est. Cost to Repair (as % of SBA average)</th>
<th>Area Units #</th>
<th>Total Damage Estimate $</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>0%</td>
<td>$0.00</td>
<td>136</td>
<td>$0.00</td>
</tr>
<tr>
<td>Affected</td>
<td>25%</td>
<td>$20,044.00</td>
<td>506</td>
<td>$10,142,264.00</td>
</tr>
<tr>
<td>Minor</td>
<td>50%</td>
<td>$40,088.00</td>
<td>315</td>
<td>$12,627,720.00</td>
</tr>
<tr>
<td>Major</td>
<td>75%</td>
<td>$60,132.00</td>
<td>180</td>
<td>$10,823,760.00</td>
</tr>
<tr>
<td>Severe</td>
<td>100%</td>
<td>$80,176.00</td>
<td>109</td>
<td>$8,739,184.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>1,246</td>
<td>$42,332,928.00</td>
</tr>
</tbody>
</table>

This total does not include the 136 homes in the area that received no structural damage to the main housing unit or were below the damage threshold established by FEMA.

Insurance Proceeds

Standard homeowner’s insurance does not cover flooding; however, it is important to have protection from the floods associated with hurricanes, tropical storms, heavy rains and other conditions that impact the U.S., FEMA created the National Flood Insurance Program (NFIP) to help provide a means for property owners to financially protect themselves. The NFIP offers flood insurance to homeowners, renters, and business owners if their community participates in the NFIP. Participating communities agree to adopt and enforce ordinances that meet or exceed FEMA requirements to reduce the risk of flooding. Properties that were located in the FEMA flood zone along the Blanco and San Marcos Rivers were able to collect insurance proceeds from the NFIP. To date, NFIP claims have been processed for 503 properties (409 owner occupied and 94 rental). This represents potentially an additional $28,901,437 in funding that has been provided to the citizens of the City to assist with their flood recovery, and will reduce the overall unmet need for housing.

Owner Occupied Housing Needs

FEMA data shows that 1,103 of the 5,102 owner occupied units (city-wide) applied for assistance immediately after the floods. Of these homes, 1,013 units (from all sources: 925 FEMA IA, 88 SBA,) have already received either Individual Assistance or payouts from other sources including insurance or SBA loans. This leaves 90 of the FEMA applicants with no current source of rehabilitation funding, and the City may need to provide assistance to these families under this CDBG-DR allocation. Based upon the SBA data, the current cost to repair homes to a pre-flood state is approximately $80,176. Once their level of damage has been accurately determined, the remaining need for these affected homeowners may be as high as $7,215,840.
While the City may choose to repair homes that are classified as “Affected” or “Minor” related to damage, it should be noted that any home classified “Major” or “Severe” within the 100-year flood plain receiving CDBG-DR assistance from this allocation will be required to be elevated to at least two feet above Base Flood Elevation (BFE), as required under FR-5938-01. The cost to carry flood insurance for homeowners taking advantage of a potential CDBG-DR housing program should not be understated, as it will most likely create a cost burden on an applicant, thereby making maintaining that home no longer affordable for the income levels that are required to be assisted with these funds. The City will need to determine during implementation whether these homeowners will be offered buyout and relocation assistance in lieu of elevating their property. Homes that are in the “Major” or “Severe” categories will need to be completely reconstructed, or possibly, if within the flood plain as described above, bought out which would afford the homeowner the opportunity to move to a lower risk area.

**Rental Property Needs**

According to initial City estimates, out of 13,680 rental units citywide, the flood damaged over 675 rental housing units within our most impacted area. Citywide, these rental units, as mentioned previously, typically house the LMI population of the City, as well as a large portion of the student population of Texas State University. The rental housing market can define its unmet needs as rental programs to repair/replace damaged rental units, create additional rental programs to house displaced households (homeowners and renters), and rental housing to assist special needs populations who have difficulty finding affordable housing in the restricted and expensive rental housing market. Of the 675 units that were damaged, insurance payouts have already been provided to 94 units. While residents within the remaining units may have received FEMA IA, the assistance they have received would not have covered the property damage as they are not the owners of record. Therefore, the City estimates that there are still 581 rental units within this area, and possibly more across the City, that may need Disaster Recovery assistance. Units within the 100-year flood plain that received significant damage (meeting the FEMA classifications of Major or Severe), may be reconstructed, but will at minimum have to be elevated to two feet above the Base Flood Elevation. Those adjacent to the flood plain will not require elevation and can be rehabilitated or reconstructed depending on the level of damage. In all circumstances, LMI residents within these units may be provided relocation assistance to other units within the City while their unit is being repaired or replaced.

**Public and HUD Assisted Housing Needs**

During the Memorial Day and All Saints floods of 2015 the San Marcos Housing Authority sustained damages of approximately $1,300,000 to 100 units of their 287-unit inventory. The repairs are complete. The units were occupied by households with incomes as follows: 30% AMI. The San Marcos Housing Authority has been forced to use resources originally intended for improvements to other facilities and has delayed those improvements for an indefinite period since other sources of revenue have been exhausted. Since the floods, the San Marcos Housing Authority has received approximately $1,390,603 in assistance, broken out as follows:

<table>
<thead>
<tr>
<th>San Marcos Housing Authority Assistance</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Way Contribution</td>
<td>$70,000.00</td>
</tr>
<tr>
<td>Private Cash Donation</td>
<td>$43,330.00</td>
</tr>
<tr>
<td>TML Flood Insurance (All Saints)</td>
<td>$168,629.00</td>
</tr>
<tr>
<td>FEMA</td>
<td>$458,644.00</td>
</tr>
<tr>
<td>Source</td>
<td>Amount</td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>San Marcos Investment Corp Grant</td>
<td>$100,000.00</td>
</tr>
<tr>
<td>San Marcos Investment Corp Loan/Advance</td>
<td>$400,000.00</td>
</tr>
<tr>
<td>Housing Authority Capital Funds</td>
<td>$150,000.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,390,603</strong></td>
</tr>
</tbody>
</table>

Originally, the Action Plan did not allow for reimbursement of the cost of flood-related repairs and also did not designate funds for the San Marcos Public Housing Authority. Substantial Amendment No. 7 to the Action Plan allows for the reimbursement of the cost of flood-related repairs and for funds not to exceed $866,603 to be designated to the San Marcos Public Housing Authority. The Public Housing Authority Reimbursement Activity is a separate Activity under the Housing Project. The reallocation of funds from the Rental Reconstruction Activity will be used to fund the Public Housing Authority Reimbursement Activity. Due to Federal budget restrictions, the San Marcos Housing Authority is unable to increase the number of public housing units or Section 8 Vouchers and therefore the City will not be exploring the creation of additional public housing units with CDBG-DR funding. The San Marcos Housing Authority is authorized to issue up to 228 Section 8 Housing Choice Vouchers. Of this total, 4 households were impacted by the Memorial Day flood and 3 by the All Saints Flood. All 7 families were able to be rehoused by the Housing Authority at different locations following the floods and therefore no outstanding or unmet need exists for HUD assisted housing residents.

Other Sources of Funds

Thanks to the generosity of many of the non-profit organizations that volunteered their time and assistance to victims of these floods, over 45 families have received over $183,000 of housing assistance. The assistance provided to date has been for temporary shelter, damage repair and relocation. Other agencies are still providing assistance to affected residents of the City, and their funds will be calculated as they become known. Multiple non-profit organizations came to the City and provided volunteers, food and other non-housing related assistance. While this help is certainly significant in assisting the citizens to recover from the flood, it was not directed to address housing needs and therefore is not a part of the unmet needs’ calculation for housing.

Displaced Households

Based upon information provided by the San Marcos Housing Authority, of the 100 families displaced from San Marcos Housing Authority properties as a result of the two floods, 53 families have returned to their homes, 34 families have chosen not to return, 13 families have returned to other San Marcos Housing Authority properties, and one family has transferred to the San Marcos Housing Authority’s Section 8 Program and relocated away from the area. While it is discouraging that 35 families have voluntarily left the City, it is important to note that this will provide the San Marcos Housing Authority a chance to bring additional families off their waiting list and into secure housing. Beyond this information, the City does not have evidence, anecdotal or otherwise, that citizens remain displaced or have relocated to other jurisdictions as a result of continuing housing issues from the floods.

Homelessness

The Texas Homeless Coalition, the organization that provides the Balance of State homeless service, was contacted by the City and they do not have any data on homelessness in San Marcos for 2015. However, there are three homeless shelters within the City; one targeted to victims of domestic violence, one for youth under the age of 18, and one open to the general homeless population. Overall, the City cannot state that homelessness has increased as a result of these floods. While there is evidence of increased
activity (such as an increased use of shelter showers) at the local shelters immediately following both
events, that increase in activity could partially be as a result of the influx of volunteers who came in to
assist with the recovery, not only as families displaced from their homes. Additionally, tracking the
numbers at the shelters since the floods occurred indicates that the overall homeless count in the City has
remained statistically constant. There remains a high risk for homelessness given that the pre-flood
conditions of high cost burden and high maintenance costs of housing due to the age of the housing stock
still exist, however the City cannot positively conclude that the floods contributed to a rise in homeless
populations.

Hazard Mitigation Activities for Housing

One of the more prevalent needs related to housing is the ability to remove chances for repetitive loss. In
these two floods, of the 1558 housing units damaged in the floods, FEMA and NFIP claim data indicates
that 75 of them were damaged in both events, causing a repetitive loss situation that equaled $760,165
of repetitive payments. Since the events were so close together in time, many residents were not able to
elevate their home to come in compliance with Base Flood Elevation (BFE) regulations, nor were they able
to secure Flood Insurance as required under the FEMA programs. Subsequent to the flood events, the City
is in the process of adopting new BFE regulations and revised the Flood Maps for the City. Consequently,
the City needs to conduct additional research to find ways to reduce the possibility of future flood impacts.

The City has investigated potential mitigation measures for the properties in the Blanco Gardens Area,
the area most impacted by the Floods. The research provides recommendations regarding the relative
benefit and cost of two options for flood mitigation to properties in an area generally described as “Blanco
Gardens”. The options include the acquisition of flood prone properties and the elevation of structures.
Based on preliminary data, the acquisition of all properties within the flood prone areas would cost
upwards of $42M; a prohibitive cost once the cost of building new housing and relocating current
homeowners, as well as the mental stress such a process would place on the residents is included. A more
feasible alternative would be the elevation of those structures that are currently below the BFE, a process
that would cost an estimated minimum of $14.9M.

While this Needs Assessment does not recommend specific projects, the City will investigate the
possibility of Hazard Mitigation activities similar to the two listed above as part of their housing allocation
in order to increase sustainability and resilience within the community. During the Housing Program
Intake process, the City discovered impacted applicants with property in areas not eligible for rebuild or
where improvements are owned by the applicant but not the land. Substantial Amendment No. 6 details
the City’s desire to assist the applicants with stick built housing on City owned allowable lots out of the
floodplain.

Conclusion and Summary of Unmet Need for Housing

The housing needs in the City center around the lack of affordable housing – especially rental units, as
well as the need to prevent continued damage from future floods. Though few units are lacking plumbing
or kitchen facilities, there is a need for minor to moderate housing rehabilitation to prevent further
deterioration as well as a need to demolish and reconstruct unsafe/unsound housing. The chart below
summarizes the City’s funding sources, and represents an estimate of unmet need related to housing to
the best of our ability with the current data; discussions with the public and with City leadership will
continue to refine this information and prioritize the assistance needed. At this time, it appears that the
priority for utilization of CDBG-DR funding (related to housing) will be for housing rehabilitation and for
the implementation of repetitive loss and hazard mitigation activities which may include buyouts or
housing elevation or relocation of housing to City owned property that would otherwise be ineligible for
rebuild.
**B. Infrastructure**

Amendment #2 updates the Needs Assessment to reflect the results of the Infrastructure Feasibility Study. This study was undertaken to determine those infrastructure projects that meet the National Objective and provide the greatest impact on the health, safety and protection to LMI citizens in the flood impacted area. Please see Section B-9. and 10.

The two floods combined accounted for $13,382,000 worth of estimated damages to vital City facilities and infrastructure. The City has applied to FEMA for Public Assistance to cover the original outlay the City has had to make to cover these costs, and is anticipating that some of these damages will be covered and will be reimbursed. These funds have been allocated as demonstrated below for the repair, replacement, or restoration of disaster-damaged infrastructure as well as costs incurred for disaster clean-up or emergency actions taken to protect lives or property. Immediately following the floods, City officials began the collection and analysis of the infrastructure data, understanding the need to expedite the review and get the information to FEMA in a timely manner. The City is diligently following up on its submission to FEMA and is continuing to submit information related to the October flood even as this Action Plan is being drafted.

The City, in conjunction with FEMA, is working to develop multiple Project Worksheets (PWs) to repair damages caused by the floods. Federal Declarations #4223 and #4245 were published May 29th and November 25th therefore allowing the process of recovery to begin in San Marcos. As of June 1, 2016, a total of $6,769,827 has initially been identified by the City as needed in order to repair and/or replace disaster impacted facilities. The Presidential declaration set for this disaster included a 75 percent cost

<table>
<thead>
<tr>
<th>Remaining Unmet Housing Need</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Need</td>
<td>$</td>
</tr>
<tr>
<td>Cost to repair</td>
<td>$42,332,928.00</td>
</tr>
<tr>
<td>Hazard Mitigation needs</td>
<td>$14,900,000.00</td>
</tr>
<tr>
<td>Previous Benefits</td>
<td>$</td>
</tr>
<tr>
<td>FEMA IA provided</td>
<td>($4,333,990.00)</td>
</tr>
<tr>
<td>SBA Loans</td>
<td>($3,357,700.00)</td>
</tr>
<tr>
<td>NFIP claims **</td>
<td>($17,037,400.00)</td>
</tr>
<tr>
<td>Other Sources</td>
<td>($461,000.00)</td>
</tr>
<tr>
<td>Total Unmet Housing Need</td>
<td>$32,042,838.00</td>
</tr>
</tbody>
</table>

* Indicates only potential Elevation measures as discussed in the narrative above; a combination of buyout and elevation will significantly change this number.

** NFIP dollar amounts have been requested, but are currently unavailable. The chart currently reflects best guess estimates and will be updated once that information has been received.
share therefore leaving 25 percent of all dollars ($1,642,456 to date) obligated to the City. The estimated funds are identified in Categories A-G. Each Category is represented by different functions within the program. Categories A and B are considered Emergency Measures: Category A is specifically for Debris Removal and Category B is for Emergency Protective Measures. Categories C through G are for the Permanent Work groups. Category C is defined for Roads and Bridges. Category D is for Water Control Facilities. Category E addresses damages to Buildings, Contents, and Equipment. Category F is for all Utilities and Category G addresses Parks, Recreational and Other Facilities. Out of all of the eligible activities under the Infrastructure Category that the City has identified to date, there is approximately $1,642,456 left that the City has to fund. This represents the amount not covered by insurance and anticipated FEMA payouts. It should be noted that the figures in the Categories listed below are currently estimates (except where noted as funds being received), reflecting what the City has identified as costs incurred as a result of the floods.

It should be noted that much of the infrastructure unmet need within the City cannot be measured by utilizing FEMA requests for assistance as it is not related or directly attributable to literal damage to infrastructure, **but rather a failure of existing infrastructure to prevent repetitive flooding and loss to housing stock**. Improvements to the City’s critical drainage and flood prevention infrastructure would assist in resolving the repetitive damages sustained to the housing stock due to flooding.

1. **Category A –Debris Removal**

The flooding of 2015 created thousands of tons of debris ranging from damaged houses and infrastructure to soils and sediments deposited in the City’s storm water system. The City removed debris from 38 designated collection sites, home sites and public facilities. The citywide debris removal projects, the largest debris removal projects, are complete at this time. A summary of the costs and needs are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Flood</th>
<th>Damage</th>
<th>FEMA PA</th>
<th>Unmet need</th>
</tr>
</thead>
<tbody>
<tr>
<td>Memorial Day</td>
<td>$62,323.00</td>
<td>$46,742.25</td>
<td>$15,580.75</td>
<td></td>
</tr>
<tr>
<td>All Saints Day</td>
<td>$102,181.00</td>
<td>$76,636.00</td>
<td>$25,545.00</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$164,504.00</strong></td>
<td><strong>$123,378.25</strong></td>
<td><strong>$41,126.25</strong></td>
<td></td>
</tr>
</tbody>
</table>

2. **Category B –Emergency Protective Measures**

A variety of emergency protective measures had to be taken before and after the flooding in 2015, but most specifically the Memorial Day Flood. The following activities were undertaken by the City following the two events:

- Search & Rescue.
- Emergency Medical Care.
- Emergency mass care and shelter was provided.
- Provision of food, water, ice and other essential needs at central distribution points.
- Activation of a Local Emergency Operations Center (EOC) to coordinate and direct the response to the disaster event.
• Emergency measures to prevent further damage to facilities
• Removal of health & safety hazards and disposal of dead animals.
• Pumping of trapped floodwaters.
• Pumping of septic tanks or decontamination of wells.
• Control of rodents or insects that pose a serious health hazard, but not when they are merely a nuisance.
• Construction of emergency protective measures to protect lives or improved property.
• Restoration of access when work was done.
• Building inspections. Safety inspections that are necessary to establish if a damaged structure posed an immediate threat.
• Eliminate or reduce an immediate threat to life, public health, or safety.
• Eliminate or reduce an immediate hazard that threatens significant damage to improved public or private property.
• Bracing & shoring damaged structures to protect against further damage to the structure to protect the general public.
• Closure of public parks, particularly those adjacent to the rivers to protect the safety of citizens attempting to access the inundated areas.

Beyond the activities that the City Emergency Management Division performed, the San Marcos Housing Authority has also received $41,000.00 under this Category, specifically to provide improvements for the physically challenged and to improve emergency access to the affected units.

A summary of the remaining costs and needs in this Category are as follows:

<table>
<thead>
<tr>
<th>Category B breakdown</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flood</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>Memorial Day</td>
</tr>
<tr>
<td>All Saints Day</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

3. Category C –Roads Systems and Bridges

As a result of the flooding in 2015 over 25 roadways and culverts, along with a major railroad trestle and other bridges were damaged in the City. Damages to these roadways included:

• Pavement failures including potholes, spalled and cracked pavement;
• Washouts;
• Missing/damaged signage and traffic signals;
• Damaged railroad trestles and bridging; and
• Blocked and damaged culverts.

The following chart shows the FEMA PA summary for this Category. In addition to the Project Worksheets in this area, the City has identified a number of other activities that would be required for Hazard Mitigation. The costs associated with these activities are identified in the Hazard Mitigation section further on in this section.

4. Category D – Water Control Facilities

During the floods of 2015, many of the City’s critical drainage facilities were damaged or severely overtaxed. The proper functioning of a City's drainage system is crucial to protecting the infrastructure of the City and the safety of its citizens from future weather events. As of the completion of this report, the City has identified the following funding amounts needed to address the repairs needed for its water control facilities; a total of 2 major treatment plants and facilities sustained damage as a result of the flood.

<table>
<thead>
<tr>
<th>Category C breakdown</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flood</td>
</tr>
<tr>
<td>Memorial Day</td>
</tr>
<tr>
<td>All Saints Day</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category D breakdown</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flood</td>
</tr>
<tr>
<td>Memorial Day</td>
</tr>
<tr>
<td>All Saints Day</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

5. Category E – Buildings, Contents, and Equipment

The floods of 2015 impacted many of the City’s critical and important public and private buildings. A quick and thorough response to repairing these buildings and replacing their contents is critical to the City’s recovery. Several projects have been identified and are being submitted to FEMA for the creation of Project Worksheets for both floods, but the October flood caused considerably more damage to City property. Among the activities which the City is seeking funding for are projects such as:

- Replacement of ten (10) City-owned vehicles, including multiple damaged fire trucks and emergency management personnel vehicles; and
- Repairs to fencing and other mechanical components of major City-owned buildings.

The San Marcos Housing Authority has received $291,000 from FEMA for repairs to the required ADA compliant and accessibility ramps in its complexes as well as other buildings within their housing complexes, however, the City itself has not received any funding to this point. The chart below illustrates the Unmet Need calculation for this Category.
### Category E breakdown

<table>
<thead>
<tr>
<th></th>
<th>Flood</th>
<th>Damage</th>
<th>FEMA PA</th>
<th>Unmet need</th>
</tr>
</thead>
<tbody>
<tr>
<td>Memorial Day</td>
<td>$788,000.00</td>
<td>$591,000.00</td>
<td>$197,000.00</td>
<td></td>
</tr>
<tr>
<td>All Saints Day</td>
<td>$1,031,000.00</td>
<td>$773,250.00</td>
<td>$257,750.00</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,819,000.00</strong></td>
<td><strong>$1,364,250.00</strong></td>
<td><strong>$454,750.00</strong></td>
<td></td>
</tr>
</tbody>
</table>

### 6. Category F – Utilities

The City’s principal water main received significant damage as a result of the October flood, at a cost of $476,550 to repair and return to full capacity. The repairs have been completed, and the City is waiting for the reimbursement from FEMA for this project. Additional needs under this Category for repairs and upgrades to sewer and water infrastructure account for another $695,169. All of these activities are included in the costs listed in the chart below. Additionally, the San Marcos Housing Authority estimates that another $200,000 is needed to upgrade and repair the storm sewer and drainage systems at their properties.

### Category F breakdown

<table>
<thead>
<tr>
<th></th>
<th>Flood</th>
<th>Damage</th>
<th>FEMA PA</th>
<th>Unmet need</th>
</tr>
</thead>
<tbody>
<tr>
<td>Memorial Day</td>
<td>$171,719.00</td>
<td>$128,789.25</td>
<td>$42,929.75</td>
<td></td>
</tr>
<tr>
<td>All Saints Day</td>
<td>$38,338.00</td>
<td>$28,753.00</td>
<td>$9,585.00</td>
<td></td>
</tr>
<tr>
<td>San Marcos Housing Authority repairs</td>
<td>$200,000.00</td>
<td>$ -</td>
<td>$200,000.00</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$210,057.00</strong></td>
<td><strong>$157,542.25</strong></td>
<td><strong>$52,514.75</strong></td>
<td></td>
</tr>
</tbody>
</table>

### 7. Category G – Parks, Recreational, and Other Facilities

The City saw damage at 17 parks which included: repairs to soccer playing fields, trails, playgrounds and fencing, replacement of trash cans & BBQ grills, replacement of park entry gates and signage as well as damage to a park foot bridge. Damage to fencing also occurred at the San Marcos Regional Airport. The chart below again summarizes the infrastructure need under this Category.
Of note, but cannot be categorized in dollars, the City’s Community Activity Center was to serve as the emergency shelter location during the flooding. Access to the Activity Center is restricted to entrance and exit on E. Hopkins Street and is bordered to the west by the San Marcos River. As a result of the flooding, the Activity Center was inaccessible to the community during the flooding event, and in fact, cars became trapped on E Hopkins Street just southeast of the Activity Center during the flooding event, as can be seen in the photo below. An unmet need identified, as a result, is an alternate location within the City that can serve as both a community center/activity center and a fully functional emergency sheltering location in times of disaster.

<table>
<thead>
<tr>
<th>Flood</th>
<th>Damage</th>
<th>FEMA PA</th>
<th>Unmet need</th>
</tr>
</thead>
<tbody>
<tr>
<td>Memorial Day</td>
<td>$1,365,400.00</td>
<td>$1,024,050.00</td>
<td>$341,350.00</td>
</tr>
<tr>
<td>All Saints Day</td>
<td>$80,000.00</td>
<td>$60,000.00</td>
<td>$20,000.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,445,400.00</strong></td>
<td><strong>$1,084,050.00</strong></td>
<td><strong>$361,350.00</strong></td>
</tr>
</tbody>
</table>

Category G breakdown

Photo courtesy of Expressnews.com
8. FEMA Public Assistance Unmet Need

Due to the damages incurred from the flooding of 2015, the City needs approximately $1.7M to restore and complete projects identified throughout the community that received direct damage from the flooding. The goals of these projects are to allow damaged buildings, parks, and other facilities to return to pre-flood conditions. To date, the City has received funding of approximately $330,000 for these projects. A summary of the total damages (referred to as project cost), funding received (FEMA and others), and unmet needs is outlined in the table below.

<table>
<thead>
<tr>
<th>FEMA Public Assistance Category</th>
<th>Project Cost</th>
<th>FEMA PA</th>
<th>Unmet Need</th>
</tr>
</thead>
<tbody>
<tr>
<td>A - Debris Removal</td>
<td>$164,504.00</td>
<td>$123,378.00</td>
<td>$41,126.00</td>
</tr>
<tr>
<td>B - Emergency Protective Measures</td>
<td>$419,950.00</td>
<td>$314,962.50</td>
<td>$104,987.50</td>
</tr>
<tr>
<td>C - Road Systems and Bridges</td>
<td>$2,466,785.00</td>
<td>$1,850,088.75</td>
<td>$616,696.25</td>
</tr>
<tr>
<td>D - Water Control Facilities</td>
<td>$572,650.00</td>
<td>$429,487.00</td>
<td>$143,163.00</td>
</tr>
<tr>
<td>E - Buildings, Contents, and Equipment</td>
<td>$1,819,000.00</td>
<td>$1,364,250.00</td>
<td>$454,750.00</td>
</tr>
<tr>
<td>F - Utilities</td>
<td>$210,057.00</td>
<td>$157,542.75</td>
<td>$52,514.25</td>
</tr>
<tr>
<td>G - Parks, Recreation and Other Facilities</td>
<td>$1,445,400.00</td>
<td>$1,084,050.00</td>
<td>$361,350.00</td>
</tr>
<tr>
<td>Total</td>
<td>$7,098,346.00</td>
<td>$5,323,759.00</td>
<td>$1,774,587.00</td>
</tr>
</tbody>
</table>

9. Unmet Need for Public Infrastructure/Resilient Critical Infrastructure Activities

As noted in the Housing section above, the City is determined to address the conditions that have allowed for repetitive losses due to flooding. Not only have there been these two events within six months of each other, but in the last 20 years there have been multiple flooding events that have caused loss within the City. Residents of the City have increasingly indicated to the City Council and other leaders that they want the infrastructure improved to prevent this ongoing occurrence. Additionally, research indicates that had the infrastructure prior to these events been of a sufficient and appropriate nature, much of the damage to homes and businesses could have been alleviated or mitigated. Therefore, it is the opinion of the City leaders that much of the damage to Housing was exacerbated by a failure of the infrastructure in place, and to stop this from happening in the future, the City must invest its Recovery money in upgrades to its Infrastructure system.

The City has evaluated multiple projects with activities under each Category from above that could provide the repair and replacement of public infrastructure resulting in the improvement in the resiliency and sustainability of the City in the face of future floods and other events. The CDBG-DR Infrastructure Study analyzed eight projects located in the areas most damaged by the floods. These project costs for Public Infrastructure improvements are enumerated in the table below.
In addition, City staff has been working on options to reduce the floodwater overflow into the across the City in addition to the overflow channel and upstream detention being analyzed by the Army Corps of Engineers. While this Action Plan is not the location to fully flesh out these projects, and HUD specifically limits the amount of funding that the City can use on Army Corps projects, the City will likely reserve the HUD allowed amount for Planning. Using these funds to amend the City’s Hazard Mitigation Plan, whether stand alone or as part of a larger Comprehensive Plan update, will provide the City with a perfect opportunity to fully evaluate the costs and benefits of multiple alternatives, and then choose the projects that best accomplish the goals of this Action Plan. Incorporating these types of activities into this Needs Assessment will add roughly $50 million to the overall need total. It should be noted, however, that many of these activities and projects are inter-related, and therefore will have an overlapping of cost and potentially benefit. Therefore, once all potential projects are vetted as the City enters its implementation phase, this cost may go down as activities are combined or streamlined for efficiency and to remove potential duplications of effort.

This Needs Assessment recommends the categories that were addressed by the projects from the Feasibility Study. Based upon the results of the study the City will select projects that meet the National Objective of benefit to low mod citizens of the City through the repair and replacement of public infrastructure and address the greatest priorities.

<table>
<thead>
<tr>
<th>Categories and Needs</th>
<th>Public Infrastructure needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>A - Debris Removal</td>
<td>$ -</td>
</tr>
<tr>
<td>B - Emergency Protective Measures</td>
<td>$ -</td>
</tr>
<tr>
<td>C - Road Systems and Bridges</td>
<td>$616,700</td>
</tr>
<tr>
<td>D - Water Control Facilities</td>
<td>$19,633,300</td>
</tr>
<tr>
<td>E - Buildings, Contents, and Equipment</td>
<td>$ -</td>
</tr>
<tr>
<td>F – Utilities</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>G - Parks, Recreation and Other Facilities</td>
<td>$1,100,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$28,350,000</strong></td>
</tr>
</tbody>
</table>

10. Conclusion and Summary of Unmet Need for Infrastructure

The Chart below summarizes the City’s unmet need related to Infrastructure from both the FEMA Public Assistance Unmet Need and Public Infrastructure projects identified in the CDBG- DR Infrastructure Feasibility Study. Discussions with the public and with City leadership will refine this information and prioritize the assistance needed. At this time, it appears that the priority for utilization of CDBG-DR funding (related to infrastructure) will be for the implementation of Public Infrastructure projects (See Appendix J).
### Remaining Unmet Infrastructure Need

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FEMA PA Categories</td>
<td>$ 1,774,587</td>
</tr>
<tr>
<td>Hazard Mitigation Categories</td>
<td>$ 28,350,000</td>
</tr>
<tr>
<td><strong>Total Unmet Need (Infrastructure)</strong></td>
<td><strong>$ 30,124,587</strong></td>
</tr>
</tbody>
</table>

**C. Economic Revitalization**

While the commercial and economic sectors of the City experienced damage and loss as a result of the two Flood Events, current data leads us to believe that the impacts, as well as the eventual recovery needs, are not as steep as those in the Housing and Infrastructure sectors. Most businesses in the flood path were covered by insurance, and anecdotal evidence gained from multiple business surveys and damage assessment “walks” conducted on behalf of the City indicate that even those businesses that may not have had insurance have recovered and are moving forward. While some small businesses had issues reopening due to the need to comply with recent changes to the flood ordinances, the assistance they need may more likely be able to come from outside sources and not the City.

Initial damage estimates indicated that 35 businesses were damaged as a result of the floods, with the hardest hit group being the hotel trade and the Industrial Park: five (5) hotels were within the flood path and reported loss of use of the first floor and lobby areas, with 124 rooms being damaged or unavailable for use immediately after the events. This accounted for approximately 50% of the hotel rooms in that specific area and prevented those hotels from being able to provide shelter to families who were forced from their homes, thus exacerbating an already tenuous housing situation and preventing the hotels from “selling” their rooms to travelers. Other hotels in the City were able to make rooms available, but as the initial May event occurred during an already busy tourist season, the loss of those 124 rooms accounted for an aggregate loss of $39,329.43 in revenue for the May flood time period.

As of April 30, 2016, SBA loan data shows that from the two Flood events, 29 businesses applied for SBA assistance, with 15 of those applications being approved. SBA has currently provided the City business owners with $4,227,300 of assistance. Additionally, 30 businesses have filed insurance claims with the NFIP.

One final critical piece of information to note, of the businesses that were impacted in these flooding events, none of them were forced to lay off or relocate workers as a result of the loss in operations capacity or damage. Therefore, there was no negative effect on the size of the workforce after the floods, further indication that the need for assistance in this Category is minimal to non-existent.

**Conclusion and Summary of Unmet Economic Development Need**

Given that the business industry seems to have recovered itself, and that it has the adequate resources to affect any additional recovery needed, the City does not anticipate allocating any CDBG-DR funds under the Economic Development category.

**D. Additional Hazard Mitigation activities**

As has been mentioned in each of the above sections, Hazard Mitigation activities will need to be undertaken in nearly all sectors of the City to safeguard against the losses incurred by these floods, and the multitude of floods that have inundated the area over the last 20 years, so that they do not continue...
to occur. While some activities are currently being researched and vetted, the City knows that many more projects will be required in order to keep the City safe over the upcoming years. To that end, the City will most likely engage in multiple planning activities, both internally and as part of the greater region that includes Austin and San Antonio, to determine what Hazard Mitigation projects will be required. It is anticipated that the City will complete a new Comprehensive Plan that includes a detailed and specific Hazard Mitigation Plan, complete with implementation schedules and projects. The cost for these activities is unknown at this time, but the City anticipates allocating a portion of its CDBG-DR funds for the planning necessary, as well as to early infrastructure projects that are cost beneficial and reduce the potential for loss in the LMI populations that HUD expects us to serve.

E. Final Unmet Needs Summary and Application to the Action Plan

Just over a year and a half into the recovery process following the first of the 2015 floods, the City is steadily making progress in defining its need and the activities that we will need to continue making our community whole. Unfortunately, given the nature of all disaster recovery efforts, fully defined and enumerated need requirements will not be completely known even once the CDBG-DR funds are expended and the citizens feel that they are whole again. This estimate is simply that, and should be used to guide the direction of funds under this Action Plan, but not accepted as final fact. The City will continue to refine the data listed throughout this Needs Assessment and will take action to address additional needs as they come up. The chart below details the current Unmet Need estimate for the City.

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing</td>
<td>$ 32,042,838</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>$ 30,124,587</td>
</tr>
<tr>
<td>Economic Development</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Total Unmet Need</strong></td>
<td><strong>$ 62,167,425</strong></td>
</tr>
</tbody>
</table>

The City anticipates that this number will grow as the Action Plan is finalized and moves into implementation, specifically in the infrastructure and hazard mitigation categories. The Hazard Mitigation category alone will significantly increase as we begin to propose projects that will help eliminate or reduce repetitive losses and will improve the long-term sustainability of our City. As noted in the introduction to this Needs Assessment, the current allocation of CDBG-DR funds, $25,080,000, is well below the amount necessary to solve the “problem” for everyone affected by these floods. However, these funds are not provided to the City to solve: every problem: they represent an effort by HUD to assist the City in initiating our long term recovery, and get the ball rolling.

The City has explored and continues to explore alternate funding streams that could supplement the CDBG- DR funding. Those funding sources are identified within Section IV.B. (Leveraging Funds) of this document. During implementation of these activities, the City will need to continue to seek ways to leverage these funds against other grants, General Funds and other sources to further extend the use of this very precious resource.

The remainder of this Action Plan will enumerate the potential programs that the City will create under the Housing and Infrastructure categories, focusing primarily on activities that will repair still damaged houses within the City’s most impacted areas and begin to lay the groundwork for the Hazard Mitigation
activities. It is anticipated that the Infrastructure projects will actually produce the greatest cost/benefit and impact on the resiliency of the City and benefit the LMI population, therefore it is likely that the City will spend the larger portion of its allocation in that Category. However, given that this is still a HUD funded program, the City understands that its first priority will be to undertake activities that will affect the still unmet repair and recovery needs of impacted citizens.
Tab 3: 
Action Plan (Sections IV-XI)
IV. Funding Allocation and Prioritization Method

The City anticipates expending all funds awarded within the six-year required time frame. The City will identify specific project related timelines as each project plan is identified and finalized.

A. Budget Table

<table>
<thead>
<tr>
<th>CDBG-DR Categories and Projects</th>
<th>Proposed Budget as of Amendment 14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>$1,689,700</td>
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<tr>
<td>Planning</td>
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<td>Owner-Occupied New Construction</td>
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<td>Public Housing Authority</td>
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<td><strong>Category: Infrastructure</strong></td>
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<tr>
<td>Uhland Road</td>
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<td>Blanco Gardens</td>
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<table>
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<tr>
<td><strong>Housing</strong></td>
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<tr>
<td>Single-Family, Owner Occupied</td>
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<td>Housing Rehabilitation,</td>
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<td>Reconstruction, Reconstruction</td>
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<tr>
<td>on City Owned Property, New</td>
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<tr>
<td>Construction, Elevation,</td>
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<tr>
<td>Demolition, Temporary</td>
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<tr>
<td>Relocation of people, and</td>
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<tr>
<td>Clearance.</td>
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<tr>
<td>Single-Family and 1-4 Unit</td>
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<tr>
<td>Rental Housing Substantial</td>
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</tr>
<tr>
<td>Rehabilitation, or Reconstruction for which Elevation will be required, Buyout, New Construction, Demolition, Clearance, with Temporary Relocation of people when necessary</td>
<td></td>
</tr>
<tr>
<td>Public Housing Authority</td>
<td>-$688,103</td>
</tr>
<tr>
<td>Reimbursement Activity</td>
<td></td>
</tr>
<tr>
<td>Single-Family, Owner Occupied</td>
<td>-$0</td>
</tr>
<tr>
<td>Housing Reimbursement</td>
<td></td>
</tr>
<tr>
<td>Activity</td>
<td></td>
</tr>
</tbody>
</table>
Substantial Amendment No. 6 expanded the Housing Project to include the addition of the Reconstruction on City Owned Property (RCOP) program under the Single-Family Owner-Occupied Housing activity and the budget was not altered.

Substantial Amendment No. 7 to the Action Plan allows for the reimbursement of cost of flood-related repairs and for funds not to exceed $864,987 to be designated to the Public Housing Authority Activity. The Public Housing Authority was allocated $864,987. The SF 1-4 Unit Rental Rehabilitation, Reconstruction, Buyout Activity was reduced by $864,987 for a total of $1,657,397.

Substantial Amendment #8 to the Action Plan reallocates funds between activities and the addition of a Single-Family Owner-Occupied Housing Reimbursement Activity. Refined modeling of infrastructure activities indicated the need to increase the cost of some Infrastructure Activities and the need to close the Clarewood/Barbara Activity which was found to be ineffective in reducing flooding. The Clarewood/Barbara Activity was closed and the remaining funds $2,325,000 were distributed to the Midtown/Aquarena Springs Activity ($850,000) and the Blanco Gardens Activity ($1,475,000). Also, the SF 1-4 Rental Rehabilitation, Reconstruction, Buyout Activity did not receive any eligible applicants over 2 years and 5 rounds of Application Intake, so the funds of $1,000,000 from this activity were reallocated to the new Single-family Owner-Occupied Housing Reimbursement Activity. Planning funds of $3,000,000 were reallocated to the Blanco Gardens Activity ($1,596,987) and the Uhland Road Activity ($1,403,013). The Blanco Riverine Activity funds were reduced by $1,585,987 due to other grant funding for the activity, and the funds were reallocated to the Uhland Road Activity.

Substantial Amendment #9 changes the use of funds for the Blanco Riverine project from infrastructure construction acquisition. Construction funds will be provided by other sources.

Substantial Amendment No. 10 moved Clarewood/Barbara Infrastructure Project expenditure of $177,887.13 to CDBG-DR Administration. After more detailed design was completed for the Clarewood/Barbara Infrastructure project, it was determined that it would not accomplish its goals for stormwater control, and the project was discontinued. By HUD rules, expenses spent on a project that is discontinued must be moved to the Administration category. However, the maximum amount allowed to be used for administration was already budgeted, so this move will not change the amount budgeted for administration. Substantial Amendment No. 10 also moved $1,000,000 from Planning to the Blanco Gardens infrastructure project.

Substantial Amendment No. 11 did the following:
1) Move approximately $175,000 in unused funding from the Public Housing Authority project and close the project, since the Housing Authority has been paid for all eligible expenses.

2) Move approximately $1 million from the Blanco Riverine project. This does not change the scope of the Blanco Riverine project. Construction for this project will be paid by the CDBG-Mitigation grant. Design is complete and acquisition is well underway, enabling closer estimates of CDBG-DR funded project costs to be made and money to be shifted to the Midtown/Aquarena Springs project.

3) Move $1,175,000 to the Midtown/Aquarena Springs Project. This increased funding for the Midtown project will enable additional bank stabilization to be completed and will cover current estimated project costs.

Substantial Amendment No. 12 did the following:

1) Move $2,075,000 from Midtown/Aquarena Springs Project to Blanco Gardens Project. It has been determined that Midtown/Aquarena Springs Project construction shall be paid for with funds outside of CDBG-Disaster Recovery and therefore the budget shall reflect anticipated costs.

2) Add the following as approved activities for housing projects: New Construction, Demolition, Clearance, Temporary Relocation. There will be no impact to the funding.

Substantial Amendment No. 13 **proposes** the following:

1) As directed by City Council at the August 16, 2022, meeting, the following activities are to be cancelled because implementation is infeasible at this time: the Single Family Owner Occupied Reimbursement activity ($1,000,000) and the Rental Unit Rehabilitation and Reconstruction activity ($659,013).

2) Available funding is proposed to be has been reallocated from various projects to the Midtown/Aquarena Springs Project to fund its construction. The following amounts could be moved from infrastructure projects without impact to the scope of those projects: $37,650 from Uhland Road Project, and $750,000 from Blanco Riverine Project, in part because funding is available in the CDBG-MIT grant. In addition, $1,000,000 is proposed to be moved from the Single Family Owner Occupied Reimbursement activity and $659,013 from the Rental Unit Rehabilitation and Reconstruction activity. $1884.16 is proposed to be moved from the Public Housing Authority activity, as that activity has been completed.

**Infrastructure Project Budget**

<table>
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<tr>
<th>Project</th>
<th>Original</th>
<th>As of Amendment #13</th>
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</thead>
<tbody>
<tr>
<td>Midtown/Aquarena Springs</td>
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<tr>
<td>Blanco Gardens</td>
<td>$5,000,000</td>
<td>$11,321,987</td>
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<tr>
<td>Clarewood/Barbara</td>
<td>$2,500,000</td>
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<tr>
<td>Uhland Road</td>
<td>$4,190,000</td>
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<tr>
<td>Blanco Riverine</td>
<td>$6,971,200</td>
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</tr>
<tr>
<td>TOTAL</td>
<td>$19,511,200</td>
<td>$25,347,097</td>
</tr>
</tbody>
</table>

The infrastructure projects were presented in Substantial Amendment No. 2 and Substantial Amendment No. 4 and are described in Appendix J of the Action Plan.
Substantial Amendment No. 14 to the CDBG-DR Action Plan is now proposed as follows.

- HUD initially required the City to move $178,901.89 in expenses from the discontinued Clarewood/Barbara project to the Administration category. HUD is now allowing the City to move these expenses from Administration to Planning.

- Remove references to affordability periods from the Action Plan. This information is now found in the program Policies and Procedures.

- Move $773,165 from all Housing projects to the Blanco Gardens Stormwater Infrastructure Project, and $28,902 to the Midtown Stormwater Infrastructure Project. This funding had been assigned to houses that were not constructed after applicants withdrew from the program.

- Move the following approximate amounts from the completed Uhland Road Stormwater Infrastructure Project. This funding was held as contingency and is available now that the project is completed.
  - $178,901.89 to the Planning Category to cover the Clarewood/Barbara expenses.
  - $121,098 to the Midtown Stormwater Infrastructure Project. Midtown needs additional funding due to higher than anticipated costs and special requirements by Union Pacific Railroad.
  - $15,000 to the Blanco Riverine Flood Mitigation Project to ensure unencumbered funding is available for owner relocation costs.

B. Management of Program Income

The City does not intend to undertake activities that will generate income, but in the event program income is generated, those funds will be used first before requesting or drawing down new CDBG Disaster Recovery funds. If program income is generated as a result of any activity or activities funded by this grants, the City will comply with the requirements found at 24 CFR 570.489.

V. Post Disaster Long Term Recovery Planning

The City will take an integrated approach when developing recovery projects relative to housing, infrastructure, economic revitalization, and overall community recovery.

A. Comprehensive and Land Use Planning

In conformance with Federal Register requirements, the City will use a variety of measures to plan, identify and implement sustainable long-term recovery. The following are examples of some of these measures:

1. FEMA Flood Map Revisions:

A new FEMA study of the Blanco/San Marcos/Guadalupe River Basin has been completed and revised Federal Insurance Rates Maps (FIRM) will be adopted in 2017. The study, in which the City was an active participant, was developed using an FIRM Hydrologic Study for the San Marcos River Basin and calibrated with the 2015 flood events. The FIRM is an interagency study (FEMA, US Army Corps of Engineers, US Geological Service and National Weather Service) which uses best scientific data to develop precipitation
frequency and intensity levels not typical in FEMA studies and more reflective of the increasing severity of weather events. The City will adopt the models and data from the update prior to the FEMA 2017 adoption date and use the information in its flood recovery programs.

2. Floodplain Ordinance Revisions:

By December 2016 the City will have adopted a revised Floodplain ordinance to minimize flood hazard risk in the community. The revisions will include requirements for elevation to 2 feet above the base flood elevation (increased freeboard), maintenance of access during flood events and limits on floodplain filling in addition to other language changes to strengthen floodplain management. The newer and more stringent standards are consistent with Executive Order 11988 and will be used as part of the City’s Flood Recovery Program.

3. Comprehensive Master Plan/Land Use Update:

In 2017 CDBG-DR Planning funds will be used to update the Comprehensive Plan to reflect the updated FEMA floodplain information. This process will revise any conflicts with proposed development intensity areas and flood risk zones. The Comprehensive Plan’s future land use map (Preferred Scenario Map) guides future zoning decisions and land use patterns. Identifying flood risk areas with appropriate land use designations will help prevent future damage to structures and loss of life.

4. Building Blocks for Sustainable Communities:

The City has submitted a Letter of Interest to the EPA for technical assistance for “Flood Resilience for Riverine and Coastal Communities.” If the City is selected, EPA will provide subject matter experts to review the City’s flood risk and recommend sustainable options that can be incorporated into city codes and projects. Should the City be selected for a January/February workshop the outcomes from the workshop will be used in the continued development of flood recovery programs and projects. In the interim the City will use the EPA Flood Resilience Checklist to identify improvements for our resilience to future floods through policy and regulatory tools.

5. Planning for Buyouts:

The City has done an initial buyout assessment considering properties that had repetitive flooding along with substantial damage assessments. There are LMI areas that are adjacent to the Blanco River and existing parkland that may be pursued for buyouts with these HUD funds and Hazard Mitigation Grant sources. Additional analysis will be based on the new FEMA base flood elevations to determine properties that have the greatest future risks and meet the LMI benefit.

B. Consideration of Sustainable and Resilient Building Methods

The City will employ sustainable and resilient construction standards and building methods. All new homes will adhere to construction specifications approved and issued by the City and will emphasize sustainability, flood resiliency, and resistance to repetitive loss. Additionally, the City will require the use of flood resistant building materials in rehabilitation and reconstruction projects where feasible.

C. Consideration of Racial, Ethnic, Low Income Concentrations

As identified in the Needs Assessment, there are areas within the City that contain higher concentrations of minorities and extreme low/low to moderate income households. The City is committed to targeted outreach to these areas and to other areas with vulnerable populations that have limited access to community assistance and involvement. This targeted outreach will make sure that these populations are provided access to CDBG-DR funds from this allocation.
D. Coordination with Local and Regional Stakeholders

The City has worked with the local community and various stakeholders to assess the community’s unmet needs. Specifically, the City established a Task Force that included members from the local and regional area to gain input on the affect the disasters had on their respective areas.

Moving forward, the City will continue to involve local and regional stakeholders including (but not limited to) county officials, emergency response staff, public housing officials, local neighborhood organizations, businesses, and housing advocacy groups as they develop program plans that will assist the community in their recovery.

VI. Approach to Housing Rehabilitation, Reconstruction, New Construction

A. General Construction Standards

Construction methods will be in compliance with Program Construction Specifications and will emphasize high quality, energy efficiency, sustainability, and mold resistance. All rehabilitation, reconstruction and new construction will be designed to incorporate principles of sustainability, including water and energy efficiency, resilience and mitigation against the impact of future disasters. Houses rehabilitated or reconstructed in the City Housing Programs will be designed and built in accordance with applicable code requirements and inspected for quality and compliance by Program Inspectors.

Since the flooding, the City has enacted three separate ordinances in order to protect citizens from future loss:

- Owners or managers of rental properties identified by damage assessment teams to have been flooded in any declared emergency or declared disaster related to any flood event must disinfect or cause disinfection of all interior surfaces used for habitation. Disinfection must be performed before re-occupancy is allowed inside the habitation or residence following a flood event.

- Property owners with rental units located in a special flood hazard area are required to provide notice to their tenants regarding the potential for flooding.

- Structures and uses of structures which lawfully exist prior to the effective date of this ordinance and which do not conform to this article may be continued subject to the following conditions:
  - In floodway - Existing structures and uses within a floodway shall not be expanded or enlarged unless the effect of proposed expansion or enlargement does not cause an additional increase in floodway elevation during the occurrence of the base flood discharge, as certified by a registered professional engineer.
  - Modifications to existing structure - Any repair, reconstruction or improvement of an existing structure within a floodplain which constitutes substantial improvement shall be undertaken only in full compliance with this article, and the owner shall be required to obtain a floodplain permit before repair, reconstruction or improvement shall begin.

B. Compliance with Green Building Standards

The City is committed to developing an environmentally-conscious Program that incorporates Green Building Standards and other resource-efficient techniques where practical. In compliance with the
requirements of FR-5938-N-01, new construction and replacement of substantially damaged residential buildings will meet an industry-recognized standard that has achieved certification under at least one of the following programs:

- ENERGY STAR (Certified Homes or Multifamily High-Rise)
- Enterprise Green Communities
- LEED (New Construction, Homes, Midrise, Existing Buildings Operations and Maintenance or Neighborhood Development)
- ICC-700 National Green Building Standard
- EPA Indoor AirPlus
- Any other equivalent comprehensive green building program

1. **New Construction**

New construction activities will follow sustainable building guidelines, using efficient options from site planning through specification design through construction methods. Reconstructions will be built in accordance with all applicable local, state and federal codes, including FEMA floodplain regulations, Texas Government Code, local health and safety codes, and locally adopted construction codes.

2. **Rehabilitation Retrofit Checklist Compliance**

In keeping with the requirements of FR-5938-N-01, rehabilitation of any non-substantially damaged residential building will be subject to compliance with the HUD Community Planning and Development Green Building Retrofit Checklist, found at https://www.hudexchange.info/resources/documents/CPD-Green-Building-Retrofit-Checklist.xls. The Retrofit Checklist outlines key areas of energy efficiency and green building practices for residential rehabilitation projects, including water and energy conservation and indoor air quality.

C. **Standards for Quality of Construction Work**

As part of the Program, the City shall require that code compliance inspections be conducted by City inspectors. In addition, Program Inspectors shall also perform construction quality and program compliance inspections for each project.

D. **Disaster Resistant Housing for At Risk Populations**

1. **Transitional and Permanent Support Housing and Homelessness Prevention for LMI Individuals and Families**

The Needs Assessment shows an increased risk of homelessness as a result of the high cost of rental housing, which creates a significant cost burden for LMI individuals and families. However, the City cannot state that homelessness has increased as a result of the flooding events, as the overall homeless count in the City has remained statistically constant.

The City has sufficient public services throughout the impacted areas to assist in preventing and resolving homelessness and therefore will not need to increase or supplement proposed recovery activities with additional public services. Examples of existing and current public service providers and non-profit support services that assist in long term recovery are:
The City uses up to $450,000 from the General Fund budget to provide annual grants to local non-profit organizations that provide services to the low, very low, and homeless population, including support to all three of the aforementioned shelters. The City also utilizes their regular annual CDBG funding to provide public services such as supporting the Hays-Caldwell Women's Center. The City has also provided funding over a number of years to the Southside Community Center for a housing rehabilitation program. This program helps prevent homelessness by ensuring that the owner occupied housing for low and very low income families remains decent, safe, and sanitary.

Should the need to provide for additional support services become apparent throughout the recovery process, the City will explore ways to provide services such as, but not limited to, transitional housing assistance, down payment assistance, case management services, and legal services. Case management services will also be a part of the City’s housing program as designed.

Additionally, through the City’s housing program, the City will be rehabilitating and reconstructing both owner occupied and rental single-family housing units, therefore providing for multiple options for those still in need of recovery assistance. All units that are rehabilitated or reconstructed will be built in accordance with the most up to date and resilient construction methods.

The City will take care to protect its very low income individuals from being further burdened by virtue of participating in a housing program. The City understands that many potential applicants have a robust local support system to assist them in moving their possessions to a storage unit and provide them with a place to stay during construction activities. However, some applicants may require supportive assistance. The Program will explore options for providing these individuals with assistance, such as rental...
and storage assistance during construction. If pursued, the City will examine reasonable limitations to qualified expenses including HUD Fair Market Rent schedule, Section 8 utility allowances and methods of verification for reimbursement purposes. In addition, the City recognizes that some housing program applicants may require special accommodations that are consistent with the types listed out in the Americans with Disabilities Act. Wherever feasible, the City will make sure individuals with such requirements are not further burdened by virtue of program participation. Outreach, application intake and all meetings will be hosted at sites with reasonable ADA accommodations. Further, the City will explore cost reasonable housing solutions for applicants with special needs, including but not limited to ramps, visual alarm systems and accessible bathroom accommodations.

E. Plan Installation of Broadband Infrastructure

In compliance with FR-5938-N-01, any new construction or substantial rehabilitation of a building with more than four rental units will also include installation of broadband infrastructure, except in instances where not feasible due to location, structure and/or cost.

F. Household Displacement

The City plans to minimize displacement of person or entities and assist any person or entity displaced as a result of implementing a project with CDBG Disaster Recovery funds. This is not intended to limit the ability of the City to conduct buyouts or acquisitions for destroyed and extensively damaged units or units in the flood plain.

The City will make sure that the assistance and protection afforded to persons or entities under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) are available. The City accepts the HUD waiver of the Section 104(d) requirements which assures uniform and equitable treatment by setting the URA and its implementing regulations as the sole standard for relocation assistance under FR-5938-N-01.

The City may consider exceptions to program policies for applicants who demonstrate undue hardship. Applicants in this situation will be reviewed on a case-by-case basis to determine whether assistance is required to alleviate such hardship. Demonstrable hardship may include, but is not limited to, excessive amounts of debt due to a natural disaster, prolonged job loss, substantial reduction to household income (as defined by 24 CFR 5.611 as Annual Income minus Deductions), death of a family member, unexpected and extraordinary medical bills, disability, etc.

G. Elevation Standards

As part of our resilient construction standards, the City will elevate residential structures to protect against future losses in compliance with HUD guidance (44 CFR 59.1). Per FR-5938-N-01, any residential new construction, repair of substantial damage or substantial improvement of residential structures located in an area delineated as a flood hazard area or equivalent in FEMA’s data source identified in 24 CFR 55.2 (b)(1) must be elevated with the lowest floor, including basement, at least two feet above the 1 percent annual floodplain elevation. Residential structures with no dwelling units and no residents below two feet above the 1 percent annual floodplain must be elevated or flood-proofed per 44 CFR 60.3(c)(3)(ii) or successor standard. Applicable State, local and tribal codes with floodplain management standards that exceed these requirements will be followed.

To further promote sustainability and responsible use of federal dollars, Program participants who reside within the FEMA designated floodplain will be required to acquire and maintain flood insurance. This mandated requirement is meant to protect the safety of life and property as well as the investment of
federal dollars. The City will develop monitoring mechanisms and compliance guidelines to make sure that all assisted applicants and property owners comply with flood insurance requirements.

VII. Monitoring Standards

A. Quality Assurance Plan

The City plans to remain in compliance with applicable CDBG-DR rules, regulations and requirements, including non-duplication of benefits. The City staff and Program Manager staff will monitor the compliance of applicants. The City will also build monitoring components within all contracts executed with vendors – professional services and construction contractors. Program staff will provide a Quality Assurance / Quality Control function that will serve as an internal checks-and-balance. Upon identification of priorities and activities, the City will undertake as identified in the Action Plan, the City will devise a Quality Assurance Plan. The Quality Assurance Plan will outline the activities that will be monitored and the compliance parameters for each activity, including frequency of monitoring.

The City envisions that it will monitor project activities no less than quarterly to certify compliance and timely expenditure of funds. The plan will also include ongoing completeness reviews of project files to confirm adequate documentation, accounting reviews of cost documentation to certify accuracy of all expenditures, compliance reviews for Fair Housing and Equal Opportunities laws, Section 504, Lead Based Paint, Davis-Bacon Standards, Environmental Standards and other rules or guidelines as applicable.

B. Duplication of Benefits

Duplication of Benefits (DOB) is strictly prohibited. In general, Section 312 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (42 U.S.C. 5155), as amended, prohibits any person, business concern, or other entity from receiving financial assistance with respect to any part of a loss resulting from a major disaster to which he/she has received financial assistance under any other program or from insurance or any other source. In order to comply with this law, the City will require that each activity provides assistance to a person or entity only to the extent that the person or entity has a disaster recovery need that has not been met.

Further explanation of the duplication of benefits requirements can be found in Federal Register notice 76 FR 71060 (published November 16, 2011).

1. Housing

To avoid DOB, housing awards will be reduced by the following if such benefits were or will be paid to the household toward any of the activities included in the housing award:

- Federal Emergency Management Agency (FEMA) grants;
- Small Business Administration (SBA) loans identified by SBA; and
- Homeowner Insurance (HOI) proceeds
- National Flood Insurance Program (NFIP)
- Amounts received from other funding sources, such as non-profit entities, in which the intent of the funding has been identified as duplicative

FEMA, SBA, HOI, and NFIP are considered to be a DOB and will be deducted from the construction starting values if the aforementioned assistance was not utilized/spent as it was intended by FEMA, SBA, HOI, or
NFIP. The amount of DOB will be obtained from the third party from whom the benefit is derived. In some cases, if after sufficient attempts it is considered unlikely to obtain and verify third party data, an affidavit or inspection may be used in its place as necessary.

NOTE: For all programs and activities, a declined loan will not be considered a duplication of benefits for all applications received after January 5, 2023.

All applicable claims (including insurance payments, unpaid claims, lawsuits and settlements) paid to applicants not included in the original benefit determination calculation and/or after their closing appointment, must be subrogated to the CDBG Disaster Recovery Program to prevent a duplication of benefits.

In addition, documentation of possible duplication of benefits must be included in each applicant file even if no funds were received from FEMA, SBA, HOI, NFIP or any other source. A copy of this documentation must be provided to the CDBG Disaster Recovery Program as part of the application documentation.

All applicants will be required to sign a Subrogation agreement upon application to the program. Applicant awardees must subrogate any additional funds received for damage caused by the flood disaster back to the City. CDBG-DR funding must be funding of last resort and if additional funds are paid to applicant awardees for the same purpose as the housing assistance award they receive through City CDBG-DR funding (i.e., repair or replacement of the damaged structure) after the City has completed repair/rehabilitation project of the housing unit, those funds must be returned to the City of San Marcos.

2. Infrastructure

DOB includes any payments or potential payments made to the grantee by identified parties that represent disaster assistance for activities reimbursable by, or for which funds are made available for the same loss that the CDBG Disaster Recovery Program is providing assistance, which is not limited to flooding recovery payments. Any portion of the DOB that has been determined to be funds spent by the grantee on “Allowable Activities” will reduce the amount considered to be a DOB.

The CDBG Disaster Recovery Program should receive, as part of the grantee file, documentation of a review of possible duplication of benefits from sources such as FEMA, SBA and HOI, among others. This review extends to instances where no funds were received.

C. Internal Audit Policy

To ensure that fraud, waste, and misuse of funds does not occur, effective controls will be in place and monitored for compliance. Part of that control process includes the City hiring an internal auditor to perform independent audit functions for the CDBG Disaster Recovery Program. The internal auditor will audit the disaster funds to certify that all expenditures are for eligible CDBG Disaster Recovery uses as defined in 24 CFR 570. Audit results will be reported directly to the City Council. An independent single audit, as required by 2 CFR 200, will be conducted annually to certify that all grant funds are used in accordance with program requirements.

VIII. Identification of National Objectives and Eligible Activities

A. Administration

In order to effectively administer the Funding, consistent with these federal requirements, and to make sure that the necessary safeguards are provided, and monitoring processes and procedures are
established and followed, the City intends to utilize the full allotment of administrative funds allowed under the Federal Register Notice, $1,689,700.

Substantial Amendment No. 10 moved Clarewood/Barbara Infrastructure Project expenditure of $177,887.13 to CDBG-DR Administration. After more detailed design was completed for the Clarewood/Barbara Infrastructure project, it was determined that it would not accomplish its goals for stormwater control, and the project was discontinued. By HUD rules, expenses spent on a project that is discontinued must be moved to the Administration category. However, the maximum amount allowed to be used for administration was already budgeted, so this move will not change the amount budgeted for administration.

Proposed Substantial Amendment No. 14 will move $178,901.89 in expenses from the discontinued Clarewood/Barbara project to the Planning category. HUD is now allowing the City to move these expenses from Administration to Planning.

After more detailed design was completed, it was determined that the Clarewood/Barbara project would not accomplish its goals for stormwater control, and the project was discontinued. By HUD rules, expenses spent on a project that is discontinued must be moved to the Administration category. This was accomplished by Substantial Amendment 10. The actual amount moved has been verified to be $178,901.89.

Upon further discussion, HUD representatives provided verbal approval to move the expenses to Planning. They agreed that the Clarewood/Barbara expenses were actually Planning expenses because a planning report (Preliminary Engineering Report) was developed with these funds that provides detailed planning, modeling, exhibits, professional assessments, and recommendations for multiple options for disaster recovery and mitigation for stormwater in an area with 70% of the population having low-to-moderate income per CDBG definition, and because this 2 volume report has been and will be used for planning purposes for future project development to serve this area.

1. Projected Use of Funds

The City will act as the lead agency for the administration of the Funding. While the City will administer and disburse the Funding directly to benefit homeowners and other eligible beneficiaries of the Funding, the City may also elect to procure a consultant or a subrecipient to manage the individual programs. Administration of the Funding by the City will provide the assurance that program activities reach affected residents in a consistent and coordinated manner. The City will implement the programs and activities detailed in this Action Plan primarily through dedicated staff, consultants and third-party contractors.

City staff (or designee) dedicated to the administration of the Funding will be responsible for complying with the significant federal requirements related to financial management and control, programmatic compliance and monitoring, affirmatively furthering fair housing, the prevention of fraud, waste and abuse. These staff members will be responsible for administering all aspects of the City’s CDBG-DR Program, including oversight of all consultants and subrecipients, reporting in the Federal Disaster Recovery Grants Administration (DRGR) system, as well as coordinating the activities of other agencies in relation to the flooding recovery. All administrative processes will be managed in a manner consistent with the Certifications offered by the City prior to submission of this Action Plan.

The City staff and their designees will also oversee the extensive federal requirements associated with programmatic compliance and monitoring. Staff members will be responsible for ensuring the overall administration of the Funding complies with all applicable federal requirements. They will monitor other City staff, consultants, subrecipients, and contractors to certify the proper implementation of consistent...
processes and procedures, particularly as they relate to the identification and prevention of the duplication of benefits. This compliance team will also be responsible for monitoring all the City’s contractors and service providers as detailed in the CDBG-DR Compliance and Monitoring Manual, as outlined in the City’s Risk Analysis.

B. Planning

1. Projected Use of Funds

To facilitate the long-term recovery of the City, the City is reserving the maximum amount allowed by the Federal Register ($2,069,100) for Planning Activities. Substantial Amendment No. 10 moved $1,000,000 from Planning to the Blanco Gardens infrastructure project, leaving $1,069,100 budgeted for Planning Activities. Substantial Amendment No. 14 will move $178,901.89 from the Uhland Road Stormwater Infrastructure Project to Planning to cover the expense for the Clarewood/Barbara Project. The Planning Budget will now be $1,248,002.

Under this Program, the City will potentially utilize planning funds for the following critical activities:

- An update to the City Capital Improvements Plan. The objective of the Capital Improvements Plan is to provide the City with the ability to plan for the long-term recovery of the City (infrastructure; drainage; storm water; storm sewer; water & sewer);
- Feasibility studies for the construction of infrastructure drainage and hazard mitigation projects that are intended to protect selected neighborhoods from future flooding, thereby reducing the number of homes receiving requiring damage assistance in the future and reducing the repetitive loss amounts incurred by the City;
- A revised and updated Comprehensive Plan to include hazard mitigation and resiliency goals and objectives; An updated Hazard Mitigation Plan, either stand alone or in conjunction with the Comprehensive Plan update; and
- Software and training of staff that will assist the City in meeting Federal requirements and engage in long term planning.
- Further analysis to determine highest priority buyout locations

In addition, a significant and necessary investment has been made in preparation for the receipt and distribution of the CDBG-DR Funding, including the creation of this Action Plan. Accordingly, the City will utilize a portion of these Planning funds to offset the costs incurred to develop the proposed programs and activities through which the Funding will be administered.

C. Housing

1. Projected Use of Funds and Relation to Disaster

The Needs Assessment included at the start of this Action Plan indicates that over 1,500 homes were damaged as a result of these two floods. Of these, a disproportionately high number of the homes were located within or immediately adjacent to the flood affected neighborhoods, and, as a result, the City anticipates most of the applicants for these Housing programs will come from those locations. The City intends to make the funds available to those in the City who meet the criteria identified in Section VIII.C.3 of this document. The City intends to allocate originally considered allocating $7,524,000 of its CDBG-DR funds to the following Housing activities and does not anticipate funding more than approximately 100 single-family owner-occupied homes and 100 Public Housing Authority Units. Rehabilitated or
reconstructed homes that incurred damage that amounts to greater than 50% of the home’s pre-storm value the home will be elevated as required

**Activities**

- Single-Family, Owner Occupied Housing Rehabilitation, Reconstruction on City Owned Property, New Construction, Demolition, Clearance, with Temporary Relocation of people when necessary.
- **Cancelled with Amendment 13:** Single-Family and 1-4 Unit Rental Housing Substantial Rehabilitation, Reconstruction for which Elevation will be required, Buyout, New Construction, Demolition, Clearance, with Temporary Relocation of people when necessary - (Amendment #8)
- Elevation w/ Minor Repair,
- Reimbursement for flood-related costs to the San Marcos Public Housing Authority (SMPHA)
- **Cancelled with Amendment 13:** Single Family Owner Occupied Housing Reimbursement Activity

The breakout of funds between owner occupied, rental, and the SMPHA is as follows and was based on the outstanding proportion of owner occupied and rental units that received substantial damage from the flooding (excluding manufactured housing units):

<table>
<thead>
<tr>
<th>Housing Programs Proposed Breakout of Funding</th>
<th>Interim Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family, Owner Occupied Housing Rehabilitation, Reconstruction on City Owned Property, New Construction, Elevation, Demolition, Temporary Relocation of people when necessary, and Clearance.</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Single-Family and 1-4 Unit Rental Housing Substantial Rehabilitation, or Reconstruction for which Elevation will be required, Buyout, New Construction, Demolition, Clearance, with Temporary Relocation of people when necessary</td>
<td>-$0</td>
</tr>
<tr>
<td>Public Housing Authority Reimbursement Activity</td>
<td>$688,103</td>
</tr>
<tr>
<td>Single Family Owner Occupied Housing Reimbursement Activity</td>
<td>$0</td>
</tr>
</tbody>
</table>

A graphical depiction of the effect the flooding had on the owner occupied and rental populations can be found in Appendix K, Maps 3 and 4. Originally, the City decided not to fund the option of reimbursement to individuals for work that had already been completed on their damaged or destroyed homes. The City Council reversed this decision and added a Single-Family Owner-Occupied Housing Reimbursement Activity through Amendment #8 to the CDBG-DR Action Plan.

CDBG-DR funds may be utilized to provide an applicant with up to one year of Flood Insurance, as allowed under the HUD guidelines for this program. The City understands that the cost of carrying flood insurance can become burdensome, especially on LMI households. Elevation of homes that require flood insurance coverage can significantly reduce the cost of flood insurance coverage.

Section 582 of the National Flood Insurance Act of 1994 requires that property owners receiving disaster assistance that triggers the flood insurance purchase requirement be informed that they have a statutory
responsibility to notify any transferring owner that they are also required to obtain and maintain flood insurance on the property in perpetuity.

As noted in previous portions of this Action Plan, any home suffering damage at the Major, Severe or Destroyed levels will be required to elevate the home to a level that corresponds to at least two (2) feet above the Base Flood Elevation as currently defined by the City and on the corresponding FEMA flood maps. The City anticipates that any buyouts required by the CDBG-DR guidelines may be in conjunction with the Infrastructure program and those requirements will be detailed under that Activity.

Action Plan Amendment 13 will result in the cancellation of both the Single Family Owner Occupied Reimbursement and the Rental Unit Rehabilitation and Reconstruction activities as directed by City Council at the August 16, 2022 meeting because implementation was determined to be infeasible.

2. Meeting the National Objective

The City intends to utilize the funds allocated for Housing to meet two of the identified National Objectives: 1) direct benefit to the LMI population and 2) to meet Urgent Need. By including the second Objective, the City will be able to serve applicants who otherwise might not qualify based on income alone, yet still meet the criteria defined by HUD for incurring an Urgent Need. The priority of application approval, however, will default to those meeting the LMI criteria.

For all applicants, the following questions will be considered when approving or denying an application. Does the proposed project:

- Benefit LMI persons and/or are located in LMI Areas (i.e., an area where at least 51% of the households have incomes at or below 80% of the area median income);
- Enable the City to satisfy the federal requirement that at least 70% of the Funding benefit low moderate-income persons;
- Address conditions that threaten the health and safety of either the occupants or the public;
- Contribute significantly to the long-term recovery and economic revitalization of the affected area; and
- Enhance hazard mitigation efforts to reduce the chance of loss in future floods or disaster events.

3. Threshold Factors and Eligibility Criteria

Each site must undergo a complete environmental review prior to any commitment of funds. No work can start on a site until the environmental assessment is complete. The City is responsible for the preparation of the environmental review and will provide notice when rehabilitation activities can commence.

Both the site and the homeowner/applicant must meet eligibility requirements as detailed below. This program is not intended to be a first-come, first-served program; prioritization criteria is established in the following Section 4. Potential applicants may be referred by other organizations or may apply directly to the program administrator.

a) Owner Occupied Applicant Eligibility Requirements

The following are threshold requirements, which must be met for an applicant to be eligible for assistance. Eligibility does not assure assistance, since a prioritization strategy will be used and it is expected that there will be more eligible applicants than can be served with available funds.
Applicant’s home must be located within the city limits of San Marcos and have been damaged as a result of one or both of the major floods in 2015. Income eligibility. The annual household income will be calculated using the Internal Revenue Service (IRS) Adjusted Gross Income Method of income determination. To be eligible, the annual household income must be less than 80% of the Area Median Income for the appropriate household size. Proof of ownership. The applicant must have been the owner of the damaged home at the time of the flood(s) as well as the current owner. Standard proof of ownership is a valid deed of trust or warranty deed which cites the applicant’s name and that is recorded in the county records. The Texas Administrative Code Section 54.3 allows alternative proof of ownership for the purposes of federally funded disaster recovery programs. Primary residency. The unit to be rehabilitated, reconstructed, or replaced must have been occupied by the applicant as the applicant’s principal residence prior to May 23, 2015; for units impacted only by the All Saints Flood, principal residency must have been established prior to October 30, 2015. Principal residency for applicants can be documented through property tax homestead exemptions. If a homestead exemption was not in place at the time of the disaster, an Affidavit of Principal Residency (form to be provided by the City) may be utilized as an alternative method of verification of principal residency. The affidavit must be supported by documentation such as asset verification (income tax returns, credit check, etc.) or utility bills specific to the property address and name of the applicant which were active as of the applicable, above-referenced dates. The Reconstruction on City Owned Property Activity includes the above criteria and the following additional criteria for eligibility for the activity: (1) The homeowner must be located on property not eligible for rebuild by City or HUD policy. (2) The property is an MHU that is on land not owned by the Applicant (rental or agreed placement). (3) The owner must own the property or MHU without any liens or they must obtain a waiver of liens that allow the City to have priority lien position in the property records upon the transfer of property.

1) Temporary Voluntary Relocation. The applicant must acknowledge that there are available resources (such as family or friends) that will allow the residents to temporarily relocate if necessary during the rehabilitation period. The City may consider providing temporary relocation assistance to households that qualify as very low income; i.e. 30% AMI or under.

2) Property taxes. Applicant must furnish evidence that property taxes are current, have an approved payment plan, or qualify for an exemption under current laws. If property taxes are not current, applicant must document that one of the following alternatives have been met:

- The property owner qualified for and received tax deferral as allowed under Section 33.06 of the Texas Property Tax Code;
- The property owner qualified for and received a tax exemption pursuant to section 11.182 of the Texas Property Tax Code; or,
- The applicant entered into a payment plan, and is current, with the applicable taxing authority.

3) Child support. All applicants and co-applicants must be current on payments for child support. If the applicant or co-applicant is not current on child support, that person will be required to enter into a payment plan. Any applicant that enters into a payment plan must supply a copy of the payment plan signed by all applicable parties, along with documentation that they are current on their payment plan.

4) Residency status. The applicant and co-applicant must be U.S. citizens or a legal resident aliens.

5) Mortgage Payments. The applicant must be current on mortgage payments, if applicable.

b) Single Family 1-4 Unit Rental Applicant Eligibility Requirements
NOTE: The Rental program is cancelled by Amendment 13

The Single Family 1-4 Unit Rental applications will be taken on a first come-first served basis. Only homes that sustained substantial damage or were destroyed will be considered for program participation. The owner of the rental unit will need to certify that the rental unit(s) will be rented to low to moderate income households for a period of five years. The owner must also be able to show the following:

1) Applicant’s home must be located within the city limits of San Marcos and have been damaged as a result of one or both of the major two floods of 2015.

2) Proof of ownership. The applicant must have been the owner of the damaged home at the time of the flood(s) as well as the current owner. Standard proof of ownership is a valid deed of trust or warranty deed which cites the applicant’s name and that is recorded in the county records. The Texas Administrative Code Section 54.3 allows alternative proof of ownership for the purposes of federally funded disaster recovery programs.

3) Property taxes. Applicant must furnish evidence that property taxes are current, have an approved payment plan, or qualify for an exemption under current laws. If property taxes are not current, applicant must document that one of the following alternatives have been met.

3) (Affordability Periods are being transferred to Policies and Procedures per Amendment 14)

4) Below please note the Affordability period per amount of assistance per unit (except for the Reconstruction of City Owned Property activity, added to the Action Plan by Substantial Amendment No. 6 that has a 30 year affordability period):

<table>
<thead>
<tr>
<th>Amount of Assistance per unit</th>
<th>Length of Affordability Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $15,000</td>
<td>5 years</td>
</tr>
<tr>
<td>$15,001 to $40,000</td>
<td>10 years</td>
</tr>
<tr>
<td>More than $40,000</td>
<td>15 years</td>
</tr>
<tr>
<td>New Construction</td>
<td>20 years</td>
</tr>
</tbody>
</table>

Uniform Relocation Act requirements will apply to landlords that have tenants at the time of application. The City is exploring options on the best way to approach temporary relocation needs for tenants during the program planning process.

4. Owner Occupied Applicant Prioritization to Address provision of housing for all income groups and those at risk of homelessness

The following household characteristics indicate a funding priority:

- Household income. Priority is given to households with the lowest annual income as calculated.
- Disability. If one or more members of a household have a documented disability
- Age. If one or more member of the household is/are less than 18 years of age or 62 years of age or older
Housing program awards are based on the financial need of the household and the condition of the dwelling. Should households have identical financial needs as established by the prioritization system, the condition of the dwelling structure will determine priority. Dwelling condition will be determined by the inspection. If scores remain tied, the application with the earliest date of completion will have precedence. Assistance will be provided in the order of ranking to the extent funding is available. The City may determine a maximum number of households to be assisted regardless of the number of completed applications based on the amount of funds available. The ranked list and ranking calculations will be available for public review.

a) Prioritization Criteria

Each application will be assigned a score or number value based on the following criteria in order to establish the order of those that will be served:

1) Income/Family Size — The program income limit is 80% of the Area Median Income.
2) Number of Handicapped or Disabled
3) Number of Elderly in the Household
4) Household Contains One or More Persons Under the Age of 18
5) Condition of Damaged Dwelling

5. Improving Long-Term Recovery

The City understands that this funding source will not cover all of the unmet need for Housing. However, utilizing these funds in the manner described above will have the following intended outcomes related to the City’s long-term recovery. First, it will greatly assist those populations considered the most vulnerable and who have not been able to effect repairs and live in safe/sanitary conditions since the floods. This will set their mind at ease and bring them back into safe and sustainable living conditions. Secondly, and perhaps most importantly to the long-term vitality of this area, targeting the funds to those areas hardest hit, and then elevating those homes who were severely damaged or destroyed, will help to reduce the repetitive loss situation the City experienced. By elevating homes at greatest risk within the flood affected neighborhoods, future losses to floods should be reduced, thereby reducing the City’s administrative and physical cost as well as reducing the insurance cost burden for the LMI population.

The City is considering the following maximum benefit amounts for the housing program:

<table>
<thead>
<tr>
<th>Housing Activity</th>
<th>Cap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Owner Occupied Rehabilitation</td>
<td></td>
</tr>
<tr>
<td>no elevation</td>
<td>$45,000</td>
</tr>
<tr>
<td>with elevation</td>
<td>$60,000</td>
</tr>
</tbody>
</table>

Note: Elevation will be required if rehab costs reach 50% of appraised preflood home value

| Single Family Owner Occupied Reconstruction | reasonable costs as described in 2 CFR 200.404 |

[Table continues with additional details]
The City will designate $12.5 million to infrastructure projects that will alleviate repetitive loss, inundation, and recurring flooding. Any match funding activities will be compliant with CDBG-DR eligibility requirements as well as other federal regulations that may apply. Activities undertaken will focus on projects under the FEMA Public Assistance Categories as listed in the Needs Assessment above, as well as address the Hazard Mitigation measures designed to reduce future repetitive losses. Eligible projects (defined by the Category they may fall under) may include but are not limited to: The projects highlighted in the blue color are projects that will be implemented using CDBG DR funds as directed by City Council.

A. Debris Removal (none proposed as this is an immediate Disaster Recovery level activity and not eligible for CDBG-DR funds);

B. Emergency Protective Measures;
   a. Develop early warning systems
   b. Deploy Reverse Callback systems
   c. Construct Flood gates and barriers

C. Road Systems and Bridges; Midtown, Clarewood/Barbara (Activity Terminated), Blanco Gardens, Uhland Projects
   a. Culvert repair/replacement
   b. Drainage ditch repair/replacement
   c. At risk road segment repair/replacement
   d. Bridge repair/replacement

D. Water Control Facilities;

E. Repairs to water treatment plants

F. Buildings, Contents, and Equipment;

G. Repair and replacement of City owned buildings, equipment, facilities and vehicles if not covered by insurance or another funding source

H. Utilities; Midtown, Clarewood /Barbara (Activity Terminated), Blanco Gardens, Uhland Projects

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buyout to Convert to Greenspace or Limited Use</td>
<td>$250,000</td>
</tr>
<tr>
<td>Acquisition for Redevelopment</td>
<td>$250,000</td>
</tr>
<tr>
<td>Elevation Only (with minimal interior rehab)</td>
<td>$50,000</td>
</tr>
<tr>
<td>Single Family Rental Rehabilitation (1-4 Unit)</td>
<td></td>
</tr>
<tr>
<td>no elevation</td>
<td>$45,000</td>
</tr>
<tr>
<td>with elevation</td>
<td>$60,000</td>
</tr>
<tr>
<td>Single Family Rental Reconstruction w/ elevation (1-4 Unit)</td>
<td>reasonable costs as described in 2 CFR 200.404</td>
</tr>
</tbody>
</table>
a. Storm sewer system upgrades  
b. Creation of new drainage systems and lines

I. Parks, recreation and other facilities; and

J. Hazard Mitigation activities, including land acquisition: Blanco Riverine Improvements

The City may also elect to participate in a U.S. Army Corps of Engineers projects as well by contributing the Chief’s Report, with a max contribution of $250,000.00, but specific projects under this Activity have not currently been identified.

Potential flood recovery projects were included within the 10-year Capital Improvement Plan adopted by City Council and are attached in Appendix J. The projects were identified through the unmet needs process and are all located in the area most impacted by the floods and in census tracts meeting LMI requirements. The list includes anticipated funding needs and project schedules.

Using HUD-DR planning funds, a Feasibility Study was conducted to prioritize the infrastructure projects. The privatization matrix included, in order of most important and that will have the most positive impact on the community:

- Impact to low to moderate income population;
- Reduction in water surface elevations;
- Benefit to cost ratios;
- Permitting requirements and ability to achieve project completion within funding timeframes;
- Environmental Impacts;
- Ability to qualify for additional funding sources;
- Creation of emergency access routes; and
- Phasing considerations.

Substantial Amendment No. 2 and Substantial Amendment No. 4 were drafted detailing the description of infrastructure projects and the use of infrastructure dollars under this grant. See the Prioritization Matrix in Appendix J along with the Infrastructure Project Budgets and Project Descriptions. The City will be responsible for implementation of the infrastructure projects through the use of City staff and procured professional services.

Prioritization Results & Ranking - Top Projects

- Midtown/Aquarena Springs
- Blanco Gardens
- Clarewood/Barbara Drive
- Uhland Road
- Blanco Riverine

E. Implementation and Performance Schedule

As mentioned under §V. Funding Allocation and Prioritization Method, the City anticipates expending all funds awarded within 6 years of grant contract execution between HUD and the City. At this time, because the City is still evaluating various infrastructure projects, the City is providing a high level Implementation
and Performance Schedule and will amend the Action Plan once more solid information becomes available.

IX. Citizen Participation

A. Identification of Public Meetings Held

The City has made a concerted effort to involve the public prior to and following the release of Federal Register FR-5938-N-01 announcing the availability of $25,080,000 in disaster recovery funding. The public meetings held to date are listed below:

- April 12, 2016; 6pm; Hill Country Church, 1401 Davis Lane, San Marcos, TX 78666
- April 16, 2016; 6pm; Fire Station 5, 100 Carlson Circle, San Marcos, TX 78666
- July 6, 2016; 6pm; San Marcos Activity Center, 501 E Hopkins St, San Marcos, TX 78666

Public meetings included a slide presentation, a community unmet needs survey, and a question and answer session. All materials for these meetings were translated into Spanish, in accordance with City policy related to accessibility of information to non-English speaking families. All information related to these meetings can be found on the City’s CDBG Disaster Recovery Website:

http://smtxfloodrecovery.com/

All three public meeting locations were fully accessible to persons with disabilities. The meeting announcements included information on accessibility requests for individuals requiring an interpreter, auxiliary aids, or other services and were posted on the City’s established website.

The City took both verbal and written comments from citizens during the meeting and provided an email address for a contact at the City should they have additional questions.

Of note, the public meetings and surveys resulted in a majority of citizens that indicated a preference for spending funding on much needed infrastructure projects in order to avoid repetitive loss in the future. The City supported those requests and preferences by allocating a majority of the CDBG-DR funding for infrastructure projects that would reduce the number of homes that are located within the floodway or 100 year floodplain as well as reduce the likelihood of repetitive loss moving forward.

B. Creation of Community Stakeholder Task Force

The City’s disaster recovery team established a CDBG-DR Needs Task Force. The Task Force is made up of impacted citizens, community leaders, and representatives from human service organizations that served to assist the City in identifying and articulating to HUD the needs of our community. Task Force meetings were held on the following dates and times:

- June 22, 2016; 11:30am; San Marcos Activity Center, 501 E Hopkins St, San Marcos, TX 78666
- July 7, 2016; 11:30am; Fire Station 5, 100 Carlson Circle, San Marcos, TX 78666

Task Force meetings were comprised of a slide presentation which included a refresher of how funding could be spent, survey results from the public meetings, and an open discussion that included a question and answer session about technical requirements of the funding.

C. Publication Methods

The Action Plan was posted at the following locations for a period of 15 days, beginning on August, 19, 2016:
• The City’s Disaster Recovery website (http://smtxfloodrecovery.com/)
• At City Hall; 630 E Hopkins St, San Marcos, Texas 78666
• At the Public Library; 625 E Hopkins St, San Marcos, Texas 78666
A copy of the Action Plan may be requested via an open records request if citizens would like a physical copy provided to them rather than downloading it from the City’s website.

D. Certification of 14 day Comment Period

1. Method Comments Accepted

Comments were accepted online and via written comment boxes placed at City Hall and the Public Library. Online comments were accepted via a form provided on the City’s disaster recovery website; the system will assign a number to each comment as it is received. In addition to comment boxes, written comments will be accepted at City hall in person, via email (floodrecovery@sanmarcostx.gov), or via USPS mail. As physical or email comments are received the City staff will enter those comments into the online tracking system.

2. Inclusion of Comments Received

A summary of the comments received during the public comment period and the reasoned responses and actions have been provided in Appendix H of this Action Plan.

E. Website Development

The City, in anticipation of the CDBG-DR process, began developing a disaster recovery website in April 2016. The City worked with government website vendor Civic Plus to create www.smtxfloodrecovery.com to provide information and interaction with residents. The intent was to create a user-friendly, easy to navigate portal for flood survivors and residents to gather information and leave input.

The site launched in May 2016 and includes sections for policies, community outreach, reports, projects and program information. Additionally, the site also includes a calendar of events and a news section that is updated weekly. The site allows residents to sign up for notification of news and calendar items. Citizens can also interact with the City by using the fillable forms on the website. Forms are available for the Action Plan public comment period, as well as to report fraud, waste or abuse.

The City believes this online tool will allow the community to take an active role in steering the CDBG-DR process and move the City down the road to recovery.

F. Accessibility of Plan

The City follows ADA-compliant standards for website accessibility and readability. Content and webpage layout is designed with best practices for adaptive aids use in mind. The City also supports accommodation for citizens with limited English proficiency and will publish program documents to the public website in languages other than English based on the need of non-English speaking communities.

G. Citizen Complaint and Appeal Process

The City will appoint a team of City staff and Program Manager staff members who will investigate, resolve and follow-up each citizen complaint. The goal of the City is to resolve complaints within 15 business days when possible. During program operations, citizens may not agree with decision made by the program on specific projects and wish to appeal the program’s decision. The program guidelines will include specific procedures and contact information for citizen to file formal appeals or complaints. The program will
make every effort to provide a written response within 15 business days when possible to every appeal or complaint.

Information about the right and how to file a complaint shall be printed on all program applications, guidelines, the City’s public website, as appropriate and reasonable. Procedures for appealing a City decision on a complaint shall be provided to complainants in writing as part of the complaint response.

A record of each filed complaint or appeal that the City receives will be kept on file. When a complaint or appeal is filed, the City will respond to the complainant or appellant within 15 business days where practicable. For expediency, the City will utilize telephone communication as the primary method of contact, email and postmarked letters will be used as necessary to document conversations and transmit documentation.

The full complaint and appeals process can be found in Appendix E of this document.

X. Amendment Definition and Approach

A. Substantial Amendments to the Action Plan

A Substantial Amendment to the Action Plan shall be defined as:

1. a change in program benefit or eligibility criteria;
2. the addition or deletion of an activity; or
3. the allocation or reallocation of more than $1 million between activities.

Only those amendments that meet the definition of a Substantial Amendment are subject to the public notification and public comment procedures previously identified within the Federal Register and this Action Plan. Specifically, a public notice will be published and comment will be sought when assistance programs are further defined (i.e. change in program benefit or eligibility criteria) or when funding allocations are further refined by type of activity and location, if applicable.

Citizens, other local governmental entities, and our community partners will be provided with advanced notice and the opportunity to comment on proposed Substantial Amendments to the Action Plan. An electronic copy of the proposed Substantial Amendment will be posted on the official San Marcos Disaster Recovery website. Hard copies will also be made available upon request. Translations and accommodations for residents with disabilities will be made in accordance with the Citizen Participation plan as detailed above. *No less than fourteen (14) days* will be provided for review and comment on the Substantial Amendment. Comments will be accepted electronically or in writing. A summary of all comments received and responses will be included in the Substantial Amendment that is submitted to HUD for approval.

B. Non-Substantial Amendments to the Action Plan

Non-Substantial Amendments are defined as minor, one that does not materially change the activities or eligible beneficiaries. This provision should not be construed as allowing the general administrative budget to exceed the allowable limit. Additionally, a Substantial Amendment is not required in the case where the City is simply requesting additional funding from HUD. HUD must be notified *five days in advance* of a Non-Substantial Amendment becoming effective. Non-Substantial Amendments are not subject to the public notification and public comment procedures previously identified in the Federal Register or this Action Plan, however the City will publish all Amendments, Substantial or Non-Substantial,
Leveraging Funds

The City is currently exploring other sources of funding and will amend the Action Plan when those sources become apparent or available. The City’s 2016 regular CDBG Action Plan includes the allocation of $211,104 specifically awarded to a subrecipient for minor rehabilitation of flood-damaged homes. To date, the City has explored the following options for additional funding to support community recovery:

- Clean Water State Revolving Funds administered by the Texas Water Development Board. The City is in the process of being awarded a $2 million grant for flood mitigation.
- Private funding in the amount of $500,000 specifically identified to address drainage/flooding in the Blanco Gardens neighborhood.
- Hazard Mitigation Grant Programs 404 and 406. The City has applied for funding to both the State and FEMA. The applications are still under review. It is unclear at this time whether this funding will become available during this recovery process.
- The city will utilize city owned property for the Reconstruction on City Owned Property (RCOP) activity.

XI. Certifications

In accordance with HUD guidelines and the Federal Register requirements, the City certifies that:

A. The City will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within its jurisdiction and take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard (see 24 CFR 570.487(b)(2) and 570.601(a)(2)). In addition, the City certifies that agreements with subrecipients will meet all civil rights related requirements pursuant to 24 CFR 570.503(b)(5).

B. The City has in effect and is following a residential anti-displacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG-DR program.

C. The City is compliant with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by part 87.

D. The Action Plan for Disaster Recovery is authorized under State and local law (as applicable) and that the City, and any entity or entities designated by the City, possess(es) the legal authority to carry out the program for which it is seeking funding, in accordance with applicable HUD regulations and this Notice. The City certifies that activities to be administered with funds under this Notice are consistent with its Action Plan.

E. The City will comply with the acquisition and relocation requirements of the URA, as amended, and implementing regulations at 49 CFR part 24, except where waivers or alternative requirements are provided for in this Notice.

F. The City will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

G. The City is following a detailed citizen participation plan that satisfies the requirements of 24 CFR91.105 or 91.115, as applicable (except as provided for in notices providing waivers and
alternative requirements for this grant). Also, the City follow a detailed citizen participation plan that satisfies the requirements of 24 CFR 570.486 (except as provided for in notices providing waivers and alternative requirements for this grant).

H. The City is complying with each of the following criteria:

a. Funds will be used solely for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas for which the President declared a major disaster in 2015 pursuant to the Robert T. Stafford Disaster Relief and emergency Assistance Act of 1974 (42 U.S.C. 5121 et seq.) related to the consequences of Hurricane Joaquin and adjacent storm systems, Hurricane Patricia, and other flood events.

b. With respect to activities expected to be assisted with CDBG-DR funds, the Action Plan has been developed so as to give the maximum feasible priority to activities that will benefit low- and moderate-income families.

c. The aggregate use of CDBG-DR funds shall principally benefit low- and moderate-income families in a manner that ensures that at least 70 percent of the grant amount is expended for activities that benefit such persons.

d. The City will not attempt to recover any capital costs of public improvements assisted with CDBG-DR grant funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless: (a) disaster recovery grant funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this title; or (b) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the City certifies to the Secretary that it lacks sufficient CDBG funds (in any form) to comply with the requirements of clause (a).

I. The City (and any subrecipient or recipient) will conduct and carry out the grant in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601–3619) and implementing regulations.

J. The City has adopted and is enforcing the following policies:

a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and

b. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.
K. The City (and any subrecipient or recipient) has the capacity to carry out disaster recovery activities in a timely manner; or that the City will develop a plan to increase capacity where such capacity is lacking to carry out disaster recovery activities in a timely manner; and that the City has reviewed the requirements of the notice and the requirements of Public Law 114-113 applicable to funds allocated by this notice, and certifies to the accuracy of Risk Analysis Documentation submitted to demonstrate that this has in place proficient financial controls and procurement processes; adequate procures to prevent any duplication of benefits as defined by section 312 of the Stafford Act, to ensure timely expenditure of funds; to maintain a comprehensive disaster recovery website; to ensure timely communication of application status to applicants for disaster recovery assistance, and that its implementation plan accurately describes its current capacity and how it will address any capacity gaps.

L. The City will not use grant funds for any activity in an area delineated as a special flood hazard area or equivalent in FEMA’s most recent and current data source unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain in accordance with Executive Order 11988 and 24 CFR part 55. The relevant data source for this provision is the latest issued FEMA data or guidance, which includes advisory data (such as Advisory Base Flood Elevations) or preliminary and final Flood Insurance Rate Maps.

M. The City’s activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.

N. The City will comply with applicable laws.

Signed and Certified by:

Jared Miller, City Manager
Tab 4: Appendices
XII. Appendices A – K

A. Needs Assessment Graphical Representations
B. Public Meeting Presentations
C. Public Surveys and Results
D. Stakeholder Task Force Presentations
E. Complaint and Appeals Policy
F. Pre-Award Costs for Possible Reimbursement
G. City Council Resolution for Funding
H. Action Plan Public Comment and Response Log
I. Flood Recovery Expenditure Projection (Revised by Amendment No. 11)
J. Infrastructure Projects for Consideration
K. Additional Maps