630 E. Hopkins - Work Session

I. Call To Order

II. Roll Call

PRESENTATIONS

1. Receive a Staff presentation and hold discussion regarding the preliminary Fiscal Year 2020 Budget and Fee Policy, and provide direction to Staff.

2. Receive a Staff presentation and update regarding Community Development Block Grant - Disaster Recovery Substantial Amendment #8, and provide direction to Staff.

EXECUTIVE SESSION

NOTE: The City Council may adjourn into Executive Session to consider any item listed on this agenda if a matter is raised that is appropriate for Executive Session discussion. An announcement will be made of the basis for the Executive Session discussion. The City Council may also publicly discuss any item listed on the agenda for Executive Session.

3. Executive Session in accordance with the following Local Government Code Sections:
   A. Section § 551.071 - Consultation with Attorney: to receive a staff briefing and deliberate regarding Martindale ETJ matters and Project Big Hat
   B. Section § 551.087 - Economic Development: to receive a staff briefing and deliberate regarding Project Big Hat

III. Adjournment.

POSTED ON THURSDAY, MAY 2, 2019 @ 10:00AM

JAMIE LEE CASE, CITY CLERK
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:
Receive a Staff presentation and hold discussion regarding the preliminary Fiscal Year 2020 Budget and Fee Policy, and provide direction to Staff.

Meeting date: May 7, 2019

Department: Finance

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

Fiscal Note:
Prior Council Action: Fee Policy - Cost Recovery Methodology was presented to City Council on December 4, 2018 with support for staff to move forward with implementation of a Fee Policy.

City Council Strategic Initiative: [Please select from the dropdown menu below]
Choose an item.
Choose an item.
Choose an item.

Comprehensive Plan Element(s): [Please select the Plan element(s) and Goal # from dropdown menu below]
☐ Economic Development - Choose an item.
☐ Environment & Resource Protection - Choose an item.
☐ Land Use - Choose an item.
☐ Neighborhoods & Housing - Choose an item.
☐ Parks, Public Spaces & Facilities - Choose an item.
☐ Transportation - Choose an item.
☐ Not Applicable
**Master Plan:** [Please select the corresponding Master Plan from the dropdown menu below (if applicable)]
Choose an item.

**Background Information:**
The budget presentation each year provides high level updates with fund capacity and any items for Council to provide additional direction to staff.

A proposed Fee Policy was presented to City Council during the December 4, 2018 Work Session. The presentation proposed a Cost Recovery Methodology to guide the strategy and framework for establishing a formal Fee Policy for the City to use in setting fees for all programs and services within the General Fund.

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

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

**Recommendation:**
Click or tap here to enter text.
Budget
Worksession

- General Fund Capacity
- FY19 Budget Amendment
- HSAB Funding Cycle
- Fee Policy
- Cost Recovery Implementation
2019 Strategic Initiatives

**Workforce Development**
Partner with community, training/programming,

**Workforce Housing**
Policies, dedicated housing and revenue sources, land use and zoning regulations

**Multi Modal Transportation**
Funding recipient, inter-local agreements, continue other initiatives

**Downtown Vitality**
Support diversified business activity, improve quality of place, accessibility

**City Facilities**
Short-term alternatives for expansion, alternative delivery methods, 5yr plan, project design and scope, future land purchases
Budget Policy Highlights

- Maintain current tax rate
- Base budgets held flat
- Resume 7% utility franchise fee
- General Fund fee adjustments
- Community Service fees based on Cost Recovery Plan
- Meet & Confer
- Merit, COLA, & health insurance adjustment
- Best Buy call center revenue for one-time exp or special projects
- Economic Dev funds for special projects
- Youth services On hold
- CUAB recommended rate adjustments
General Fund
As San Marcos continues to experience rapid growth the demand on core services & infrastructure also increases. Capacity to fund core services & infrastructure is limited by economic incentive commitments.
The five-year revenue trend for Property Tax has shown a steady incline, Sales Tax growth has increased to exceed FY16 peak and other revenue sources remain flat.
The five year trend reflects 6% avg increase in personnel cost, operating costs have remained relatively flat, 200+% increases starting in FY18 in non-recurring are due to economic incentive payouts.
General Fund Budget Constraints

Capacity to fund budget requests

- Dept budget requests received $8M
- General Fund capacity preliminary estimate at $600K
- City Manager & staff to prioritize requests and prepare recommendation
- Preliminary tax rolls received. Revised forecast available for June workshop
Other Major Funds
Enterprise Funds

Utilities

Dept submitted budget requests

Consultants prepare rate model considering: growth factors, ops increases, future CIP & capital needs

Rate model output presented to CUAB (Citizen Utility Advisor Board)

CUAB prepares rate and budget recommendations for Council
Revenue for first 6 months of FY19 exceeding budget due to La Quinta revenue. Calendar year 2018 average room rate declined 4% while occupancy declined 9% from prior year.
Budget Timeline
FY19 Budget Amendment
FY19 Budget Amendment

Favorable Trends in Revenue Projections

- FY19 General Fund Revenue forecasted to exceed budget
- Further analysis needed prior to funding recommendation
- Budget amendment anticipated in June budget workshop
- Year-to-date Hotel Motel Tax revenue exceeding FY19 budget. Propose re-establishing operating budget to prior year funding levels
HSAB
Funding Cycle
Optional funding cycle to address concerns presented to staff regarding commitment of funds prior to budget adoption.
Fee Policy
Fee Policy Foundation

- Long term strategy to support financial stability
- Structured framework for sustainability
- A tool utilizing cost recovery methodology for evaluating programs and services
- Consistency and transparency in establishing fees
Cost Recovery Methodology

- Define who receives benefit (community or individual)
- Evaluate total cost of service for the program/services available to our community
- Generate revenue to fund such areas as facility maintenance and plan for future needs
- Provide flexibility in price structure for special circumstances

Generate revenue to fund such areas as facility maintenance and plan for future needs
Cost Recovery Pyramid

1. **EXCLUSIVELY INDIVIDUAL**
   - Services that are exclusively for individual benefit
   - 100% +

2. **HIGHLY INDIVIDUAL**
   - Services in which individuals will highly benefit
   - 81 – 100%

3. **INDIVIDUAL/COMMUNITY**
   - Services that are a mix of community and individual benefit, with a greater emphasis on the individual
   - 51 – 80%

4. **COMMUNITY/INDIVIDUAL**
   - Services that are a mix of community and individual benefit, with a greater emphasis on the community
   - 16 – 50%

5. **COMMUNITY**
   - Services that specifically benefit the community as a whole
   - 0 – 15%
Fee Calculation

(Total Cost * Cost Recovery target %) / Minimum # of participants

Total Cost
Direct, overhead, and indirect cost

Cost Recovery Target %
First year of implementation each fee will use the pyramid levels range for recovery and revise after the first year evaluation

Minimum # of Participants
General Guidelines

1. Pyramid methodology will be used

2. Establish cost recovery thresholds

3. Thresholds include minimum and target levels of cost recovery

4. Areas unable to meet min threshold can: reduce cost, reduce recovery target, eliminate service/program

5. Activities that have achieved or exceeded target threshold will be evaluated to determine if the target can/should be adjusted

6. Specific fee considerations may be made that may supersede cost recovery considerations

7. Eligible discounts vary by department

8. Cost of Service revised every 3 years, cost recovery goal performance evaluated annually
Cost Recovery Plan - Process

Phase I

1. Assign all programs & services to a pyramid benefit level (1 – 5)
2. Reach out to stakeholder groups for feedback

Phase II

3. Establish cost recovery goals
4. Gather cost data & participants

Phase III

5. Calculate fee
6. Adjust fee based on special circumstances
7. Present to stakeholders
8. Present to Council
Cost Recovery Plan - Timeline

Roll out Cost Recovery Plan

FY2020
- Neighborhood Enhancement & Public Safety

FY2021
- Development Services
- Community Services
- Neighborhood Enhancement & Public Safety

FY2022
- Development Services

Revise Cost of Service Study
Wrap Up

Questions

Consensus
Questions | Consensus

- **Budget**: Comments, questions, concerns regarding General Fund preliminary capacity or FY19 forecast/amendment
- **HSAB**: Consensus to move forward with changing HSAB funding cycle as presented
- **Fee Policy**: Consensus to bring forward Fee Policy for adoption on June 4th
- **Cost Recovery Plan**: Consensus to continue implementation of Cost Recovery Plan
Thank You
Fee Policy

May 2019

By Melissa Neel
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630 East Hopkins
San Marcos, TX 78666
http://www.sanmarcostx.gov/finance
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Executive Summary

Introduction
The City of San Marcos is dedicated to providing quality services, fostering healthy lifestyles and helping the community thrive. Our Goal is to enhance lives and the community by providing exceptional experiences. As the City continues to grow and facilities age, we must be prepared to maintain high levels of service and develop a financial system to continue this community investment.

Fees for services and programs were held flat for many years. Throughout those years cost continued to increase resulting in more demand on tax payer dollars to fund City programs and services. In 2016 City Council adopted fee increases to recover cost and insure continuous services and program offerings to the community. In order to properly align costs and plan for the future a structured financial system was necessary and a Fee Policy has been developed.

Setting a fee policy serves as a tool for evaluating services and establishing appropriate fees. Standardizing how we set prices ensures that the resulting fee meets Department goals and provides the framework to ensure consistency for all San Marcos residents for the value received. A fee policy creates transparency and consistency in fees for programs and services. A fee policy helps administrators continually set fees that support the goals and priorities of the community.

Fee Policy takes into consideration the public benefit, users’ ability to pay, level of benefit and exclusivity the user receives above what a general taxpayer receives. Pricing ensures that users pay appropriate fees and available taxpayer funds are used to achieve the optimal return on investment and ensure access to programs and services.

City of San Marcos’ Fee Policy has been established on the basis of Cost Recovery methodology as it relates to Cost of Service. Cost of Service is an identification and calculation of what is required financially to produce or operate a service. Cost Recovery is a complex subject. Essentially, it represents a decision to generate revenues by charging fees, or other types of revenue, for some, or all, programs and services, relative to the total operational costs to provide them. Cost recovery does not imply that the target is total recovery of the cost; however, a target is established according to a variety of considerations and may range from 0% to more than 100% of costs. As cost recovery is defined differently in nearly every organization, this document discusses Cost Recovery as it relates to the City of San Marcos.

Purpose and Goals
This formal fee policy establishes a comprehensive long-term strategy to address current and future needs of the San Marcos community. This comprehensive effort and approach to providing services is undertaken to introduce and implement strong “best practice” business tools to all City Departments. The overall goal of this plan is to initiate and sustain practices and examine policy and rules affecting overall desired outcomes of a healthy and vibrant community.

Goals are to:
- Analyze current service levels and the resources to meet workload demand.
- Develop a sustainable and justifiable philosophy, supporting policy, and cost model for calculating fees.
• Generate revenue to support overall operating costs for each department and plan for future needs.
• Utilize the most efficient use of City resources and expenditures.
• Provide assistance to those unable to pay through reduced fees and/or alternative funding sources.
A Methodology, a Plan, and a Policy

Having a Fee Policy and Cost Recovery Plan assists in answering challenging questions such as:
- Are our programs priced fairly and equitably?
- Are we using funding in a responsible manner?
- Is there a methodology for the distribution of tax payer dollars?
- Does the way we charge for programs and services support our core values and goals?

A Best Practice Tool

This comprehensive effort and approach to providing services is undertaken to introduce and implement strong “best practice” business tools to the departments. The overall goal of this plan is to initiate and sustain practices to achieve overall desired outcomes of a healthy and vibrant community.

Resource Allocation and Cost Recovery Defined

Resource allocation is how appropriated tax dollars and alternative sources of funding are used. Cost recovery is the amount of the annual operating budgeted expense that can be offset by funding from sources other than general taxpayer dollars (whether derived from property, sales, or other sources).

Although fee adjustments are possible, the goal is not to simply generate new revenues through fees, but to ensure a sustainable system into the future by using tax revenues and fees in the most appropriate ways, supplemented where possible by grants, donations, partnerships, and other sources of alternative revenues. Paying taxes typically supports “core services,” whereas fees and charges usually account for programs and services that benefit individuals. This practice allows the City to allocate its resources wisely and provide valuable information for decision making and setting priorities for improvements and changes to the financial system.
Determining the Cost of a Program or Service

Dollars spent will be accounted for specifically by programs and services offered. “Direct” costs include expenses such as the cost of an instructor, including benefits, supplies needed, equipment rented, etc. “Overhead” costs within each department are shared among several programs or services within a division. Indirect Cost includes the cost of leadership and other shared costs that are allocated among applicable programs and services.

Staff and Stakeholder Engagement

A team of staff members formed to develop and implement Fee Policy with the goal to gather input from staff and stakeholder groups for the development of a cost recovery philosophy. This model, based on the Cost Recovery Pyramid Methodology, defined below, will be a component of ongoing planning and budgeting processes. At the workshops, participants were asked to identify where programs and other inter-related core services fit within the pyramid model based on the benefit the user received for a program or service.

By using feedback from the stakeholders to look at programs and services in this way, staff can set a program’s cost-recovery goal relative to the amount of community benefit a category of service provides. Programs and services considered to have higher individual benefits will be recommended to have a higher cost recovery ratio.

The Cost Recovery Pyramid Methodology

The pyramid methodology used in development of the Cost Recovery Model is built on a foundation of understanding who is benefiting from programs and services to determine how the costs for service should be paid.

The Cost Recovery Pyramid Model illustrates a pricing philosophy based on establishing fees commensurate with the benefit received. Descriptions regarding each level of the pyramid are provided; however, the model is intended as a discussion point and is very dependent on each department to determine what programs and services belong on each level. Cultural, regional, geographical, and resource differences play a large role in this determination. The resulting pyramid is unique to each department that applies this methodology.

Application of the pyramid methodology begins with the mission of the organization, but must also address other considerations:

- Who benefits from the service, the community in general or only the individual or group receiving the service?
- Does the individual or group receiving the service generate the need (and therefore the cost) of providing the service?
- Will imposing the full cost fee pose a hardship on specific users? (The ability to pay is
different than the benefit and value of a program or service, and therefore, should be dealt with during the implementation phase of pricing and community outreach.)

- Do community values support taxpayer investment for the cost of service for individuals with special needs (for example, people with disabilities or low-income)?
- Will the level of the fee affect the demand for the service?
- Is it possible and desirable to manage demand for a service by changing the level of the fee?
- Are there competing providers of the service in the public or private sector?

The application of the model is broken down into the following steps:

**Phase I:** (see Appendix: Cost Recovery Plan – Phase I)
1. Assign all programs and services to a benefit level (1 – 5) within the Cost Recovery Pyramid
2. Reach out to stakeholder groups for feedback

**Phase II:**
3. Establish cost recovery goals for each program and service
4. Gather cost and participant data

**Phase III:**
5. Calculate initial fees
6. Adjust fees based on special circumstances
7. Present plan to boards or stakeholder groups
8. Present plan to City Council for Adoption

**Step 1: Understanding the Pyramid Methodology and Who Benefits**

The creation of a cost recovery allocation philosophy and policy is a key component to maintaining financial control, equitably pricing offerings, and helping to identify core services and programs.

The principal foundation of the pyramid is determining who received the benefit. Each level of the pyramid from the bottom to the top is described below (see Appendix: Cost Recovery Pyramid). Each user fee is assigned to one of 5 levels within the pyramid based upon an assessment of its service and cost recovery values, Group 1 being composed of the programs/services that tend more strongly toward community service values being of primary consideration, and Group 5 being composed of the programs/services that tend most strongly toward cost recovery values being of primary consideration.

Services/programs are assessed for placement within the pyramid using the following criteria:

**Group 1: Community Programs/Services** - Represents those programs and services that benefit the community as a whole. These programs and services increase property values, provide safety, address social needs, and enhance quality of life for the residents. The community generally expects the City to offer these services and supports paying for these basic services through taxes. These services are offered to residents at minimal or no fee.

**Group 2: Community/Individual Programs/Services** - Represents those programs and services that promote individual physical and mental well-being, and provide recreational skill development. They are generally the more traditionally expected services and beginner instructional levels.

**Group 3: Individual/Community Programs/Services** - Represents services that promote individual physical and mental well-being, and provide an intermediate level of recreational skill development.
This level provides more INDIVIDUAL and less Community Benefit and should be priced to reflect this. This individual fee recovers more costs or has a higher cost recovery goal than programs and services that fall within the lower levels of the pyramid.

**Group 4: Highly Individual Programs/Services** - Represents specialized services generally for specific groups with a competitive focus. In this level, programs and services should be priced to recover full costs.

**Group 5: Mostly Individual Programs/Services** - Represents specialized services generally for specific groups with a competitive focus. In this level, programs and services should be priced to recover full cost including all direct, overhead, and indirect cost and may also include an additional fee.

**Step 2: Reaching Out to Stakeholders**

Stakeholder feedback is a key component in the implementation of cost recovery. Stakeholders may consist of formal advisory boards, staff members, or the general public. Each department may define their stakeholder groups differently for executing their goals and meeting the needs of the community. The benefit groups within the pyramid structure will be assigned by city staff then presented to stakeholder groups for feedback.

**Step 3: Determining Cost Recovery Levels**

In recognition of the wide variety of service levels and revenue generating potentials of various fee areas, specific cost recovery thresholds shall be established for each area at the most specific programming level that is administratively practical. The thresholds shall include both minimum and target levels of cost recovery. Fee areas unable to meet their minimum threshold shall be reviewed by department staff and governing advisory board for consideration of recommending appropriate action: reduce costs; reduce cost recovery target; eliminate fee area. Activities that have achieved or exceeded their target threshold shall be evaluated to determine if the target can/should be increased.

**Step 4: Defining Costs**

The definition of direct, overhead and indirect costs can vary across departments. The most important aspect to understand is that all costs associated with directly running a program or providing a service are identified and consistently applied across the system. Direct costs typically include the specific, identifiable expenses associated with providing a service. These expenses would not exist without the service and may include variable costs.

The Departments have defined direct, department overhead, and indirect costs as follows:

**DIRECT COST:**
Direct costs are those costs that are directly attributable to efforts to put on a program or service. Examples are direct personnel costs to include benefits, supplies, direct marketing, facility rates, transportation, and direct contract services.

**DEPARTMENT OVERHEAD COST:**
Direct supervision of the fee area, and minor miscellaneous items such as supervisor mileage, administrative support, custodial services, facility maintenance, and utilities.
INDIRECT COST:
Indirect costs are not directly attributable to a program or service, but are necessary to support the effort. Division level and shared costs, such as departmental leadership, accounting support, technology, administrative support, computer (software, license, hardware etc), and on-going facility maintenance and repairs.

*It is Staff recommendation to not allocate indirect cost to any user fee within the first three years of the policy implementation to evaluate the impact of the fee structure on the community and review cost recovery performance measures.*

Cost Accounting at the Program/Service Level is Challenging
The process of accounting for expenses in a more detailed, consistent manner in order to readily identify the cost recovery rates for each category of service can be challenging. The initial effort is considered to be a start, and work will continue, particularly during the first year of implementation, to further refine the calculations. During the first year of implementation, staff will have the opportunity to respond to the volume of information that is now available to them, allowing them to further refine definitions and calculations, and re-evaluate early decisions made in this process. During the Cost of Service study each department will have the opportunity to revise and update calculations.

The accounting system is not currently setup to track expenditures at the activity level. The structure needs to be modified to allow coding at the activity level so that cost recovery can be accurately measured and used as an effective planning tool. Each year will reflect improved reporting capabilities leading to increased accuracy and continuous process improvement.

Step 5: Setting the Price
While not quite as simple as determining the costs and applying the recovery goal, this is the basic concept behind determining the price. The pyramid assists us in establishing the base level of cost recovery and where the program/service fits. Just as the expenditures and recovery goals vary for each program/service, so does the pricing methods and actual determination of the price. A pricing model is developed for each user fee and assists staff in determining the price.

Fee Calculation: \( \frac{\text{total cost} \times \text{cost recovery \%}}{\# \text{ of participants}} \)

The initial fee is not the final price. There are many influential factors and considerations each department goes through before determining a price to present to stakeholder groups and then to City Council for adoption with the annual budget each year.

Step 6: Understanding and Preparing for Influential Factors and Considerations
Inherent to sorting programs onto the pyramid model using the program benefits and other criteria is the realization that other factors come into play. These factors can aid in determining final price adjustments. Such factors could be local competitors, peer city comparison, economic indicators, or political influence. It is not a sustainable practice to keep fees artificially low in order to ensure that all can afford to pay.

Adjusting fees and charges to reflect a value-based approach to pricing is only one strategy to maximizing cost recovery and leveraging existing funding. Measuring cost recovery provides indications
of services that should be examined for cost saving or avoidance tactics. Expenses may be minimized through avenues such as restructuring of programs, management efficiencies, and partnering with outside agencies.

Options are available for those with economic need. San Marcos provides discount opportunities that vary by department. Such opportunities may include: multi-child discounts, early bird registration, or scholarships. All fee reductions are subject to change and dependent on funding availability.

**Step 7: Implementation**
The departments have set their goals based upon core values, stakeholder input, funding availability, and other criteria. Some recommendations are scheduled to occur immediately, and others will take time to put into place, while some will be implemented incrementally. It is important that fee change tolerance levels are considered.

Once a final price has been determined by department staff the complete Cost Recovery Plan will be presented to stakeholder groups for feedback. Each department will then revise any necessary changes to present final Cost Recovery Plan with all user fees to City Council during the annual budget process. Some departments will strategically set price adjustments to occur incrementally over several years to reach cost recovery targets, where other departments may choose to only modify price once every 3 – 5 years with cumulative price adjustments.

**Step 8: Evaluation**
This process has been undertaken in order to articulate a philosophy and a best practice ongoing approach to cost recovery across all departments within the City. Performance measures have been established through cost recovery targets, specific recommendations have been made for programs/services found to be out of alignment, and evaluation of goal attainment is recommended to take place annually. Current cost recovery will be refined over the first year of implementation for each department as steps are taken to more accurately account for revenues and expenditures by service area.

This first-year implementation of the Cost Recovery Plan will allow communication of the methodology, policy, and adjustment of fees as indicated by the Cost Recovery Plan. It will also allow for staff to see the implications for overall cost recovery; identify any currently unknown market, historical, and political considerations; and provide staff experience in using the methodology.

**Conclusion**
The City of San Marcos strives to maintain its reputation for providing exceptional parks, places, programs and services at a good value to our taxpayers and customers and for preserving and protecting our City’s natural resources. Our community size and population is expected to experience rapid growth over the next twenty years and our Departments must be prepared to grow accordingly. The formalization of our fee policy provides us with a comprehensive long-term strategy to address current and future needs of the San Marcos community and demands upon the Departments.

Through the Fee Policy and Cost Recovery recommendations, the City of San Marcos is taking on a very aggressive goal of meeting its cost recovery targets. This can be accomplished through a combination
of cost saving measures, fee increases, and seeking of alternative forms of revenue. Annual adjustments will need to be sensitive to citizen tolerance as citizens consider their needs and how they will spend their discretionary dollars.
Appendix: Cost Recovery Pyramid

1. **Exclusively Individual**
   - Services that are exclusive for individual benefit
   - 100%+

2. **Highly Individual**
   - Service in which individuals will highly benefit
   - 81-100%

3. **Individual/Community**
   - Services that are a mix of community and individual benefit, with a greater emphasis on the individual
   - 51-80%

4. **Community/Individual**
   - Services that are a mix of community and individual benefit, with a greater emphasis on the community
   - 16-50%

5. **Community**
   - Services that specifically benefit the community as a whole
   - 0-15%
Appendix: Cost Recovery Plan – Phase I

Phase I – Assign each program/service to a pyramid level defined by user benefit.
Development Services

**EXCLUSIVELY INDIVIDUAL**
- Fee-in-lieu
- Development agreements & amendments
- Incentive agreements
- ROW Use fees

**HIGHLY INDIVIDUAL**
- Building permits, inspections, licensing, renewal fees, rezoning requests, conditional use permits, plats, subdivision fees, ROW use fees, floodplain fees,

**INDIVIDUAL/COMMUNITY**
- Watershed protection
- PICP – subdivision improvements, individual transportation or utility infrastructure
- Site Prep TIA (traffic impact analysis)

**COMMUNITY/INDIVIDUAL**
- Short term ROW closure neighborhood/non-profit (24 hr or less)

**COMMUNITY**
- Not applicable
Environmental Health

EXCLUSIVELY INDIVIDUAL
• Not applicable

HIGHLY INDIVIDUAL
• Food establishments
• Farmers market vendor
• Re-inspection fee, plan review, inspection, septic permit, onsite sewage facilities

INDIVIDUAL/COMMUNITY
• Daycare inspection
• Adult daycare inspection
• Foster home inspection

COMMUNITY/INDIVIDUAL
• Not applicable

COMMUNITY
• Non-profit food establishment
Animal Services

EXCLUSIVELY INDIVIDUAL
- Drop off out of coverage registration
- Commercial kennel fee
- Commercial animal dealer permit

HIGHLY INDIVIDUAL
- Grooming facility

INDIVIDUAL/COMMUNITY
- Vaccinations, adoption fees
- Owner request euthanasia
- Animal exhibition (i.e. petting zoo)

COMMUNITY/INDIVIDUAL
- Rabies test submittal

COMMUNITY
- Impoundment, kennel fee, quarantine fee
- Registration fees
- Volunteer program
Fee Policy Work Session
December 4, 2018

Melissa Neel
Assistant Director of Finance
AGENDA

FEE POLICY

WORK SESSION

AGENDA

Fee Policy Structure

Cost Recovery Expenses

Cost Recovery Methodology

Fee Policy Highlights

Recommendation & Approval
History of determining fees -

- Fragmented fee setting process across departments: peer city comparison, cost of service study, Council directive
- Fees remained flat for many years. FY16 began CPI adjustment, and 3 year cost of service study cycle
- Direct costs evaluated every 3 years, but without consideration to overhead or indirect costs
What is “Fee Policy”?

- A tool for evaluating services/programs and establishing appropriate fees
- Long term strategy to support financial stability
- Structured framework for sustainability
- Consistency and transparency in fees
What are the components of “Fee Policy”?

- Evaluates cost recovery and types of cost
- Identifies who benefits from the services/programs (fee areas)
- Provides flexibility in price structure for special considerations
- Standardizes how fees are set across all fee areas
**Fee Policy** | **Philosophy**

*What are the determining factors?*

- Who receives benefit (community or individual)?
- To what level of benefit compared to the general taxpayer.
- Users ability to pay
What do we achieve by adopting a Fee Policy?

- Balance general fund subsidy (taxpayer dollars) and user fees
- Effective pricing: revenue production to assist overall operations and provide flexibility to offer programs not otherwise possible; revenue matching to the cost center providing expenditures
- Efficiency of City resources
- Assistance to customers not able to pay. It is not a sustainable practice to keep fees artificially low in order to ensure that all can afford to pay
A major component in Fee Policy is Cost Recovery. Below are the major types of expenses within the cost of each department.

- **Direct Cost**: Cost specific to the service or program
  - Staff leading the program/service
  - Supplies, transportation

- **Overhead**: Costs directly related across multiple programs
  - Direct program supervision, allocation of admin support
  - Operating allocation: custodial services, supplies, utilities

- **Indirect Cost**: Division level and shared cost
  - Department management, finance support, technology
  - Professional development, printing, on-going facility maintenance and repairs
**Cost Recovery**

**Pyramid Methodology**

**Benefit Levels**

- Exclusively Individual Benefit
- Highly Individual
- Individual/Community
- Community/Individual
- Community

**Cost Recovery %**

- 100% +
- 81 - 100%
- 51 – 80%
- 16 – 50%
- 0 – 15%

**Fee** = (Cost Recovery %) * Cost of Service / # of participants

*The core fundamentals for Cost Recovery Pyramid Methodology was developed by GreenPlay, LLC*
**Cost Recovery**

**Sample Areas**

- Benefit Levels
  - Exclusively Individual Benefit
  - Highly Individual
  - Individual/Community
  - Community/Individual
  - Community

**Cost Recovery %**

- 100% +
- 81 - 100%
- 51 – 80%
- 16 – 50%
- 0 – 15%

**Fee Calculation**

\[ \text{Fee} = (\text{Cost Recovery} \%) \times \frac{\text{Cost of Service}}{\text{minimum # of participants}} \]
**Fee Policy**

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**Highlights**

- Pyramid methodology will be used
- Establish cost recovery thresholds
- Thresholds include both minimum and target levels of cost recovery
- Areas unable to meet their minimum threshold have the option to: reduce costs; reduce cost recovery target; eliminate fee area
- Activities that have achieved or exceeded their target threshold will be evaluated to determine if the target can/should be adjusted
- Fee Policy may also include specific other fee consideration (e.g. Benchmarking to a specific competitor) that may supersede cost recovery target considerations
- Non-residents may be assessed a 100-200% additional fee for services (amount pending impact analysis)
- Eligible discount available to defined groups (e.g. senior citizens, homeowners)
**Fee Policy**

**Process**

- Group all fee areas in benefit levels (1 – 5)
- Gather data - direct / indirect cost and participants
- Establish cost recovery goals
- Reach out to stakeholder groups for feedback
- Present plan to Advisory Board (if applicable)
- Determine proposed fees
- Present to City Council for adoption
• Move forward with establishing the Fee Policy according to Cost Recovery Methodology and Guidelines

• Develop implementation plan over a multi-year period

• Present Fee Policy, Cost Recovery Plan, and proposed Community Service Fees to City Council in April for pricing effective May 1, 2019
Cost Recovery Plan

Fee Policy

December 2018

By Melissa Neel
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Why set a fee policy

Setting a fee policy serves as a tool for evaluating services and establishing appropriate fees. Standardizing how we set prices ensures that the resulting fee meets Department goals and provides the framework to ensure consistency for all San Marcos residents for the value received. A fee policy creates transparency and consistency in fees and charges for programs and services. A fee policy helps administrators continually set fees that support the goals and priorities of the community.

Statement of Philosophy

The City of San Marcos is dedicated to providing quality services, fostering healthy lifestyles and helping the community thrive. Our Goal is to enhance lives and the community by providing exceptional experiences. As the City continues to grow and facilities age, we must be prepared to maintain this high level of service and develop a financial system to continue this community investment.

Fee Policy takes into consideration the public benefit, users’ ability to pay, level of benefit and exclusivity the user receives above what a general taxpayer receives. Pricing ensures that users pay appropriate fees and available taxpayer funds are used to achieve the optimal return on investment and ensure access to parks and programs.

Objectives

This formal fee policy establishes a comprehensive long-term strategy to address current and future needs of the San Marcos community. The objectives of effective pricing are:

Revenue Production – Producing revenue assists in the overall operations of the Department. It provides flexibility to offer programs which may not otherwise be possible if they are not funded through tax dollars.

Efficiency – Expenditures are made with the most efficient use of our resources so the right mix of programs, facilities and events are offered. Priorities are made to enhance the customer’s experience.

Revenue Matching – Revenues are matched to the cost center providing expenditures. This pays for direct costs, and indirect costs.

Assistance – Not all customers have the same ability to pay and opportunities must exist to waive, reduce or provide discount opportunities where appropriate. It is not a sustainable practice to keep fees artificially low in order to ensure that all can afford to pay.

Pricing Structure

Each fee area is assigned to one of 5 program groups based upon an assessment of its service and cost recovery values, Group 1 being comprised of the activities that tend more strongly toward service values being of primary consideration, and Group 5 being composed of the activities that tend most strongly toward cost recovery values being of primary consideration.

Services/programs (fee areas) are assessed for placement in these groups using the following criteria:
**Group 1: Community Programs/Services** - Represents those programs, facilities and services that benefit the community as a whole. These programs, facilities and services increase property values, provide safety, address social needs, and enhance quality of life for the residents. The community generally expects the city to offer these services and supports paying for these basic services and facilities through taxes. These services are offered to residents at minimal or no fee.

**Group 2: Community/Individual Programs/Services** - Represents those programs, facilities and services that promote individual physical and mental well-being, and provide recreational skill development. They are generally the more traditionally expected services and beginner instructional levels. These programs, services and facilities shall be assigned fees based on a specified percentage of direct and indirect costs that represents a tax subsidy to account for the COMMUNITY Benefit and participant fee to account for the Individual Benefit.

**Group 3: Individual/Community Programs/Services** - Represents services that promote individual physical and mental well-being, and provide an intermediate level of recreational skill development. This level provides more INDIVIDUAL and less Community Benefit and should be priced to reflect this. This individual fee recovers more costs or has a higher cost recovery goal than programs and services that fall within the lower levels of the pricing groups.

**Group 4: Highly Individual Programs/Services** - Represents specialized services generally for specific groups with a competitive focus. In this level, programs and services should be priced to recover full costs.

**Group 5: Mostly Individual Programs/Services** - Represents specialized services generally for specific groups with a competitive focus. In this level, programs and services should be priced to recover full cost including all direct and department indirect cost and may also include an additional fee.

**Perceived Community Benefit** - Consideration of the community’s perception of community benefit, versus individual user benefit, resulting from the provision of each service. Programs seen as having greatest community benefit are rated as higher for service/investment value, while programs seen as benefiting more the user are rated higher for cost recovery expectations.

**Alternative Providers** - Programs for which there are no alternatives to our service or for which access to alternatives is limited by limited availability or notably higher fees are rated relatively higher for service/investment value. Programs for which comparably priced and adequately available alternatives could be accessed are rated relatively higher for cost recovery expectations.

- Two cost recovery thresholds are identified as general guidelines for each Group- Minimum and Target. Each fee area within a group is assessed based upon its unique criteria, and specific Minimum and Target cost recovery thresholds are established for each fee area that may be somewhat different from the general guidelines for that Group. These thresholds are based upon the cost tiers identified below.

- Where applicable, a given fee area may have additional pricing considerations that may
supersede the Cost Recovery thresholds as the primary consideration in price setting.

- The costs for each fee area are identified in the following tiers:

**Expenses** -
- **Direct**: The specific costs at the service or fee area. These include leaders, instructors and materials or services (e.g. transportation) specific to the service or fee area.
- **Overhead**: Direct supervision of the fee area, and minor miscellaneous items such as supervisor mileage, receptionist, custodial services, supplies, utilities.
- **Indirect**: Division level and shared costs, such as departmental management, brochure, printing, photocopying, training, accounting support, technology, credit card discount costs, administrative office clerical support, computer, and recreation equipment sinking fund charges, and on-going facility maintenance and repairs.

### Guidelines

The following shall serve as the policy guidance for establishing a Cost Recovery Plan, developing annual budgets, and establishing fees to be charged for each fee area. The specific elements of this policy are that:

- The Cost Recovery Plan and Fee Policy, as show in the diagram (see pg. 6), shall be used.
- In recognition of the wide variety of service values and revenue generating potentials of various fee areas, specific cost recovery thresholds shall be established for each area at the most specific programming level that is administratively practical.
- The thresholds shall include both minimum and target levels of cost recovery.
- Fee areas unable to meet their minimum threshold shall be reviewed by Department Staff and governing advisory board for consideration of recommending appropriate action: reduce costs; reduce cost recovery target; eliminate fee area.
- Strategies for achieving the target threshold shall be established by staff for each fee area. These strategies may include immediate or gradual action depending upon the best interests of maintaining a strong program, achieving the target within a reasonable time period and current fiscal conditions.
- Activities that have achieved or exceeded their target threshold shall be evaluated to determine if the target can/should be increased.
- The Fee Policy may also include specific other fee considerations (e.g. benchmarking to a specific competitor) that may supersede cost recovery target considerations.
- Once a Cost Recovery Plan is established, and within that context, staff shall have the ability to set
and adjust fees, except that no fee increase shall exceed 10% within a 1-year period without the review of the advisory board or approval of the City Council within their annual update of fees for programs and services.

- As part of the budgetary process, Department staff shall review the Cost Recovery Plan and the performance of each fee area compared to the plan. Recommendations for changes to those plans would be presented first to the governing advisory board where appropriate, then to City Council.

- Baseline calculation within the Cost Recovery Plan will be derived from the Cost of Service Study (typically every 3 years). In each year without the cost of service study Department Staff has the authority to increase fees by the Consumer Price Index (CPI).

- Non-residents may be accessed a 100 - 200% additional fee for services (amount pending impact analysis)

- Eligible discounts shall be available to defined groups (e.g. senior citizens, homeowners)
Fee Policy Diagram: Cost Recovery Pyramid

Benefit Levels

Cost Recovery %

Exclusively Individual Benefit

Services that are exclusive for individual benefit

100% +

Highly Individual

Services in which individuals will highly benefit

81 - 100%

Individual/Community

Services that are a mix of community and individual benefit, with a greater emphasis on the individual

51 - 80%

Community/Individual

Services that are a mix of community and individual benefit, with a greater emphasis on the community

16 - 50%

Community

Services that specifically benefit the community as a whole

0 - 15%

Fee = (Cost Recovery %) * Cost of Service / # of participants
Setting the Price

While not quite as simple as determining the costs and applying the recovery goal, this is the basic concept behind determining the price. The pricing pyramid assists us in establishing the base level of cost recovery and where the program/service fits. We then look at our revenue goals and other pricing factors to establish the price for the program/service. This can be done with the use of a multiplier for each fee area or through individual analysis. Just as the expenditures and recovery goals vary for each program/service/facility, so does the pricing methods and actual determination of the price. A pricing model is developed for each fee area and assists staff in determining the price.

Pricing Process

To successfully determine price, the Department takes the following steps:
- Group fee areas into benefit categories (1 – 5)
- Gather direct and indirect costs and participants
- Establish cost recovery goals
- Seek stakeholder feedback
- Present plan to advisory board
- Determine fee
- Present to Council for adoption

Summary

The City of San Marcos strives to maintain its reputation for providing exceptional parks, places, programs and services at a good value to our taxpayers and customers and for preserving and protecting our City’s natural resources. Our community size and population is expected to experience rapid growth over the next twenty years and our Departments must be prepared to grow accordingly. The formalization of our fee policy provides us with a comprehensive long-term strategy to address current and future needs of the San Marcos community and demands upon the Departments.
### Table of Targets

**Group 1: Community Programs/Services** - Represents those programs, facilities and services that benefit the community as a whole.

<table>
<thead>
<tr>
<th>Fee Area</th>
<th>Description</th>
<th>Minimum</th>
<th>Target</th>
<th>Other Fee Considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farmer Fred Carnival</td>
<td></td>
<td>100% Subsidy</td>
<td>100% Subsidy</td>
<td>Sponsorship opportunities</td>
</tr>
</tbody>
</table>

**Group 2: Community/Individual Programs/Services** - Represents those programs, facilities and services that promote individual physical and mental well-being, and provide recreational skill development.

<table>
<thead>
<tr>
<th>Fee Area</th>
<th>Description</th>
<th>Minimum</th>
<th>Target</th>
<th>Other Fee Considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Youth Sports Leagues</td>
<td>Leagues that are organized by our department: Tot Soccer, basketball</td>
<td>35%</td>
<td>50%</td>
<td>Benchmark fees to mid-point of area service providers</td>
</tr>
</tbody>
</table>

**Group 3: Individual/Community Programs/Services** - Represents services that promote individual physical and mental well-being, and provide an intermediate level of recreational skill development.

<table>
<thead>
<tr>
<th>Fee Area</th>
<th>Description</th>
<th>Minimum</th>
<th>Target</th>
<th>Other Fee Considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Youth swim team Activity Center</td>
<td>Organized by 3rd party</td>
<td>75%</td>
<td>80%</td>
<td>Benchmark fees to mid-point of area service providers</td>
</tr>
</tbody>
</table>

**Group 4: Highly Individual Programs/Services** - Represents specialized services generally for specific groups with a competitive focus.

<table>
<thead>
<tr>
<th>Fee Area</th>
<th>Description</th>
<th>Minimum</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Permits</td>
<td>Cannot exceed recovery of reasonable expenditures by state law</td>
<td>70%</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Group 5: Mostly Individual Programs/Services** - Represents specialized services generally for specific groups with a competitive focus.

<table>
<thead>
<tr>
<th>Fee Area</th>
<th>Description</th>
<th>Minimum</th>
<th>Target</th>
<th>Other Fee Considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult Sports Tournaments</td>
<td>Competitive adult sport tournaments</td>
<td>100%</td>
<td>115%</td>
<td>Peer city comparison</td>
</tr>
</tbody>
</table>
AGENDA CAPTION:
Receive a Staff presentation and update regarding Community Development Block Grant - Disaster Recovery Substantial Amendment #8, and provide direction to Staff.

Meeting date: May 7, 2019

Department: Planning and Development Services

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

Fiscal Note:
Prior Council Action: The City Council approved the Community Development Block Grant - Disaster Recovery Action Plan, November 6, 2016, and HUD approved the Plan December 2016. The following Amendments to the CDBG-DR Action Plan were approved by City Council: February 7, 2017, Non-Amendment #1 - Projections of Expenditures submission; September 26, 2017, Substantial Amendment #2 - Clarifying the terms of deferred loans; May 31, 2017, Substantial Amendment #3 - Changing the Method of Program Eligibility Determination; October 17, 2017, Substantial Amendment #4 - Identified an additional infrastructure activity to be funded with 2nd Round funds; January 12, 2018, Non-Substantial Amendment #5 - Increased the Cap for housing construction; May 2, 2018, Substantial Amendment #6 - Established the Reconstruction on City-Owned Lots Housing Program; and October 19, 2018, Substantial Amendment #7 - Added the San Marcos Public Housing Authority Reimbursement Activity to the CDBG-DR Action Plan.

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

Choose an item.

Choose an item.

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

☐ Economic Development - Choose an item.
Vision San Marcos - A River Runs Through Us

Background Information:
The City of San Marcos was awarded $33,794,000 in HUD Community Development Block Grant - Disaster Recovery funds to address the impact of the floods of 2015. Due to changes in activity and project work scopes, Substantial Amendment No. 8 to the Community Development Block Grant - Disaster Recovery Action Plan proposes to reallocate funds between activities and budgets, including the addition of a Reimbursement Program for homeowners. A PowerPoint presentation is attached to this item and will detail the changes to the CDBG-DR Action Plan. A table showing the former budget and the proposed budget is attached to this item. A PowerPoint presentation is attached to this item for your review.

Council Committee, Board/Commission Action:
During the April 16, 2019 City Council Meeting, staff was directed to research the Reimbursement Program for homeowners and present information of a Reimbursement Program for Homeowners during a Work Session.

Alternatives:
Click or tap here to enter text.

Recommendation:
City staff recommend the approval of Amendment #8 to the CDBG-DR Action Plan.
CDBG-DR
Substantial Amendment #8

Work Session
May 7, 2019
Overview

- Council approved the original CDBG-DR Action Plan in 2016.
- Refinement of Infrastructure Projects – Shortfall
- $19 million
- No eligible Applications for Rental Rehab
- April 16 – Presentation - Reallocation Funding DR
- Council requested Reimbursement Program
- Staff has revised Amendment #8 to include a Reimbursement Program
Council Action

Discussion Substantial Amendment #8 to the CDBG-DR Action Plan.

• **Reallocate $1,000,000 from Rental Rehab to the New Reimbursement Program.**
  ($1,000,000 = 20 homes @ $50,000, if qualifications are met.)

• Review possible funding sources for $1,659,013 shortfall in the following activities:
  o Midtown/Aquarena Springs Activity $850,000
  o Blanco Gardens Activity $809,013

• **Reallocate $2,325,000 of Clarewood/Barbara Activity funds to the following activity:**
  o Blanco Gardens $2,325,000

• **Reallocate $3,000,000 of Planning Activity funds to the following activities:**
  o Blanco Gardens $1,596,987
  o Uhland Road Activity $1,403,013

• **Reallocate $1,585,787 of Blanco Riverine Activity funds to the following activity:**
  o Uhland Road Activity $1,585,787
Other Funding Sources

- Rental/Rehab Activity Funds - $659,013
- Certificates of Obligation
- Other Funds – Up to $36.7M
  - Flood Mitigation Assistance Grant (FEMA/TWDB)
  - Blanco Riverine ($12.7M)
  - Future CDBG –DR Funds (HUD)
  - Hazard Mitigation ($19.2M, other 20% admin)
## Total Proposed Budget

<table>
<thead>
<tr>
<th>Project/Activity</th>
<th>Total Proposed Budget</th>
<th>Proposed DR Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Housing Program</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Owner-Occupied Rehab/Recon</td>
<td>$5,000,000</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>2. Rental-Unit Rehab/Recon</td>
<td>$1,659,013</td>
<td>$659,013</td>
</tr>
<tr>
<td>3. Public Housing Authority</td>
<td>$864,987</td>
<td>$864,987</td>
</tr>
<tr>
<td>4. Reimbursement Program</td>
<td>$0</td>
<td>$1,000,000</td>
</tr>
<tr>
<td><strong>Infrastructure Projects</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Midtown/Aquarena Springs</td>
<td>$1,700,000</td>
<td>$850,000</td>
</tr>
<tr>
<td>2. Blanco Gardens</td>
<td>$10,231,000</td>
<td>$8,921,987</td>
</tr>
<tr>
<td>3. Clarewood/Barbara Drive</td>
<td>$175,000</td>
<td>$175,000</td>
</tr>
<tr>
<td>4. Uhland Road</td>
<td>$8,200,000</td>
<td>$7,179,000</td>
</tr>
<tr>
<td>5. Blanco Riverine</td>
<td>$19,510,000</td>
<td>$5,385,213</td>
</tr>
<tr>
<td><strong>Planning</strong></td>
<td>$2,069,100</td>
<td>$2,069,100</td>
</tr>
<tr>
<td><strong>Administration</strong></td>
<td>$1,689,700</td>
<td>$1,689,700</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$51,098,800</td>
<td>$33,794,000</td>
</tr>
</tbody>
</table>
Single Family Owner-Occupied Housing Reimbursement Program

The major eligibility requirements are detailed on the next three slide. Applicants must provide documentation to meet the following threshold and prioritization criteria to be considered for the next step in the eligibility for the program:

- The applicant must have been the owner of record prior to May 23, 2015 and/or October 30, 2015 and continue to be the owner of record throughout the grant compliance period. Standard proof of ownership is a valid deed of trust or warranty deed which sites the applicant’s name and that is recorded in the county records. A unit must have sustained direct damage from the May 23, 2015 flood and/or the October 30, 2015 flood.

- The unit must be located in the City of San Marcos’s updated 100-year floodplain in Blanco Gardens.

- The applicant’s annual household income must be less than 80% of Area Median Income for the appropriate household size according to the MSA Austin-Roundrock Income Chart published March 2018 to meet HUD LMI standards. The annual household income will be calculated using the Internal Revenue Service (IRS) Form 1040 Adjusted Gross Income definition of income.

- The amount of eligible receipts for eligible repairs up to $50,000 or the amount of eligible receipts for eligible repairs up to 51% of the 2015 value of the home as shown on the Hays Central Appraisal District website.
• The applicant’s property taxes must be current. If property taxes are not current, applicant must document that one of the following alternatives will be met:
  – The property owner qualified for and received tax deferral as allowed under Section 33.06 of the Texas Property Code;
  – The property owner qualified for and received a tax exemption pursuant to Section 11.182 of the Texas Property Code; or,
  – The applicant entered into a payment plan, and is current, with the applicable taxing authority.

• Owner applicants are required to provide the City with:
  • Documentation of all payments received by the Federal Emergency Management Agency (FEMA), the National Flood Insurance Program (NFIP), private insurance; loans from the Small Business Administration (SBA); and funds from charitable organizations for the physical stabilization, rehabilitation, reconstruction or improvement of the eligible property from the date of the disaster events. Documentation of expenditures for the physical stabilization, rehabilitation, reconstruction or improvement of the eligible property from the date of the disaster events is required to the date of application.
  • The applicant must be current on their mortgage, if applicable.
Eligibility Requirements, page 2

- The applicant and co-applicant must be U.S. citizens or have legal alien status.
- The applicant must be current on child support payments. If the applicant or co-applicant is not current on child support payments, that person will be required to enter into a payment plan signed by all applicable parties, along with documentation that they are current on their payment plan.
- Second homes are not eligible for funding under the Housing Rehabilitation Program.
- Outbuildings associated with the unit but not integral to the residence are not eligible.
- Homeowner must provide photos showing damage to the home as a result of the floods.
- Receipts or invoices for the home repairs that have been made to the damage property as a result of the floods.
- Bank account statement or credit card statement used for the repairs/replacement of the damages to the home.
- Documentation that work was performed photos, contractor work completion documents, and certificate of occupancy, if applicable.
Single Family Owner-Occupied Housing Reimbursement Program - Proposed Timeline

- April 28, 2019  Published Legal Notice of Public Meeting to be held May 8, 2019.
- May 7, 2019  Work Session review new Single Family Owner-Occupied Housing Reimbursement Program and funding reallocations between activities.
- May 8, 2019  Request publication of a legal notice for Amendment #8 public comment and Community Meeting information.
- May 8, 2019  Hold Community Meeting, Activity Center, 6:00 pm – 8:00 pm, Amendment #8.
- May 12, 2019  Publication of Amendment #8 second Legal Notice. Start of Public Comment Period. (1st Legal Notice Published 4-28-2019)
- May 28, 2019  End of Comment Period.
- June 4, 2019  City Council Meeting to approve Amendment #8.
- June 5, 2019  Amendment #8 submitted to HUD for approval.
- July 23, 2019  Deadline for HUD to contact City for more information, or denial, or approval of Amendment #8.

*This assumes HUD approval. The date could be further in the future if HUD requests changes to the Amendment.*
Council Direction
MEMO

TO: Bert Lumbreras, City Manager
FROM: Steve Parker, Assistant City Manager
DATE: April 24, 2019
RE: CDBG-DR Reimbursement Memo

As you requested, we have reviewed the issues that resulted in confusion at the April 16th City Council meeting. In reviewing these issues, it was necessary to review the September 4, 2018 City Council meeting, which is where city staff first mentioned the possibility of a potential Reimbursement Program for the City of San Marcos. At that meeting, the City Council did have consensus directing staff to explore the potential for a future Reimbursement Program. I do believe the confusion regarding this new program (if approved by HUD) stems from whether the funding of the program would come from existing funds or from the future $24M that was anticipated from HUD in May 2019. Staff took the position during the most recent City Council item on April 16th, that since we had all of these projects approved in the current Action Plan and since these projects were short on funds, that we should focus on properly funding those projects first. They are directly funding unmet needs which is the CDBG-DR’s number one priority. After reviewing the information, I believe that the agenda item on April 16th, should have also included a discussion about a Reimbursement Program. Staff’s recommendation would have been to properly fund the infrastructure projects but we should have let City Council know that we had discovered a Reimbursement Program was possible and HUD had recently approved the first Action Plan that included a Reimbursement Program with Harvey Flood Funds for the General Land Office.

Staff first identified a Reimbursement Program being conducted by the General Land Office on March 1, 2019. Staff had every intention of wanting to implement a Reimbursement Program but they knew it would take time to develop and get approved by HUD. My recommendation is to have a work session on May 7, 2019 to discuss the potential for a Reimbursement Program. We do want City Council to know there are still some major constraints related to the program because individuals seeking reimbursement will still have to meet federal eligibility requirement such as income levels, home ownership, level of damage, eligibility of receipts, etc. I am attaching a link to the September 4th City Council agenda Item #9—

http://san-marcos-tx.granicus.com/player/clip/1259?
Below you will find a staff summary of the complete history regarding the CDBG-DR issues.

During the April 16, 2019 City Council Meeting Agenda Item 9, City Council requested additional information. This Memo will provide the following information:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Background on the adoption of the CDBG-DR Action Plan and approved activities.</td>
</tr>
<tr>
<td>2</td>
<td><strong>Single Family Owner-Occupied Housing Reimbursement</strong> Program including funding, Draft Policy, and timeline.</td>
</tr>
<tr>
<td>3</td>
<td>Statistics of Current Housing Rehab/Reconstruction Program.</td>
</tr>
<tr>
<td>4</td>
<td>Marketing of Housing Program Table.</td>
</tr>
</tbody>
</table>

**Due to Citizen Participation rules and the City Council meeting schedule, the earliest the Single Family Owner-Occupied Reimbursement Program can be brought back to Council for approval in the form of Amendment #8 is June 4, 2019.**

**Background Timeline**

<table>
<thead>
<tr>
<th>Date Range</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>May 29, 2015 and November 25, 2015</strong></td>
<td>Presidentially-disaster declarations announced.</td>
</tr>
<tr>
<td><strong>May 17, 2016</strong></td>
<td>AECOM retained as a consultant to provide the following: (1) guidance on completing the Risk Assessment, (2) opportunities to address recovery, and (3) to write the CDBG-DR Action Plan.</td>
</tr>
<tr>
<td><strong>June 17, 2016</strong></td>
<td>Federal Register published with regulations.</td>
</tr>
<tr>
<td><strong>September 6, 2016</strong></td>
<td>City Council approved the Action Plan with activities addressing over $80,000,000 in unmet need from the floods of 2015. Because of the tremendous unmet need in the community, the Action Plan specified reimbursements not be made to individuals who already completed repairs.</td>
</tr>
<tr>
<td><strong>November 10, 2016</strong></td>
<td>HUD approved CDBG-DR Action Plan.</td>
</tr>
<tr>
<td><strong>February 2017 to May 1, 2018</strong></td>
<td>CDBG-DR Action Plan Amendments 1 through 6 approved by City Council.</td>
</tr>
<tr>
<td><strong>September 4, 2018</strong></td>
<td>During the September 4, 2018 City Council meeting agenda item 9, Council directed staff look At programs to reimburse people under CDBG-DR and bring back information on how to allow residents to apply for reimbursement from CDBG-DR funds. Item 20. Requested approval of Amendment #7 allowing reimbursement of repairs to the Public Housing Authority.</td>
</tr>
<tr>
<td>Date</td>
<td>Event Description</td>
</tr>
<tr>
<td>--------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>September 5, 2019</td>
<td>Staff contacted the Texas General Land Office requesting information on reimbursement programs. The GLO did not have a reimbursement program, but were looking into creating a reimbursement program for the Harvey funding.</td>
</tr>
<tr>
<td>January 27, 2019</td>
<td>During HUD DR Team Meeting – Infrastructure design reports indicated four infrastructure activities do reduce flooding and one infrastructure activity does not reduce flooding. In addition, all four infrastructure activities have increased construction costs. Amendment #8 composed to address increased funding needs.</td>
</tr>
<tr>
<td>March 1, 2019</td>
<td>Texas General Land Office rolled out a reimbursement program. City staff started reviewing the program.</td>
</tr>
<tr>
<td>March 5, 2019</td>
<td>Work Session – Amendment #8.</td>
</tr>
<tr>
<td>April 16, 2019</td>
<td>City Council Meeting to address Amendment #8.</td>
</tr>
</tbody>
</table>

**Timeline of Approval of Amendment #8**

- **May 7, 2019**: Work Session review new Single Family Owner-Occupied Housing Reimbursement Program and funding reallocations between activities.
- **May 8, 2019**: Request publication of a legal notice for Amendment #8 public comment and Community Meeting information.
- **May 8, 2019**: Hold Community Meeting, Activity Center, 6:00 pm – 8:00 pm, Amendment #8.
- **May 12, 2019**: Publication of Amendment #8 Legal Notice. Start of Public Comment Period.
- **May 28, 2019**: End of Comment Period.
- **June 4, 2019**: City Council Meeting to approve Amendment #8.
- **June 5, 2019**: Amendment #8 submitted to HUD for approval.
- **July 23, 2019**: Deadline for HUD to contact City for more information, or denial, or approval of Amendment #8.
## FUNDING STRATEGY

The proposed Total Budget for the CDBG-DR Activities is below:

### TOTAL PROPOSED BUDGET

<table>
<thead>
<tr>
<th>Project/Activity</th>
<th>Total Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Housing Program</strong></td>
<td></td>
</tr>
<tr>
<td>1. Owner-Occupied Rehab/Recon</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>2. Rental-Unit Rehab/Recon</td>
<td>$1,659,013</td>
</tr>
<tr>
<td>3. Public Housing Authority</td>
<td>$864,987</td>
</tr>
<tr>
<td>4. Reimbursement Program</td>
<td>$1,000,000</td>
</tr>
<tr>
<td><strong>Infrastructure Projects</strong></td>
<td></td>
</tr>
<tr>
<td>1. Midtown/Aquarena Springs</td>
<td>$1,700,000</td>
</tr>
<tr>
<td>2. Blanco Gardens</td>
<td>$10,231,000</td>
</tr>
<tr>
<td>3. Clarewood/Barbara Drive</td>
<td>$175,000</td>
</tr>
<tr>
<td>4. Uhland Road</td>
<td>$8,200,000</td>
</tr>
<tr>
<td>5. Blanco Riverine</td>
<td>$19,510,000</td>
</tr>
<tr>
<td><strong>Planning</strong></td>
<td>$2,069,100</td>
</tr>
<tr>
<td><strong>Administration</strong></td>
<td>$1,689,700</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$52,098,800</td>
</tr>
</tbody>
</table>

- Reallocate $1,000,000 of Rental Rehab/Reconstruction Housing Activity funds to a new **Single Family Owner-Occupied Housing Reimbursement Activity**. If it is determined that additional funds are needed above and beyond the $1M initial funding allotment, future CDBG-DR funding will be explored.

- Review possible funding sources for $1,659,013 shortfall in the following activities:
  - Midtown/Aquarena Springs Activity $850,000
  - Blanco Gardens Activity $809,013
• Reallocate $2,325,000 of Clarewood/Barbara Activity funds to the following activity:
  o Blanco Gardens $2,325,000

• Reallocate $3,000,000 of Planning Activity funds to the following activities:
  o Blanco Gardens $1,596,987
  o Uhland Road Activity $1,403,213

• Reallocate $1,585,787 of Blanco Riverine Activity funds to the following activity:
  o Uhland Road Activity $1,585,787

PROPOSED SOURCES OF FUNDING

<table>
<thead>
<tr>
<th>Project/Activity</th>
<th>Proposed Other sources of Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midtown/Aquarena</td>
<td>$850,000 – Future Funds</td>
</tr>
<tr>
<td>Blanco Gardens</td>
<td>$809,013 – Future Funds + $500,00 – W = $1,309,013</td>
</tr>
<tr>
<td>Clarewood</td>
<td>$0</td>
</tr>
<tr>
<td>Uhland</td>
<td>$1,021,000 – City</td>
</tr>
<tr>
<td>Blanco Riverine</td>
<td>$14,124,787 – New DR Funds or FEMA Funds or Combination</td>
</tr>
</tbody>
</table>

SINGLE FAMILY OWNER-OCCUPIED HOUSING REIMBURSEMENT PROGRAM

Reimbursement to Eligible Homeowners: The amount of eligible receipts for eligible repairs up to $50,000 or the amount of eligible receipts for eligible repairs up to 51% of the 2015 value of the home as shown on the Hays Central Appraisal District website.

Eligibility
Applicants must provide documentation to meet the following threshold and prioritization criteria to be considered for the next step in the eligibility for the program:

- A unit must have sustained direct damage from the May 23, 2015 flood and/or the October 30, 2015 flood.

- The unit must be located in the City of San Marcos’s updated 100-year floodplain. See attached Map.

- The unit must be located in the City of San Marcos, Texas. The applicant’s annual household income must be less than 80% of Area Median Income for the appropriate household size according to the MSA Austin-Roundrock Income Chart published March 2018 to meet HUD LMI standards. The annual household income will be calculated using the Internal Revenue Service (IRS) Form 1040 Adjusted Gross Income definition of income.

- The home located in the City of San Marcos, Texas must have been the applicant’s principal residence prior to May 23, 2015 for and/or October 30, 2015 and must have been impacted by one or both floods. 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 may be utilized. The affidavit must be supported by documentation such as asset verification (income tax returns or credit checks) or utility bills specific to the property address and name of the applicant which were active as of the applicable, above referenced dates.

- Second homes are not eligible for funding under the Housing Rehabilitation Program.

- Outbuildings associated with the unit but not integral to the residence are not eligible.

- The applicant must have been the owner of record prior to May 23, 2015 and/or October 30, 2015 and continue to be the owner of record throughout the grant compliance period. Standard proof of ownership is a valid deed of trust or warranty deed which sites the applicant’s name and that is recorded in the county records. If the applicant cannot show proof of ownership of the property, and would like legal assistance in obtaining ownership of the property, the application must have a prioritization score of at least one (1) to be considered for limited legal work.

- For Purposes of Homebuyer Assistance for Manufactured Housing Units (MHU) damaged by the storm, whether real or personal property, if the MHU was on property not owned by the applicant, the applicant should provide either the bill of sale or be able to document the chain of custody or registration of the MHU with the Texas Department of Housing and Community Affairs Manufactured Housing Division. If the MHU is on property owned by the applicant, subsection l. vii above will apply.
• If the applicant cannot show proof of ownership of the MHU and requests legal assistance in determining ownership of the MHU, the application must have a prioritization score of at least one (1) to be considered for limited legal work.

• The applicant’s property taxes must be current. If property taxes are not current, applicant must document that one of the following alternatives will be met:
  a. The property owner qualified for and received tax deferral as allowed under Section 33.06 of the Texas Property Code;
  b. The property owner qualified for and received a tax exemption pursuant to Section 11.182 of the Texas Property Code; or,
  c. The applicant entered into a payment plan, and is current, with the applicable taxing authority.

• The applicant must be current on child support payments. If the applicant or co-applicant is not current on child support payments, that person will be required to enter into a payment plan signed by all applicable parties, along with documentation that they are current on their payment plan.

• The applicant must be current on their mortgage, if applicable.

• The applicant and co-applicant must be U.S. citizens or have legal alien status.

• Owner applicants are required to provide the City with:
  Documentation of all payments received by the Federal Emergency Management Agency (FEMA), the National Flood Insurance Program (NFIP), private insurance; loans from the Small Business Administration (SBA); and funds from charitable organizations for the physical stabilization, rehabilitation, reconstruction or improvement of the eligible property from the date of the disaster events. Documentation of expenditures for the physical stabilization, rehabilitation, reconstruction or improvement of the eligible property from the date of the disaster events is required to the date of application.

1. Additional threshold requirements for all Applicants to be considered for funding are:
  a. Available CDBG-DR funds;
  b. A property must be located in a county that was presidentially-declared a major disaster.
  c. The property must be located in the City limits of San Marcos, Texas.
  d. A property directly impacted by the events of May 23rd/24th, 2015 and October 30., 2015;
  e. The household is eligible to receive assistance under the CDBG-DR program;
f. A signed, dated and complete application, including all attachments;
g. A signed, dated Application General Release Form CDBG-DR 00 05;
h. A signed, dated Income Self-Certification Form CDBG-DR 00 10;
i. A signed, dated Agreement to Recapture Provisions Form CDBG-DR 00 06;
j. A determination by the CMPC-CW and the City that the CDBG-DR funds will not duplicate funds previously received and expended for the same purpose as the CDBG-DR funds unless determined to be an allowable expense;
k. A determination by the City of financial feasibility.

**Proof of Damage and Payment for Repairs Documentation Required:**

- Homeowner must provide photos showing damage to the home as a result of the floods.
- Receipts or invoices for the home repairs that have been made to the damage property as a result of the floods.
- Bank account statement or credit card statement used for the repairs/replacement of the damages to the home.
- Documentation that work was performed photos, contractor work completion documents, and certificate of occupancy, if applicable.
DR Applicant Statistics

- Not In Service Area 22%
- Withdrew 16%
- FEMA Non-Compliance 1%
- Did Not Provide Eligibility Documents 14%
- Over Income 8%
- Homes Completed 8%
- Pending Home Reconstruction 6%
- New Applications 9%
- Bank Mortgage 1%
- Repairs 2%
- Not Eligible Based on Threshold Eligibility 5%
- 2nd Home 5%
- Home Eligible for Repairs due to Minimal Unmet Need 3%
## HOUSING PROGRAM OUTREACH

<table>
<thead>
<tr>
<th>Activity</th>
<th>Date</th>
<th>Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>Door-to-door Application Solicitation</td>
<td>March 25, 2019. – March 29, 2019</td>
<td>Blanco Gardens neighborhood</td>
</tr>
<tr>
<td>Postcards mailed out to home owners and rental property owners</td>
<td>March 1, 2019</td>
<td>Blanco Gardens neighborhood</td>
</tr>
<tr>
<td>Newspaper Notice – Spanish and English</td>
<td>February 3, 2019 and March 3, 2019</td>
<td>San Marcos Daily Record</td>
</tr>
<tr>
<td>Website</td>
<td>February 1, 2019</td>
<td>City of San Marcos Website</td>
</tr>
<tr>
<td>Press Release</td>
<td>January 29, 2019</td>
<td>Media</td>
</tr>
<tr>
<td>KVUE Story</td>
<td>December 10, 2018</td>
<td>Television</td>
</tr>
<tr>
<td>Newspaper Notice – Spanish and English</td>
<td>August 12, 2018</td>
<td>San Marcos Daily Record</td>
</tr>
<tr>
<td>Public Meeting</td>
<td>6:00 – 8:00 pm, Tuesday, May 15, 2018</td>
<td>CM Allen Public Housing Authority</td>
</tr>
<tr>
<td>Newspaper Notice – Spanish and English</td>
<td>Sunday, May 13, 2018</td>
<td>San Marcos Daily Record</td>
</tr>
<tr>
<td>Door-to-door Application Solicitation</td>
<td>March 20 – 21, 2018</td>
<td>Blanco Gardens neighborhood</td>
</tr>
<tr>
<td>Trash Day - Door-to-door Application Solicitation</td>
<td>September 27, 2017</td>
<td>Blanco Gardens neighborhood</td>
</tr>
<tr>
<td>Trash Day - Door-to-door Application Solicitation</td>
<td>October 4, 2017</td>
<td>Blanco Gardens neighborhood</td>
</tr>
<tr>
<td>Trash Day - Door-to-door Application Solicitation</td>
<td>October 11, 2017</td>
<td>Blanco Gardens neighborhood</td>
</tr>
<tr>
<td>Door-to-door Application Solicitation</td>
<td>Week of October 16 and October 23, 2017</td>
<td>Blanco Gardens neighborhood</td>
</tr>
<tr>
<td>Event</td>
<td>Date/Time</td>
<td>Location</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
<td>------------------------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>Door-to door Application Solicitation</td>
<td>February 17 and 18, 2017</td>
<td>Blanco Gardens neighborhood</td>
</tr>
<tr>
<td>Public Meeting – Application Intake</td>
<td>June 21, 2017</td>
<td>Activity Center</td>
</tr>
<tr>
<td>Public Meeting</td>
<td>Thursday, September 14, 2017 – 6:00 pm</td>
<td>Activity Center</td>
</tr>
<tr>
<td>City Council – Public Hearing</td>
<td>August 1, 2017</td>
<td>City Hall</td>
</tr>
<tr>
<td>City Council – Public Hearing</td>
<td>May 16, 2017</td>
<td>City Hall</td>
</tr>
<tr>
<td>Blanco Gardens Block Captain Meeting</td>
<td>Saturday, September 23, 2017 – 10:30 am</td>
<td>CM Allen Public Housing Authority</td>
</tr>
<tr>
<td>Newspaper Notice – Spanish and English</td>
<td>Sunday, October 1, 2017</td>
<td>San Marcos Daily Record</td>
</tr>
<tr>
<td>National Night Out – CM Allen</td>
<td>Tuesday, October 3, 2017</td>
<td>CM Allen Public Housing Authority</td>
</tr>
<tr>
<td>Website Notice – Spanish and English</td>
<td>Monday, October 2, 2017</td>
<td><a href="http://www.smtxfloodrecovery.com">www.smtxfloodrecovery.com</a></td>
</tr>
<tr>
<td>Postcards mailed out to home owners and rental property owners</td>
<td>Week of October 9, 2017</td>
<td>Blanco Gardens neighborhood</td>
</tr>
<tr>
<td>Flyers Distributed</td>
<td>Tuesday, October 10, 2017</td>
<td>Cuevas, El Golfo Restaurant, Shell Gas Station, Laundromat/Car Wash</td>
</tr>
<tr>
<td>Electronic Sign</td>
<td>Thursday, Oct. 12, 2017</td>
<td>Blanco Gardens neighborhood</td>
</tr>
<tr>
<td>Kick Off Meeting - Neighborhood Meeting</td>
<td>Thursday, October 12, 2017</td>
<td>Conway Park</td>
</tr>
<tr>
<td>Newspaper Notice – Spanish and English</td>
<td>Sunday, October 15, 2017</td>
<td>San Marcos Daily Record</td>
</tr>
<tr>
<td>Application Workshop</td>
<td>Wednesday, October 18, 2017</td>
<td>Activity Center</td>
</tr>
<tr>
<td>Social Media</td>
<td>Twitter and Facebook</td>
<td>Twitter and Facebook</td>
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<tr>
<td>------------------------------</td>
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</tr>
<tr>
<td>KVUE TV Story</td>
<td>October 19, 2017</td>
<td>Television</td>
</tr>
<tr>
<td>Robo Messages to Smart phones</td>
<td>Friday, October 27, 2017</td>
<td>Blanco Gardens neighborhood</td>
</tr>
<tr>
<td>Yard Signs</td>
<td>Friday, October 27, 2017</td>
<td>Blanco Gardens neighborhood</td>
</tr>
<tr>
<td>Lions Club Meeting</td>
<td>October 20, 2017</td>
<td>Activity Center</td>
</tr>
<tr>
<td>Application Workshop</td>
<td>Wednesday, November 1, 2017</td>
<td>Activity Center</td>
</tr>
<tr>
<td>Press Release</td>
<td>March 27, 2017</td>
<td>Media</td>
</tr>
<tr>
<td>City Council Workshop</td>
<td>March 29, 2017</td>
<td>City Hall</td>
</tr>
<tr>
<td>Press Release</td>
<td>April 28, 2017</td>
<td>City</td>
</tr>
<tr>
<td>Newspaper Article</td>
<td>May 2, 2017</td>
<td><em>San Marcos Daily Record</em></td>
</tr>
<tr>
<td>Binder with Application Information</td>
<td>May 12, 2017</td>
<td>• City Hall</td>
</tr>
<tr>
<td>Posters for City Facilities</td>
<td>May 5, 2017</td>
<td>• Library</td>
</tr>
<tr>
<td>Postcards sent</td>
<td>May 10, 2017</td>
<td>• Block Captains</td>
</tr>
<tr>
<td>Yard Signs</td>
<td>May 10, 2017</td>
<td>Neighborhood</td>
</tr>
<tr>
<td>Website</td>
<td>May 1, 2017</td>
<td>Website</td>
</tr>
<tr>
<td>Facebook</td>
<td>May 1, 2017</td>
<td>Facebook</td>
</tr>
<tr>
<td>Instagram</td>
<td>May 1, 2017</td>
<td>Instagram</td>
</tr>
<tr>
<td>Twitter</td>
<td>May 1, 2017</td>
<td>Twitter</td>
</tr>
<tr>
<td>San Marcos Minute</td>
<td>May 1, 2017</td>
<td>YouTube</td>
</tr>
<tr>
<td>Application Workshop</td>
<td>May 24, 2017, 6-9 pm</td>
<td>Activity Center</td>
</tr>
<tr>
<td>City Council Meeting</td>
<td>June 6, 2017, 6-9 pm</td>
<td>City Hall</td>
</tr>
<tr>
<td>Event</td>
<td>Date</td>
<td>Location</td>
</tr>
<tr>
<td>-------------------------------</td>
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</tr>
<tr>
<td>Application Workshop</td>
<td>June 7, 2017, 6-9 pm</td>
<td>Rec Center</td>
</tr>
<tr>
<td>City Council Meeting</td>
<td>June 20, 2017</td>
<td>City Hall</td>
</tr>
<tr>
<td>Application Workshop</td>
<td>June 21, 2017, 6-9 pm</td>
<td>Activity Center</td>
</tr>
<tr>
<td>Website Notice – Spanish and English</td>
<td>Wednesday, May 9, 2017</td>
<td><a href="http://www.smtxfloodrecovery.com">www.smtxfloodrecovery.com</a></td>
</tr>
<tr>
<td>Flyers Distributed</td>
<td>Wednesday, May 9, 2017</td>
<td>Cuevas, El Golfo Restaurant, Shell Gas Station, Laundromat/Car Wash</td>
</tr>
</tbody>
</table>
AGENDA CAPTION:
Executive Session in accordance with the following Local Government Code Sections:
   A. Section § 551.071 - Consultation with Attorney: to receive a staff briefing and deliberate regarding Martindale ETJ matters and Project Big Hat
   B. Section § 551.087 - Economic Development: to receive a staff briefing and deliberate regarding Project Big Hat

Meeting date: 5/7/2019

Department: City Clerk’s Office on behalf of the City Council

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: Click or tap here to enter text.

City Council Goal: [Please select goal from dropdown menu below]
Choose an item.
Choose an item.
Choose an item.

Comprehensive Plan Element(s): [Please select the Plan element(s) and Goal # from dropdown menu below]
☐ Economic Development - Choose an item.
☐ Environment & Resource Protection - Choose an item.
☐ Land Use - Choose an item.
☐ Neighborhoods & Housing - Choose an item.
☐ Parks, Public Spaces & Facilities - Choose an item.
☐ Transportation - Choose an item.
☐ Not Applicable
**Master Plan:** [Please select the corresponding Master Plan from the dropdown menu below (if applicable)]
Choose an item.

**Background Information:**
Click or tap here to enter text.

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

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

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