Workforce Housing Task Force Meeting

Thursday, September 12, 2019; 12:00pm
San Marcos Activity Center, 501 E. Hopkins St.

AGENDA

1. **Welcome and Updates – Laura Dupont / Gloria Salazar**

2. **Presentation of Strategic Housing Action Plan – Abby Gillfillan / Andrea Villalobos**

3. **Strategic Housing Action Plan Evaluation**

Task Force Evaluation

Workforce Housing Task Force

Planning and Development Services Department

Thank you for your service and work on the San Marcos Workforce Housing Task Force. Please complete the following survey based on your involvement in the process and the resulting draft of the Strategic Housing Action Plan.

1. Do you think the Action Plan moves us towards greater housing affordability in San Marcos?

☐ Less than expected ☐ As expected ☐ More than expected

Why?

2. Are there proposed strategies or actions that you think will not lead the City towards greater affordability.

☐ None ☐ As expected ☐ More than expected

If so, what are they and why are they important?

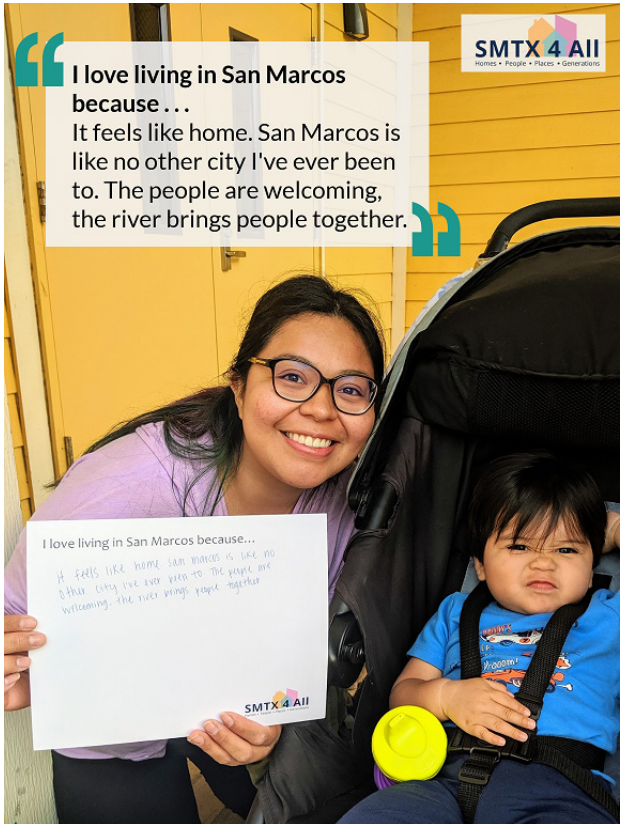
3. Do you think that the process to develop the Action Plan has achieved its goals of being inclusive, transparent, accessible, and accountable?

☐ Less than desirable ☐ As expected ☐ Better than expected ☐ Consistently met goals

Why?

4. What strategies or actions are you most excited about and why?

Thank you very much for taking the time to complete this survey. Your feedback is valued and very much appreciated!



CITY OF SAN MARCOS

SAN MARCOS STRATEGIC HOUSING ACTION PLAN:

ADDRESSING THE CONTINUUM OF HOUSING NEED

September 2019 - DRAFT

SMTX 4 All
Homes • People • Places • Generations

THE CITY OF SAN MARCOS

ACKNOWLEDGMENTS

WORKFORCE HOUSING TASK FORCE

- **Chair: Laura Dupont, Corridor Title**
- **Vice Chair: Gloria Salazar, El Centro**
- Ramika Adams, Calaboose Museum
- Melissa Nicewarner Daly, HomeAid
- Andrew Fernandez, SMCISD
- Dr. Thomas Longoria, Texas State
- Ruben Garza, Southside
- Will Holder, Ret. Trendmaker Homes
- Michael Nolen, McNabb & Co.
- Ryan Pearl, Amazon
- Roland Saucedo, Neighborhood Representative
- John Schawe, Frost Bank
- Jack Seaborne, Seaborne Architects
- Albert Sierra, SM Housing Authority
- Dr. Chris Smith, Texas State
- Caitlyn Strickland, Hays County
- Scott Turner, Brookfield
- Dr. Monica Valadez, SMCISD
- Robert Watts, Habitat for Humanity

CITY OF SAN MARCOS

- Bert Lumbreras, City Manager
- Steve Parker, Assistant City Manager
- Abigail Gillfillan, Planning Manager
- Andrea Villalobos, Senior Planner
- Stacy Brown, Housing and Community Development Manager
- Shannon Mattingly, Director of Planning and Development Services

CITY COUNCIL COMMITTEE

- Lisa Prewitt, Place 1, Mayor Pro-Tem
- Saul Gonzales, Place 2
- Melissa Derrick, Place 6

CITY COUNCIL

- Jane Hughson, Mayor
- Lisa Prewitt, Place 1, Mayor Pro-Tem
- Saul Gonzales, Place 2
- Ed Mihalkanin, Place 3
- Mark Rockeymoore, Place 4
- Jocabed "Joca" Marquez, Place 5
- Melissa Derrick, Place 6

CONSULTANT

- Lionheart Places, LLC
- Root Policy Research

City of San Marcos
Planning & Development Services
630 E. Hopkins Street | San Marcos, Texas 78666
T: 512.393.8230

COMMUNITY AND REGIONAL PARTNERS

The following community and regional partners are acknowledged for their incredible support meeting the housing needs of San Marcos residents.

- San Marcos Chamber of Commerce
- San Marcos Housing Authority
- Hays County
- San Marcos Consolidated Independent School District (SMCISD)
- Texas State University
- University Housing Group
- Downtown Association
- Council of Neighborhood Associations
- Neighborhood Commission
- Neighborhood Enhancement Team
- Homelessness Advocacy Group
- Main Street Advisory Committee
- Hays County Food Bank
- Hays Caldwell Womens Center
- Central Texas Medical Center
- Achieving Community Together (ACT)
- Habitat for Humanity
- Corridor Title
- El Centro
- Calaboose Museum
- HomeAid
- Southside
- Ret. Trendmaker Homes
- McNabb & Co.
- Amazon
- Frost Bank
- Seaborne Architects
- Brookfield

Cover Photo Source:
1 https://www.weknowchicagorealestate.com/townhomes-for-sale.php

SAN MARCOS STRATEGIC HOUSING ACTION PLAN:

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SEPTEMBER 2019 - DRAFT

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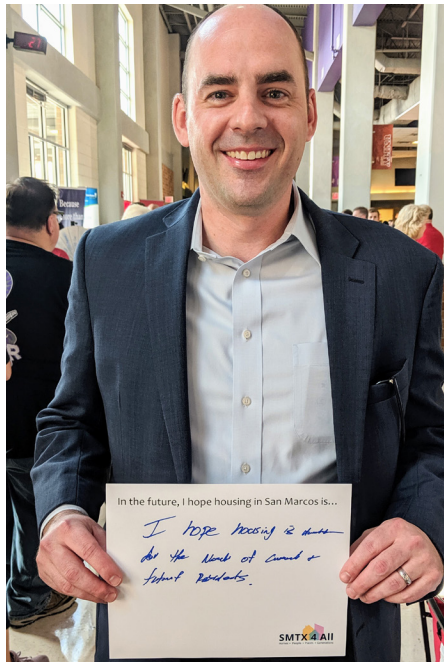
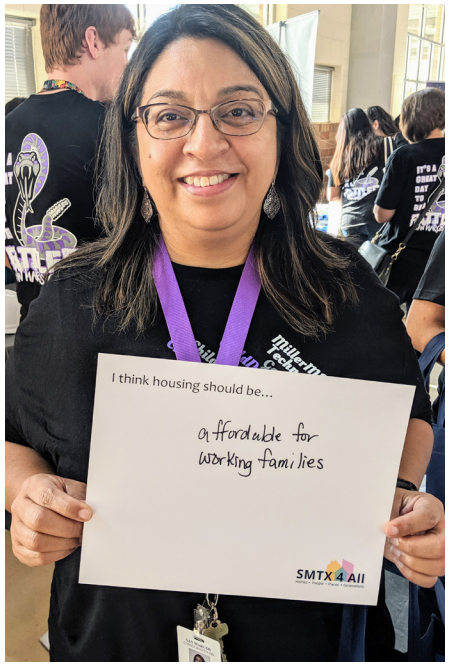
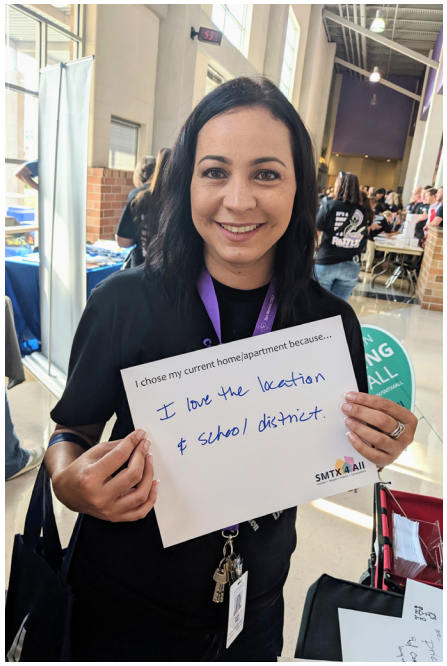
ALL
Homes
FOR ALL
People
IN ALL
Places
FOR
Generations
San Marcos, TX

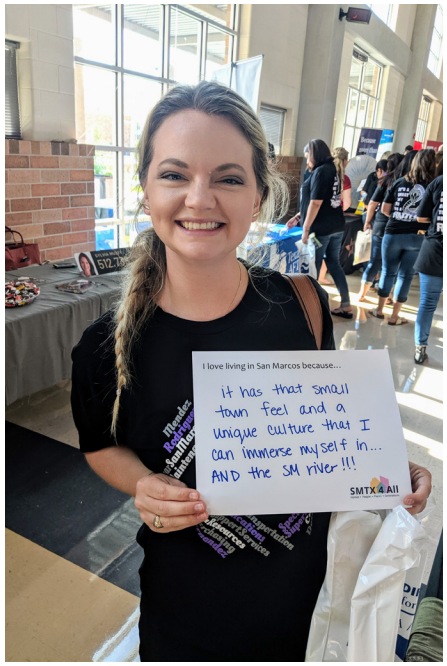
In the future, I hope housing in San Marcos is...
diverse + accessible to transportation, active + public
SMTX 4 All

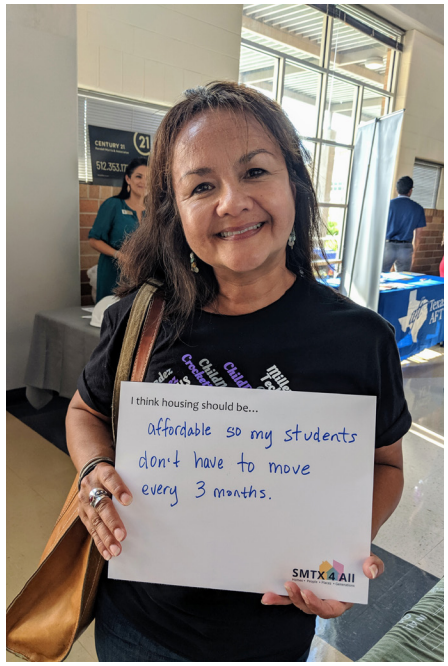
In the future, I hope housing in San Marcos is...
affordable for even single parent families.
SMTX 4 All

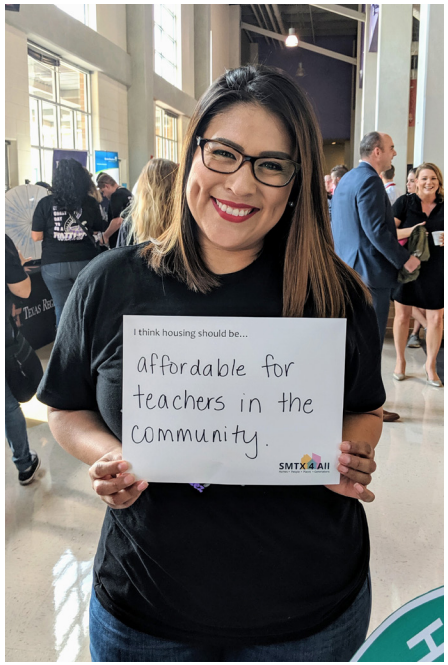

In the future, I hope housing in San Marcos is...
SMTX 4 All

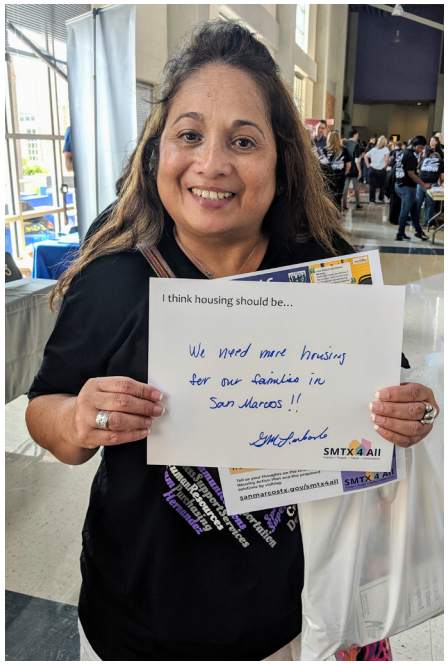

I think housing should be...
affordable for working families
SMTX 4 All

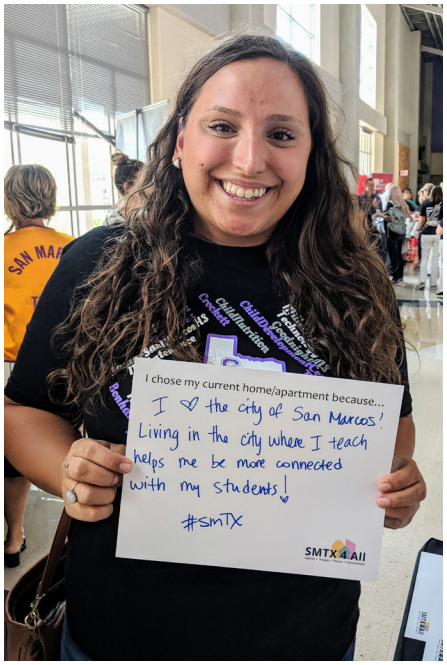

I chose my current home/apartment because...
I love the location & school district.
SMTX 4 All

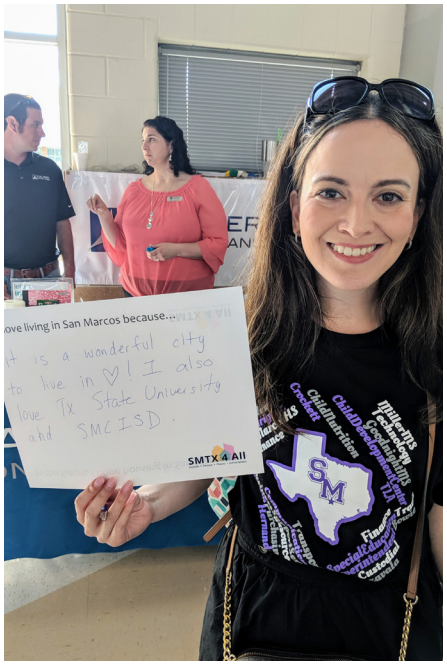

I love living in San Marcos because...
it has that small town feel and a unique culture that I can immerse myself in... AND the SM river!!!
SMTX 4 All


I think housing should be...
affordable so my students don't have to move every 3 months.
SMTX 4 All


I think housing should be...
affordable for teachers in the community.
SMTX 4 All


I think housing should be...
We need more housing for our families in San Marcos !!
SMTX 4 All


I chose my current home/apartment because...
I ♡ the city of San Marcos! Living in the city where I teach helps me be more connected with my students!
#smTX
SMTX 4 All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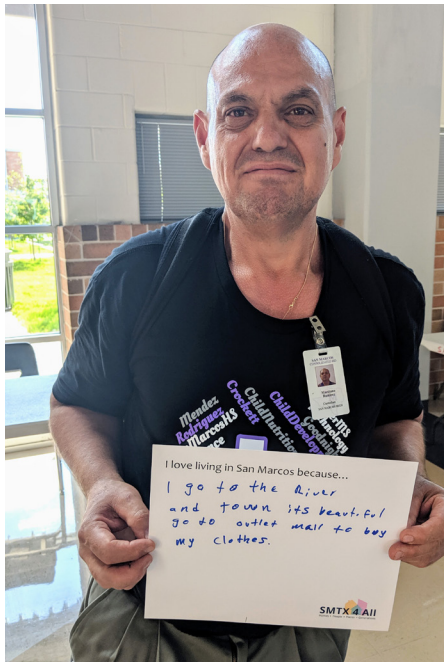
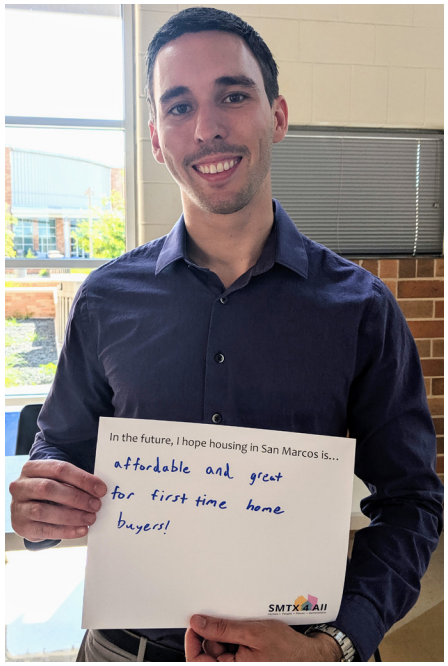
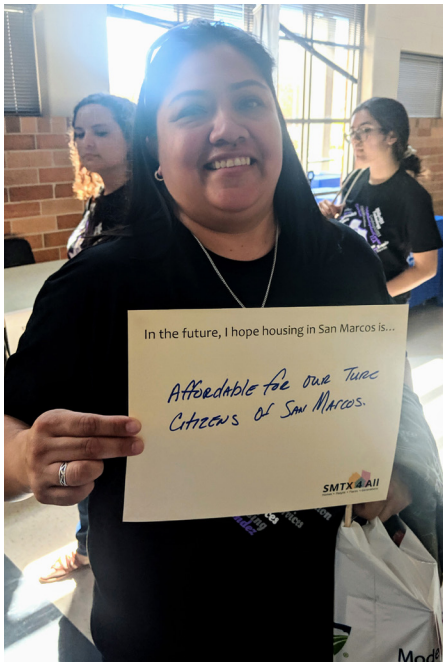
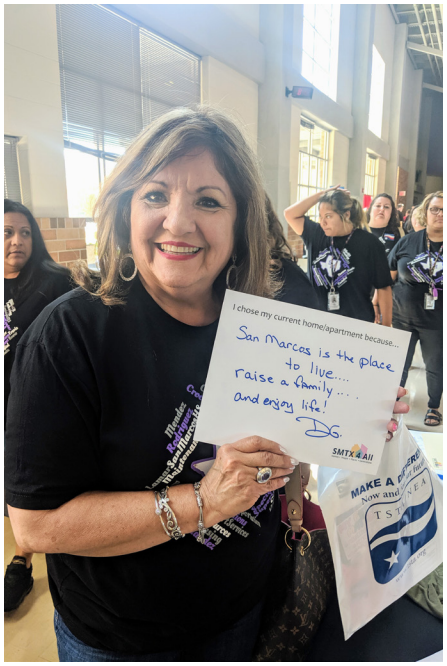

I love living in San Marcos because...
I go to the River and town its beautiful go to outlet mall to buy my clothes.
SMTX 4 All


In the future, I hope housing in San Marcos is...
affordable and great for first time home buyers!
SMTX 4 All


In the future, I hope housing in San Marcos is...
Affordable for our Tuec Citizens of San Marcos.
SMTX 4 All


I chose my current home/apartment because...
San Marcos is the place to live.... raise a family.... and enjoy life!
DG.
SMTX 4 All

INTRODUCTION AND BACKGROUND

One of the key elements in a strong community is a housing system that meets the wants and needs of the current and prospective residents. This section describes the San Marcos community and housing market, and identifies the community's key housing needs.

WORKFORCE HOUSING STRATEGIC INITIATIVE

Each year, the City of San Marcos City Council selects five Strategic Initiatives that are the top priorities for the upcoming year. The Strategic Initiatives help to guide Staff efforts throughout the year and are used as a key guiding element during the development of the City's annual budget.

Of the five Strategic Initiatives selected for fiscal year 2019, two relate to providing opportunities and housing for the diverse workforce in San Marcos (i.e., Workforce Development and Workforce Housing). Based on a continuing and growing need, Workforce Housing has been selected as a Strategic Initiative for two years in a row. The Workforce Housing Strategic Initiative aims to provide housing solutions for San Marcos residents earning up to 140 percent of the Area Median Income (AMI). Three desired Workforce Housing outcomes were identified to direct efforts throughout fiscal year (FY) 2019. These outcomes include:

- Assemble a workforce housing task force;
- Increase the rates of home ownership; and
- Maintain existing housing stock in safe conditions.

A Workforce Housing Task Force was formed to assist the City Council Workforce Housing Committee in developing a strategic action plan aimed at addressing the housing needs in San Marcos. By further defining the issues and developing a series of goals, strategies and actions, this San Marcos Strategic Housing Action Plan (Plan) is an essential step towards achieving the City's desired outcomes.

SMTX 4 All focuses on initiatives that provide all homes, for all people, in all places, for generations.

UNDERSTANDING HOUSING IN SAN MARCOS

The City of San Marcos has recognized that addressing housing challenges in the community is of utmost importance. In an effort to better understand the issues and challenges, the City commissioned Root Policy Research to conduct a thorough housing needs assessment in 2018-2019. This included a demographic and housing market analysis, as well as a detailed community survey which was completed by 2,000 respondents. The results of the San Marcos Housing Needs Assessment were then used as a basis for substantial public outreach to better understand the housing challenges in San Marcos. Through evaluation of the quantitative analysis and qualitative public input, a series of key needs rose to the surface. The Workforce Housing Task Force met numerous times over the course of 14 months to review and better understand the housing needs in the community. This Plan summarizes their efforts and the action plan that was created to address the community's needs.

The Housing Needs Assessment provides an essential understanding of the housing challenges facing the community. Key takeaways from the Housing Needs Assessment are referenced throughout this Plan. For further detail and sources, reference the full Housing Needs Assessment in Appendix A.

Figure 1: *Population Growth*

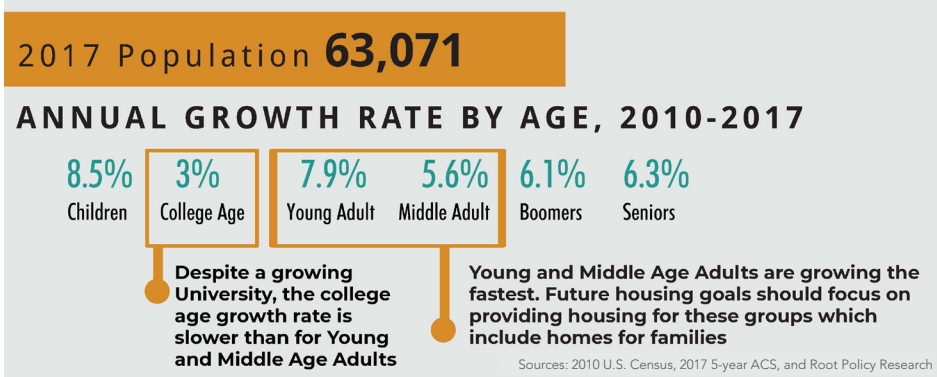


Figure 2: *Poverty Rate Comparisons*

	Poverty Rate (all people)	Poverty Rate (excluding students)
San Marcos	35%	19%
Waco	26%	20%
College Station	32%	10%
Austin MSA	12%	10%
San Antonio MSA	15%	14%
Texas	16%	14%

While San Marcos' poverty level decreases dramatically after adjusting for students, its adjusted poverty remains substantially higher than those of Austin MSA, San Antonio MSA and the rest of Texas.

MSA = Metropolitan Statistical Area

Sources: 2010 U.S. Census, 2017 5-year ACS, US Census Bureau's Longitudinal Employer-Household Dynamics; Root Policy Research

POPULATION GROWTH

The city and greater Hays County are projected to grow rapidly over the next few decades. This trend, plus the growing cost of housing and the stagnant median household income in San Marcos means there will be a growing demand for all housing, but specifically housing affordable to the incomes in the community. One way to accommodate this demand is by encouraging a greater diversity or housing options to meet the needs of people across the income and age spectrum.

The city has a significant student population from Texas State University. While college age adults make up the largest portion (39%) of the population, the growth rate of this group has been the slowest (only 3% since 2010). This large population tends to be lower income and thus needs affordable housing options. However, when compared to other age groups, the number of units needed has stayed relatively similar since 2010. Young and middle age adults make up a smaller portion of the population (26% combined), but these groups are growing more rapidly. When surveyed, the largest contingents of prospective buyers who plan to buy a home are between the age of 25 and 44. Future housing goals should focus on providing opportunities for these groups.

Another rapidly growing age group is seniors. This age group is more likely to have additional accessibility needs in their home. Also, two in five resident survey respondents (seniors and otherwise) with disabilities and in-home accessibility needs (43%) currently live in housing that does not meet their accessibility needs. When asked, only 13 percent indicated that they thought they would be able to find a home in San Marcos that meets their household's accessibility needs. It will be important to provide greater quantities of accessible housing options in the future.

POVERTY RATE

There are a total of 22,471 households in the city (41% family and 59% non-family households). More than half of these households earn less than $35,000 annually. Notably, 35 percent of San Marcos residents (including students) are below the poverty rate. While the number of residents below the poverty rate decreases to 19 percent when adjusting for students (typically little to no earnings), this is still substantially higher than those of Austin Metropolitan Statistical Area (MSA) (10%), San Antonio MSA (14%) and Texas (14%). For survey respondents with a household income of less than $25,000 annually, the cost of housing was the top consideration when choosing their current home. Providing lower cost housing options, both rental and owner-occupied, will be crucial for this portion of the population.

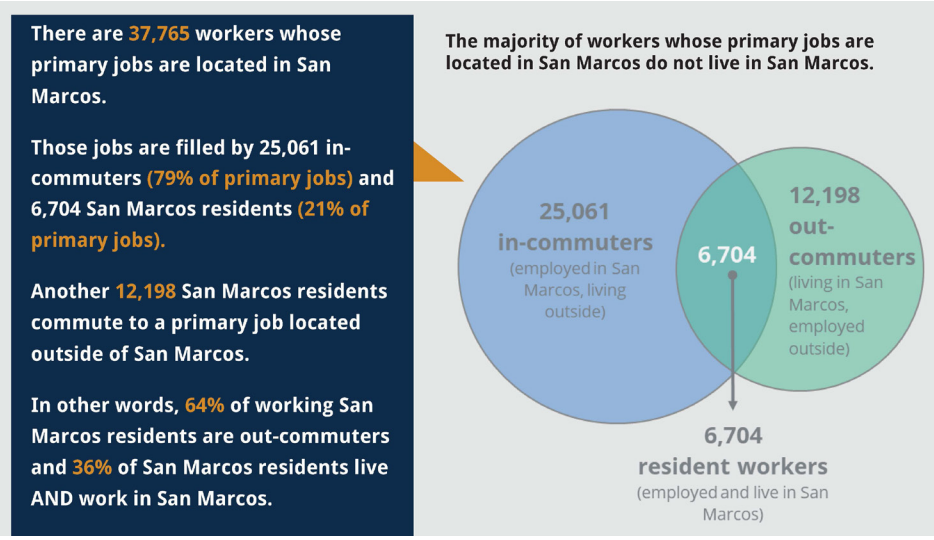
WHERE THE WORKFORCE LIVES

Over 25,000 people commute into San Marcos for work. In fact, most (79%) of the jobs in the city are filled by non-residents. The top two reasons in-commuters who considered living in San Marcos chose not to do so were that they couldn't find an affordable home to buy and housing they could afford was lower quality/needed repairs. According to survey results and open house comments, current residents also noted the fair or poor condition of the housing stock in San Marcos. It will be important to improve the condition of the housing stock to meet the needs of current residents and provide higher-quality options for those who wish to move to San Marcos.

SAN MARCOS HOUSING STOCK

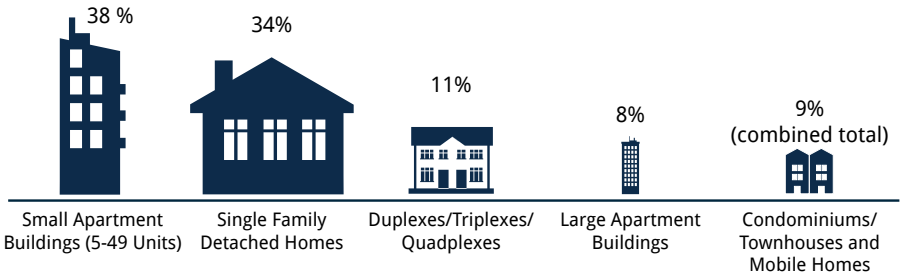
There are approximately 22,500 housing units in San Marcos. Most of the housing in the city is in the form of small apartment buildings (5 to 49 units) (38%) and single family detached houses (34%). Owner-occupied housing is primarily made up of single family detached homes (86%). Over the past 10 years (with the exception of 2018), multifamily housing development has outpaced single family development in the city. Based on residential building permits, a significant portion of the multifamily units being developed are geared towards students. Consequently, despite the rate of growth for multifamily housing in general, development of non-student product has not kept up with the demand based on population growth.

Figure 3: *Inflow and Outflow of Primary Jobs - 2015*



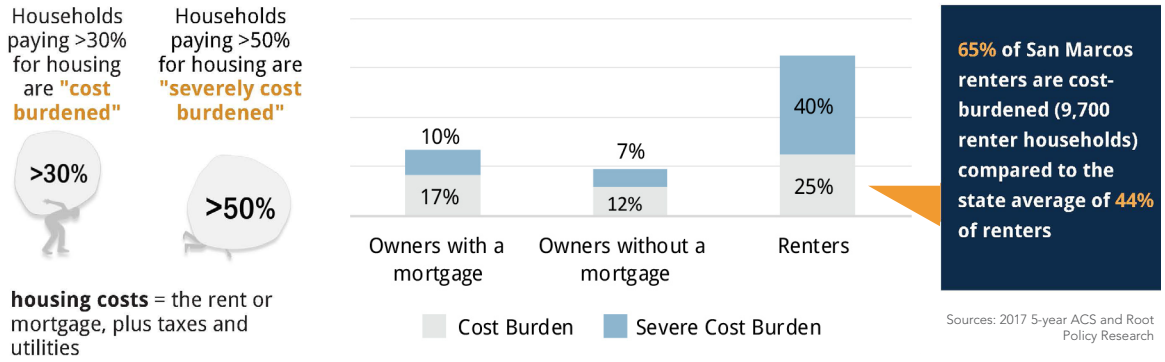
Sources: 2010 U.S. Census, 2017 5-year ACS, US Census Bureau's Longitudinal Employer-Household Dynamics; Root Policy Research

Figure 4: *San Marcos Housing Stock*



Sources: 2017 5-year ACS and Root Policy Research

Figure 5: *Cost Burdened Owners and Renters - 2017*



Sources: 2017 5-year ACS and Root Policy Research

HOUSING COST BURDEN

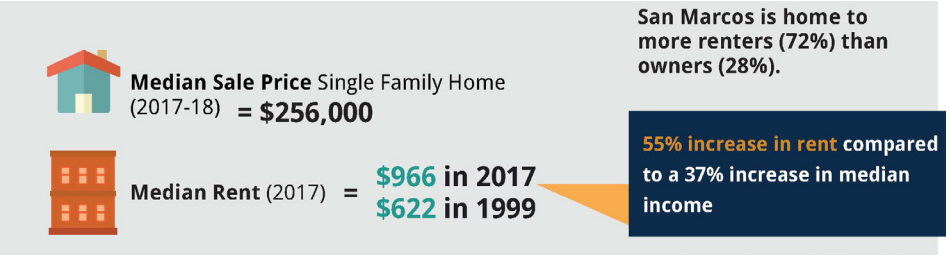
Using the federal definition for affordability, households that are paying more than 30 percent of their monthly income on housing costs (i.e., rent/mortgage, taxes, utilities, HOA fees) are considered "cost burdened." Households paying more than 50 percent of their monthly income on housing costs are "severely cost burdened." Approximately 65 percent of San Marcos renters and 46 percent of homeowners are cost-burdened. Of that number, 40 percent of the renters and 17 percent of homeowners are severely cost burdened. Cost burdened households are much less able to financially support themselves in other areas of life (e.g., food and transportation). There is a great need for more diverse housing options to allow a greater percentage of the population access to housing that fits within their budget.

HOUSING AND RENTAL MARKET

San Marcos is home to more renters (72%) than homeowners (28%). Even with students removed from the calculation, owner occupancy only increases to 40 percent. Between 2017 and 2018, the median home sale price in San Marcos was approximately $256,000. The median home sale price of attached products was significantly lower than detached products, but there is a low supply of attached homes and they sell quickly. Stakeholders noted a high demand for single family homes below $200,000 that are not fixer-uppers.

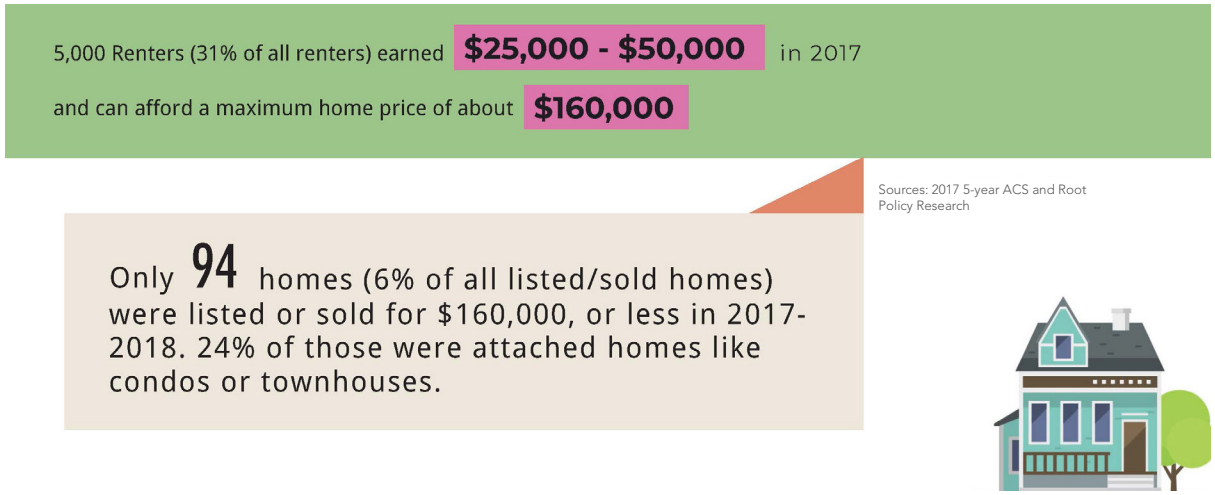
Median rent in 2017 was $966 per month. This represents a significant increase (55%) in median monthly rent since 1999. The increase in median income during that same time frame (37%) has not kept pace. According to survey results, nearly one in five (18%) San Marcos renters experienced displacement—having to move from a home when they did not want to move—during the last five years. Nearly half of non-student renters who experienced displacement did so because the rent increased more than their ability to pay. Notably, 11 percent of resident survey respondents had a friend or family member living with them due to a lack of affordable rental housing. The increase in rental and owner-occupied housing in recent years has impacted a significant portion of the San Marcos community. As the growth of housing costs outpaces income growth, the need for lower cost rental and owner-occupied units becomes more and more urgent.

Figure 6: *Housing and Rental Market*



Sources: 2017 5-year ACS and Root Policy Research

Figure 7: *Market Options for Renters Wanting to Buy*



Sources: 2017 5-year ACS and Root Policy Research

TRANSITIONING FROM RENTER TO OWNER

Half of non-student renter survey respondents indicated that they want to buy a home in the next five years but are unsure if they'll be able to. Key reasons people continue to rent when they want to buy include housing not being affordable where they want to live and lack of a down payment. Based on home sale prices compared to the earnings of many renters, the housing market is still out of reach. As noted by stakeholders, survey respondents and the housing data analysis, there is a need for homes priced under $200,000.

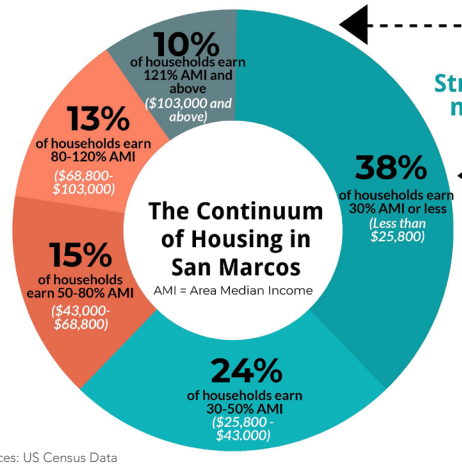
THE CONTINUUM OF HOUSING

There is a strong need for a diversified housing market in San Marcos to meet the needs of varying incomes, age groups and household types. Based on the range of incomes in the community, housing needs range from rental units for those earning less than $25,000 per year to higher end, single family homes for people earning over $103,000 per year. When asked the level of importance they associate with providing housing for different groups, survey respondents indicated that it is very important to provide housing options for middle class families, public servants, residents on fixed incomes, retail workers, first-time homebuyers, and low- and moderate-income families. Residents were also asked whether or not different types of housing were appropriate in their neighborhood. Survey respondents were most comfortable with single family homes, small homes, housing for college students with families, and small lots in their neighborhood. Respondents felt that housing for seniors, other student housing, apartment buildings with one to nine units, and apartment buildings up to five stories located close to bus stops or major roads were best located in other neighborhoods. The Housing Needs Assessment and all of the public outreach highlighted the need for additional housing options in San Marcos. There is a need to clearly convey the benefits of diverse and affordable housing products to help mitigate existing neighborhood concern.

Figure 9: *The Continuum of Housing*

What is the Continuum of Housing? It indicates the percentage of residents within each income threshold.

Why is it Important? As you move throughout the continuum of housing, different strategies are needed to address housing affordability challenges that are unique to each income threshold.



Sources: US Census Data

Key Strategies needed

Income Thresholds. Households making less than $25,000 a year are considered "extremely" low income based on Area Median Incomes for the Austin MSA.

Figure 8: *Rental Housing Gap: 2017-2018*

- Between 2000 and 2017, the city **lost 2,800 rentals** affordable to households earning less than $25,000 per year due to price increases.
- At the same time, the city **gained 2,230 residents** earning less than $25,000.
- As a result, San Marcos has a shortage of 5,950 rental units priced affordably for renters earning less than $25,000 per year.

In San Marcos, **the loss of affordable rentals** and **increase in low income households** increased the gap between demand and supply of affordable rentals.

In San Marcos, this housing gap reflects:

3,190 Non-Student households

2,760 student renter households that do not receive financial assistance from parents to cover housing costs.

Options for Families:

Only 7% of non-student apartments have 3+ bedrooms

$1,300-$1,450 Median rent for 3 & 4 bedroom apartments

Sources: 2017 5-year ACS and Root Policy Research

Families with children and large households may have a particularly difficult time finding affordable units.

RENTAL HOUSING GAP

Based on the increase in housing and rental costs, as well as an increased number of low income households, the city's rental housing gap has grown to 5,950 rental units priced affordably for renters earning less than $25,000 per year. In total, there were nearly 7,500 renter households in this income bracket in 2017. Considering a shortage of 5,950 rental units, this means nearly 80 percent of renters in this income bracket are unable to afford their housing costs. Over the last 20 years, this shortage has more than doubled. An estimated 2,760 of the 5,950 renters in the gap are students. The remaining 3,190 renters are not.

According to survey results, in the last year 71 percent of non-student renters reduced their spending to afford housing costs. Considering that renters make up the majority of households in San Marcos, this represents a large percentage of households that are needing to make changes in order to make ends meet.

FOR-SALE HOUSING GAP

San Marcos has experienced a substantial increase in home prices since 2000, with particularly sharp increases in the last five years. As previously noted, median income growth has not kept pace with median home sale prices. Based on the price points of for-sale housing in San Marcos, single family detached houses (median price of $295,000 in 2017-2018) are generally affordable for people earning at least $75,000 a year. Attached housing products (median price of $180,500 in 2017-2018) are generally affordable to people earning $50,000 or more per year. However, despite their affordability, attached products are in high demand and low supply, so they sell quickly. Based on public feedback, there is also high demand for housing suitable for small families, young couples and non-student single individuals.

Figure 10: *For-Sale Housing Gap: 2017-2018*

Income Range	Max Affordable Home Price	Cumulative Housing Gap
$25,000-$34,999	$112,271	-14%
$35,000-$49,999	$160,388	-25%
$50,000-$74,999	$240,584	-3%
$75,000 - $99,999	$320,779	24%
$100,000-$149,999	$481,171	39%
$150,000 or more	$481,172+	46%

Sources: Housing Choice Survey and Root Policy Research

Negative numbers indicate a shortage of units at each specific income level.

It is important to note that home size, condition and housing preferences are not considered in the affordability model.

The San Marcos Market is relatively affordable for renters earning more than $75,000 per year and manageable for renters earning between $50,000 and $75,000, assuming a willingness to consider attached housing options.

San Marcos is home to more renters (72%) than owners (28%). When considering only householders than are 25 years old or older (generally, the non-student population), the homeownership rate jumps to 40 percent.

Figure 11: *Shortage of Missing Middle Products*

"Missing Middle" products such as townhomes, duplexes, triplexes, condos serve as a gateway to homeownership for residents and are alternatives to detached single family.

$180,500

= Median price for attached homes in 2017-2018 (average 25 days on market)

$295,000

= Median price for a detached home in 2017-2018 (average 74 days on market)

Contributing to this shortage in San Marcos is the difficulty in developing such units in residential neighborhoods in San Marcos due to lack of available zoning.

Results from the Housing Survey show that respondents, especially homeowners, are not inclined to agree that housing types other than single family homes are appropriate in their neighborhoods.

Sources: Housing Choice Survey and Root Policy Research

TOP HOUSING NEEDS

Primary findings from the Housing Needs Assessment indicate the following core housing needs in San Marcos:[1]

ADDITIONAL AFFORDABLE RENTALS FOR RESIDENTS EARNING LESS THAN $25,000

Between 2000 and 2017, the city lost 2,800 private market rentals affordable to households earning less than $25,000 per year due to price increases. At the same time, the city gained 2,230 more residents earning less than $25,000. The loss of affordable rentals and increase in low income households increased the gap between demand and supply of affordable rentals.

Currently, San Marcos has a shortage of 5,950 rental units priced affordably for renters earning less than $25,000 per year. Those households reflect about 3,190 non-student renter households and 2,760 student renters that do not receive financial assistance from parents to help cover housing costs.

Market indicators suggest that families with children and large households may have a particularly difficult time finding affordable rentals that meet their needs. Only 7 percent of non-student apartments have three or more bedrooms and median rent for three and four bedroom rentals is between $1,300 and $1,450.

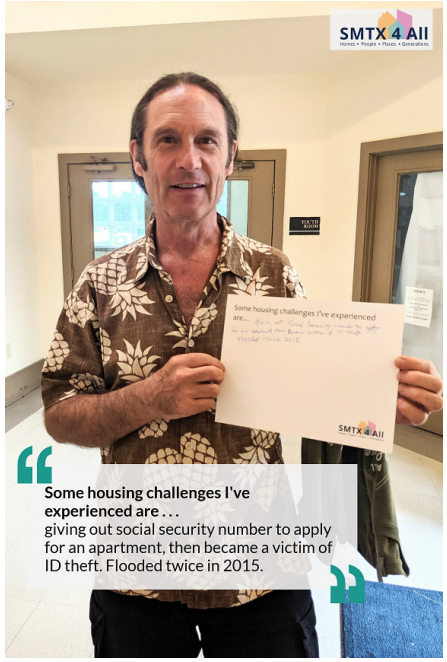
1 Root Policy Research (2019). San Marcos Housing Needs Assessment, p. IV-1.

DISPLACEMENT PREVENTION

According to survey results, in the past five years, nearly one in five (18%) San Marcos renters experienced displacement—having to move from a home when they did not want to move. The most common factors were rent increases, flood damage—including damage from the 2015 Flood—cost of utilities and landlord selling the home.

Overall, 11 percent of San Marcos residents—12 percent of homeowners and 10 percent of renters—who participated in the survey have a friend or family member living with them due to a lack of affordable rental housing.

In addition to a lack of affordable housing to rent or buy, stakeholders believe that bad credit and criminal history are barriers to securing housing. As shown in the resident survey, it is not unusual for residents to form large households or to live in multigenerational arrangements to manage housing costs or due to lack of available units. Occupancy limits make it difficult for these households to meet the need of their family and comply with this regulation.



FAMILY HOMES PRICED NEAR OR BELOW $200,000 AND INCREASED OWNERSHIP PRODUCT DIVERSITY

San Marcos has experienced substantial increase in home prices since 2000, with particularly sharp increases in the last five years. Median incomes, however, have not kept pace. In 2017-2018, San Marcos' median sale price was $256,600—lower than the Austin metro and some surrounding communities, but still out of reach for many San Marcos residents. Stakeholders identified families with household incomes of $60,000 to $80,000 to have the greatest unmet affordable housing need, for both rental and ownership products. The ownership gaps analysis supports this, indicating a shortage of homes affordable to households earning $75,000 or less.

Increasing the variety of product types in San Marcos (smaller single family homes and single family attached products) may help meet this need. Attached homes in San Marcos sell for lower price points and they sell faster than detached homes on average, indicating relatively high demand for these more affordable alternative unit types. Median price for attached homes was $180,500 in 2017-2018, compared to $259,000 for detached homes and attached homes averaged 25 days on market before sale compared to 74 days for detached.

San Marcos has a shortage of "missing middle" products, which often serve as a gateway to homeownership for residents. Contributing to this shortage is the difficulty in developing such units in residential neighborhoods in San Marcos due to zoning code barriers.

As illustrated by survey results, San Marcos residents, especially homeowners, are not inclined to agree that housing types other than single family homes are appropriate in their neighborhoods. Stakeholders believe that much of the resistance among single family homeowners against more dense development is as a hedge against large student housing developments. As the City considers efforts to increase ownership product diversity and affordability, it will be essential to help convey the benefits of these products and mitigate existing neighborhood concerns.

IMPROVE CONDITION AND ACCESSIBILITY OF EXISTING HOUSING STOCK

Overall about one-third of all renters and 9 percent of owners in the city said their home was in fair or poor condition. Though most residents do live in housing that is in good condition, the need for improvements has a disproportionate impact on vulnerable populations. For example, San Marcos families with children under the age of 18 who rent (49%) and renters whose household includes a member with a disability (44%) are more likely to assess their housing as in fair or poor condition than other groups.

Two in five San Marcos residents with disabilities and in-home accessibility needs (43%) live in housing that does not meet their accessibility needs. The most common accessibility improvements needed were ramps, grab bars in bathroom, and wider doorways.

Working to improve condition and accessibility will help serve existing residents, but also attract new residents to the city. Among non-student in-commuters who considered San Marcos, one in three chose to live elsewhere because the "housing I could afford [in San Marcos] was lower quality and/or needed repairs/improvements."

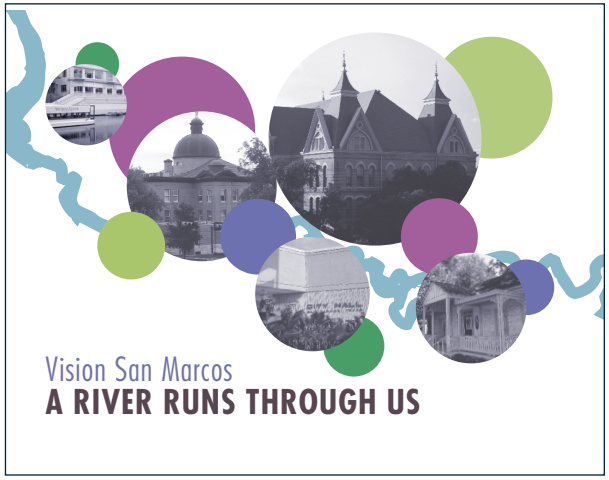
HISTORY OF HOUSING INITIATIVES IN SAN MARCOS

VISION SAN MARCOS: A RIVER RUNS THROUGH US

The vision for neighborhoods and housing in San Marcos, as adopted in 2013 in the Vision San Marcos Comprehensive Plan, is, "We envision San Marcos to have a strong, more comprehensive foundation of safe stable neighborhoods while preserving and protecting the historical, cultural and natural identities of those neighborhoods." The plan included goals to protect and enhance existing neighborhoods, maintain stable property values, create opportunities for student housing in appropriate areas, provide diversified housing options, and protect neighborhoods from blight and encroachment of incompatible land uses.

The Preferred Scenario Map adopted as part of the plan illustrates medium and high intensity growth areas which are intended to develop or redevelop over the next 30 years. Intensity zones are located in Downtown, Midtown, East Village, Medical District, Triangle, South End, Star Park, and Blanco Vista.

Following the Comprehensive Plan, the City adopted an Affordable / Workforce Housing Policy in 2014. This policy was implemented with Code SMTX and was the precursor to the new Development Code.



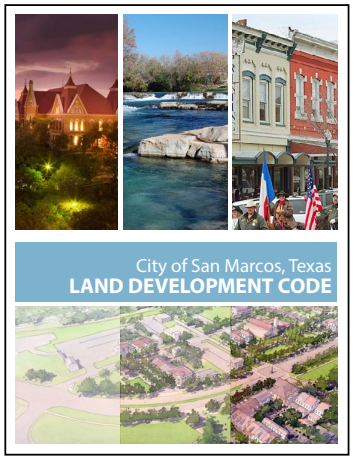
CODE SMTX

Following the Code SMTX process, the City of San Marcos adopted a new Development Code in 2018. The Code SMTX process was a four-year community collaboration intended to give the City a better tool kit for managing growth. The new Development Code applies the policies from the Vision San Marcos Comprehensive Plan about where and how the City will grow.

Some of the regulations in the new code could impact (positively or negatively) development of affordable housing in San Marcos.[1] These include:

- Expanded opportunities for accessory dwelling units (positive impact).
- Neighborhood Density Districts and Character Districts allow for diverse housing products (positive impact), though few areas are currently zoned to allow this benefit to be realized.
- Low limit on unrelated occupants co-habitating (negative impact).

1 Root Policy Research (2019). San Marcos Housing Needs Assessment, p. II-33.



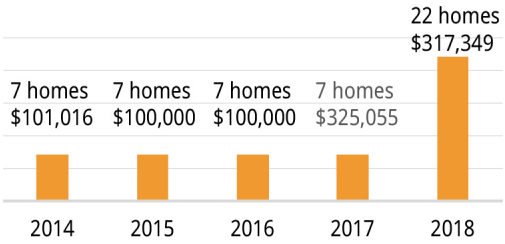
HOUSING REHABILITATION PROGRAMS

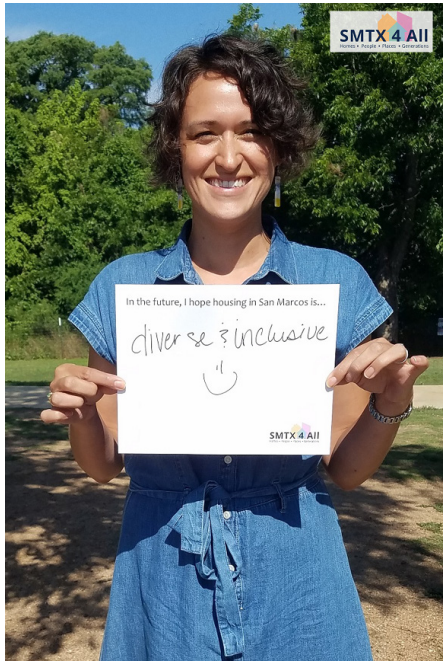
The City of San Marcos was hit by two historic flood events in 2015. These events caused tens of millions of dollars in damage, including damages to 35 businesses and 1,558 homes.[1] The U.S. Department of Housing and Urban Development (HUD) awarded San Marcos $25 million through the HUD Community Development Block Grant - Disaster Recovery Program (CDBG-DR) to help address repairs.[2]

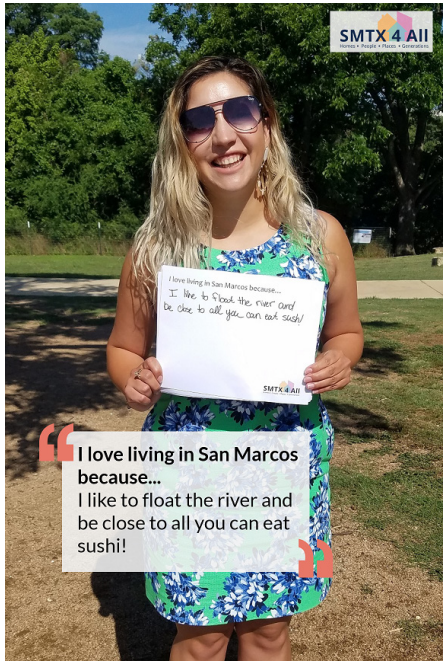
In addition, the City receives CDBG program funds each year from HUD as an "entitlement" community. The City creates an Annual Action Plan each year to detail how funds will be allocated, who will benefit and to set specific goals. The City's allocation in 2018 (Oct. 2018-Sept. 2019) was nearly $650,000. These funds are used to help address the City's high priority needs (as defined in the 2015-2019 CDBG Consolidated Plan), one of which is affordable housing. Goals in the 2018 CDBG Action Plan included services such as owner-occupied housing rehabilitation, rental rehabilitation, first time homebuyer program, and land acquisition for affordable housing.[3]

The total 5-year (2014-2018) investment in San Marcos housing rehabilitation programs funded by the CDBG and CDBG-DR has been $943,420. This included rehabilitation improvements to 50 homes.

1 Root Policy Research (2019). San Marcos Housing Needs Assessment, p. II-8.
2 San Marcos CDBG Disaster Recovery. "About the Program." http://www.smtxfloodrecovery.com/27/About-the-Program
3 City of San Marcos (2018). CDBG Annual Action Plan 2018, p. 25




SMTX 4 All
In the future, I hope housing in San Marcos is...
diverse & inclusive
SMTX 4 All

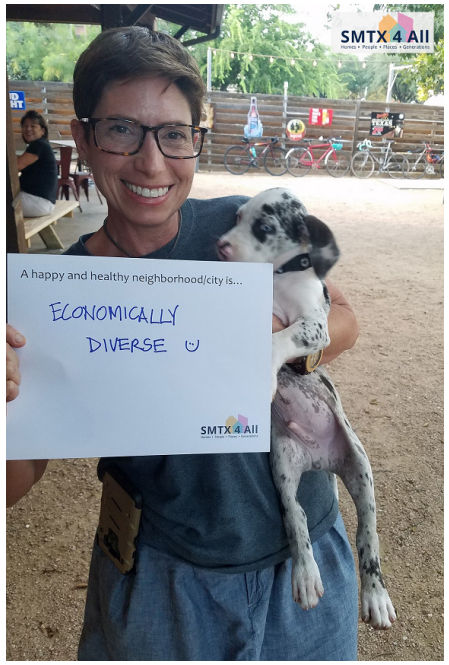

SMTX 4 All
I love living in San Marcos because...
I like to float the river and be close to all you can eat sushi!
SMTX 4 All

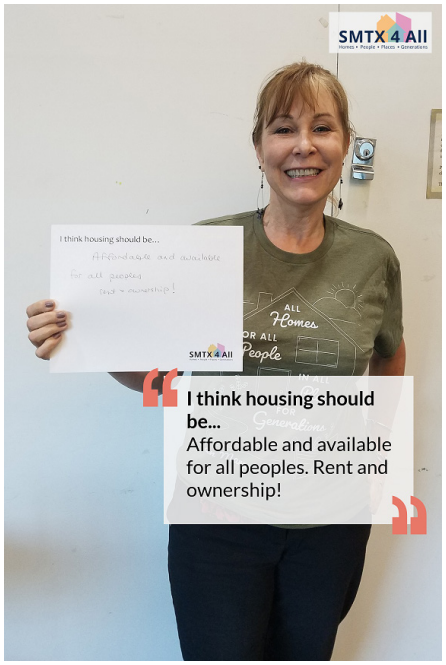
SMTX 4 All
A happy and healthy neighborhood/city is...
inclusive to all people in all stages of life
SMTX 4 All

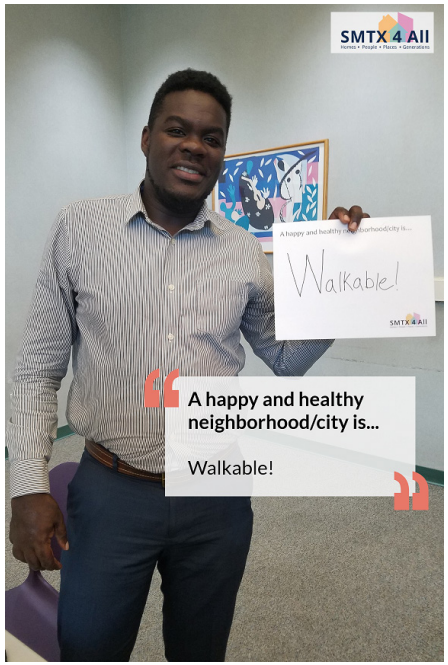
SMTX 4 All
I love living in San Marcos because...
The people here encourage enviommental quality as well as a genuine care for how we are all living!
SMTX 4 All

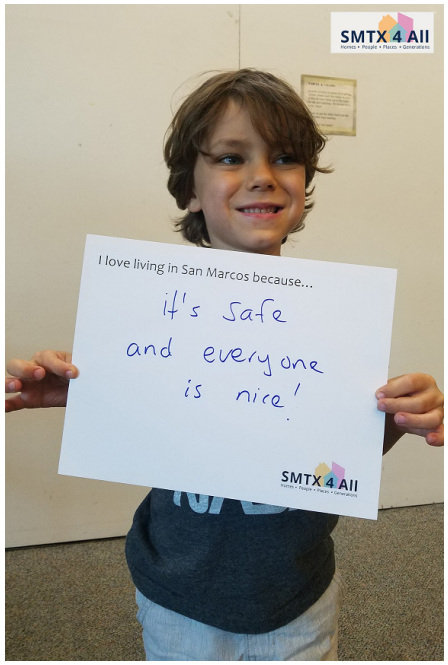
SMTX 4 All
I chose my current home/apartment because...
It was affordable!
-2005
SMTX 4 All

SMTX 4 All
I love living in San Marcos because...
I can ride my Bike any where & It's Beautiful
SMTX 4 All
San Marcos, TX

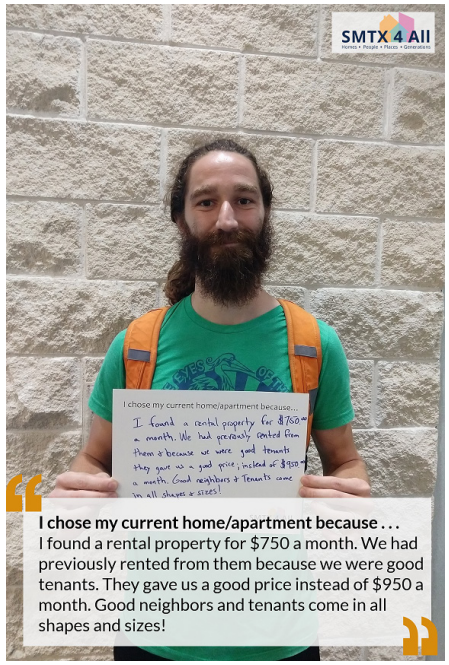

SMTX 4 All
A happy and healthy neighborhood/city is...
ECONOMICALLY DIVERSE
SMTX 4 All

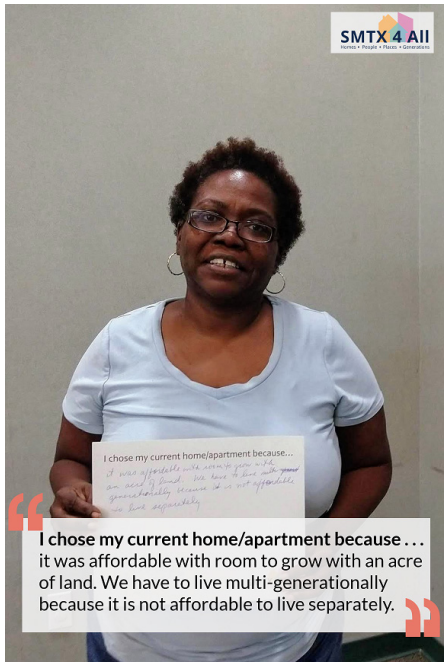

SMTX 4 All
I think housing should be...
Affordable and available for all peoples
SMTX 4 All
I think housing should be...
Affordable and available for all peoples. Rent and ownership!

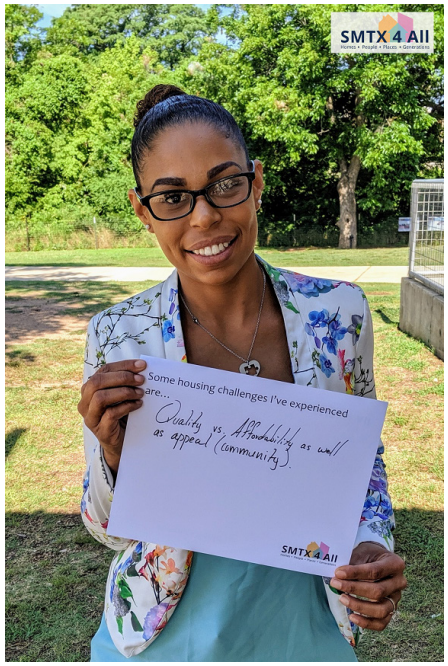

SMTX 4 All
A happy and healthy neighborhood/city is...
Walkable!
A happy and healthy neighborhood/city is...
Walkable!

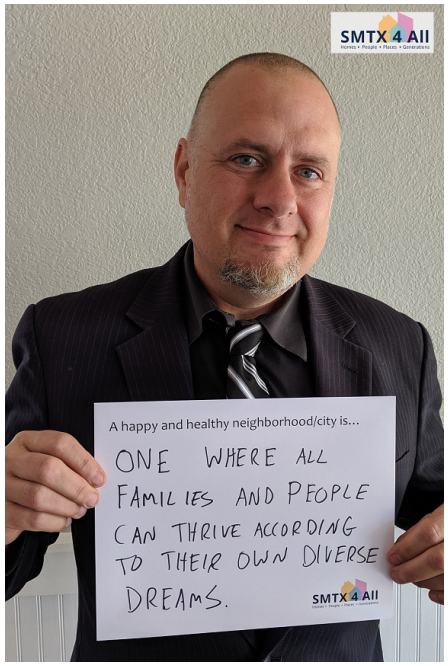

SMTX 4 All
I love living in San Marcos because...
it's safe and everyone is nice!

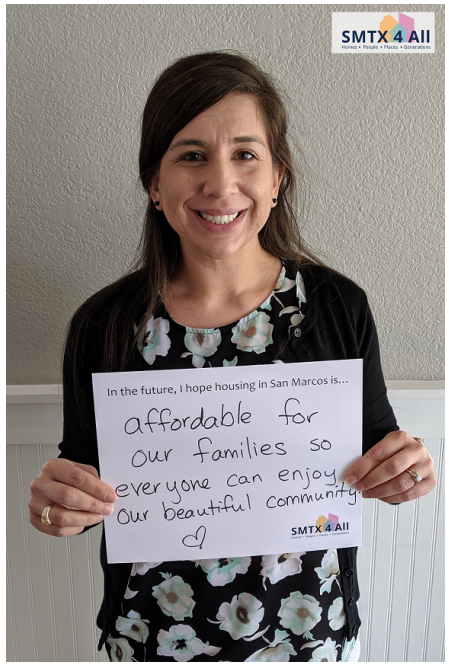
SMTX 4 All
Some housing challenges I've experienced are...
Land is $$$
Some housing challenges I've experienced are...
Land is $$$


SMTX 4 All
I chose my current home/apartment because...
I found a rental property for $750 a month. We had previously rented from them because we were good tenants. They gave us a good price instead of $950 a month. Good neighbors & Tenants come in all shapes & sizes!
I chose my current home/apartment because . . .
I found a rental property for $750 a month. We had previously rented from them because we were good tenants. They gave us a good price instead of $950 a month. Good neighbors and tenants come in all shapes and sizes!


SMTX 4 All
I chose my current home/apartment because...
I chose my current home/apartment because . . .
it was affordable with room to grow with an acre of land. We have to live multi-generationally because it is not affordable to live separately.


SMTX 4 All
Some housing challenges I've experienced are...
Quality vs. Affordability as well as appeal (community).


SMTX 4 All
A happy and healthy neighborhood/city is...
ONE WHERE ALL FAMILIES AND PEOPLE CAN THRIVE ACCORDING TO THEIR OWN DIVERSE DREAMS.


SMTX 4 All
In the future, I hope housing in San Marcos is...
affordable for our families so everyone can enjoy our beautiful community

SMTX 4 ALL HOUSING INITIATIVE

Workforce Housing has been identified as a Strategic Initiative by the San Marcos City Council for two years in a row. Workforce Development was identified as the second strategic initiative in 2019 because the City recognizes the importance of access to high quality jobs as a key ingredient to addressing housing challenges for San Marcos residents. A City Council Workforce Housing Committee and a Workforce Housing Task Force were formed to further the goals of Workforce Housing. The SMTX 4 All Housing Initiative and this action plan istrive to facilitate all homes, for all people, in all places, for generations. This section summarizes the SMTX 4 All Housing Initiative process.

WORKFORCE HOUSING TASK FORCE

With more than 80 percent of San Marcos households earning less than the area median income, the City alone will not be able to create affordable housing opportunities for all. Commitment from community leaders, stakeholders and residents is crucial to the success of this initiative. A City Council Housing Committee and diverse Workforce Housing Task Force was created to work cooperatively and concurrently with City Staff and local stakeholders to create this Plan.

The Workforce Housing Task Force was made up of 19 community leaders representing diverse industries including governmental and educational agencies, major employers, the development community, neighborhood representatives, service providers, and the banking community. The full Workforce Housing Task Force met five times over the course of a 14-month period to develop goals, strategies and a prioritized action plan to address housing needs in San Marcos.

In addition to full Workforce Housing Task Force meetings, eight small working groups meetings were held to more thoroughly discuss:

- Preventing displacement;
- Long term housing affordability;
- Facilitating the creation of new housing;
- A public outreach plan; and
- Potential development code updates.

The Workforce Housing Task Force meetings are summarized on the following page. See Appendix B for additional information about each meeting.

PROCESS

The Workforce Housing Task Force met at key intervals throughout the planning process to identify, discuss, consolidate and ultimately prioritize the actions proposed in this Plan.

TASK FORCE MTG. #1

September 13, 2018

Workforce Housing Task Force members were introduced to the Housing Initiative and process during the first meeting. Sean Garretson from Pegasus Planning and Development gave a presentation to educate and inspire the group. The vision and goals were discussed and members followed up after the meeting with an inventory of actions already taking place in San Marcos to support the housing goals.

TASK FORCE MTG. #2

December 13, 2018

The Workforce Housing Task Force reviewed and discussed the existing conditions analysis from the Housing Needs Assessment during the second meeting. Considering this, they then brainstormed and prioritized potential strategies. Six of the eight small working group meetings were then held between the second and third full Workforce Housing Task Force meetings. Those meetings were used to further discuss and prioritize strategies.

TASK FORCE MTG. #3

March 14, 2019

The third Workforce Housing Task Force meeting was used to review the housing market analysis from the Housing Needs Assessment. The group then discussed the results from the working group meetings. They alternated between large and small group discussions to identify "low hanging fruit" and the largest potential impact among the potential actions.

TASK FORCE MTG. #4

June 13, 2019

The draft Strategic Housing Action Plan was reviewed and discussed, and the actions were prioritized during the fourth Workforce Housing Task Force meeting.

TASK FORCE MTG. #5

September 12, 2019

The final draft Strategic Housing Action Plan was reviewed during the fifth Workforce Housing Task Force meeting.

WORKING GROUPS

PREVENTING DISPLACEMENT - January 28 and February 27, 2019

This working group met three times to reconfirm the plan goals; further understand the need for and potential methods to prevent displacement; review case studies; discuss a variety of potential strategies and consolidate them; identify potential partnerships, resources and funding sources that could be used to help prevent displacement; and review the draft plan.

LONG TERM AFFORDABILITY - January 30 and February 25, 2019

This working group met twice to reconfirm the plan goals; discuss the issue of long term affordability and different tools that can be used to address it; consolidate potential strategies into a single program-based strategy; review case studies; identify potential partnerships, resources and funding sources that could be used to support long term housing affordability in San Marcos; and review the draft plan.

FACILITATE NEW HOUSING - January 28 and February 26, 2019

This working group met twice to reconfirm the plan goals; review the definition of and methods to facilitate new workforce housing; consolidate numerous potential strategies; review case studies and identify what success would look like; identify potential partnerships, resources and funding sources; and review the draft plan.

PUBLIC OUTREACH - April 3 and July 10, 2019

This working group created a public outreach plan which includes open houses, community conversations, "tell your housing story," and awareness campaigns. They also reviewed the draft plan.

DEVELOPMENT CODE / PLAN AMENDMENTS - April 4, July 17 and September 4, 2019

This working group met to review and discuss potential updates to the Development Code and assist in drafting the Strategic Housing Action Plan. A Workforce Housing Task Force Development Code Report was created as a follow up to this meeting. The report describes proposed interim and comprehensive code amendments. Proposed interim amendments include updates such as a waiver of permitting fees and exempting small lot and infill developments from the Lot Width to Depth requirements, among others. Proposed comprehensive code amendments include updates such as creating Opt-In Zoning District Overlays to allow property owners to opt-in to a more intense zoning district in exchange for a certain percentage of affordable units and modifying occupancy restrictions, among others. This group also reviewed the draft plan.

PUBLIC INPUT

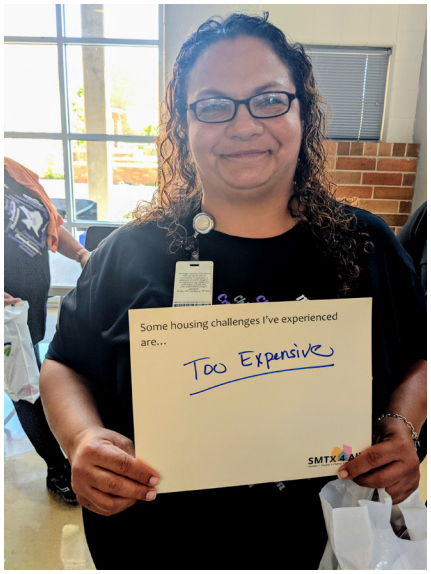
This planning process included a variety of different public input opportunities with the goal of sharing the results from the Housing Needs Assessment and better understanding the housing challenges in San Marcos. In total, there were over 30 organizations reached, over 100 housing stories collected and over 25 social media posts.

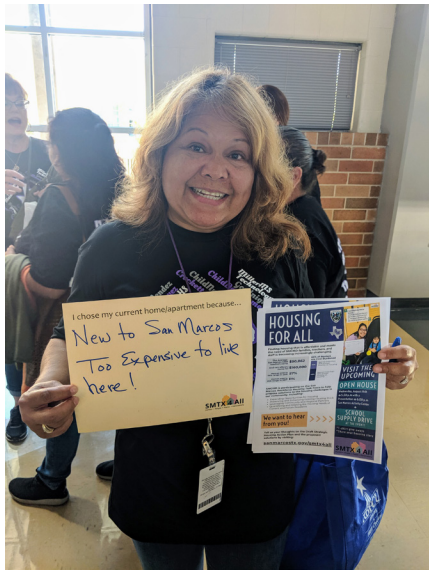
COMMUNITY OPEN HOUSES

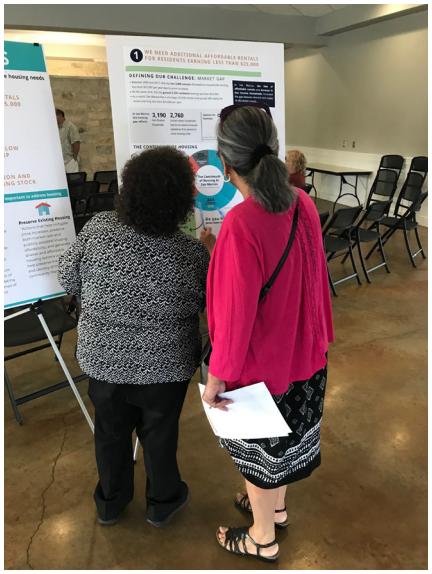
Two open houses were held during the planning process. The first, in May 2019, was used to gain public input on the state of housing in San Marcos, the role they believe the City should play in addressing housing affordability and the level of importance they associate with each plan goal. The open house boards were posted on the City's website and people were able to submit additional feedback following the events. Ideas and concerns put forth by the public regarding the City's four key housing needs included:

- Incentivizing the development of small to medium size homes and micro home communities;
- Support and provide accessible community services;
- Concern that maintenance and repair programs would be used by landlords to increase rental rates;
- Steer development towards the center of town versus the outskirts;
- Ensuring that new homes are not in floodprone areas;
- A first time home buyer program to help people buy both old and new homes;
- Taking care to preserve existing neighborhoods;
- Providing fixer-upper funding; and
- Incentivizing investment in a fixer-upper house;
- Among others.

The second open house, in August 2019, was used to present the draft final Plan and gain public feedback on the proposed strategies and actions.







COMMUNITY CONVERSATIONS

A community conversation toolkit was also used by City staff, Workforce Housing Task Force members and others to facilitate community discussions about housing needs in San Marcos. Thirty-eight (38) community conversation events were held with a wide variety of groups and organizations throughout the planning process (see Figure 12). These conversations included over 730 individuals.

TELL YOUR HOUSING STORY CAMPAIGN

In an effort to raise awareness and open a housing dialogue in the community, a "Tell Your Housing Story" campaign was launched. People shared their housing stories by submitting a Google Form, sending an email or attending an open house. They were encouraged to submit a photo in, around, or near their home or neighborhood. The housing stories (seen throughout this plan and in Appendix C) helped to catalyze the housing discussion in the city by giving a face to the issue. Previous, current and prospective residents shared stories about their challenges and successes finding housing in San Marcos.

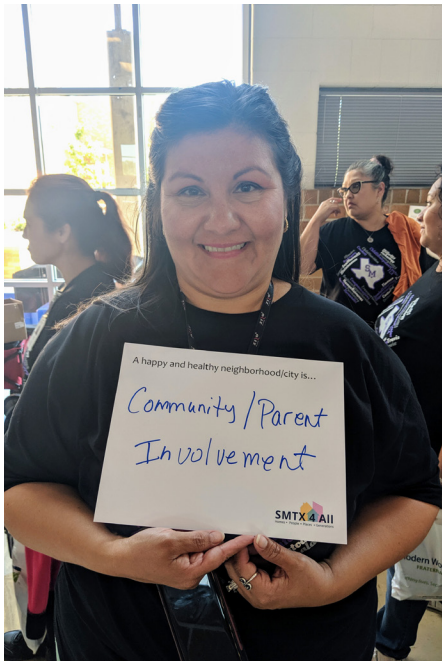
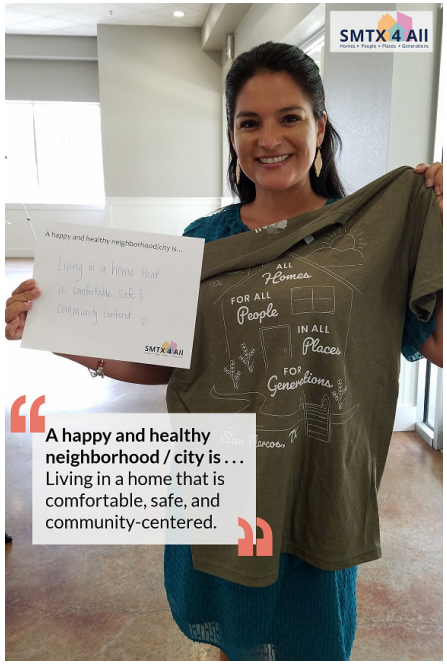
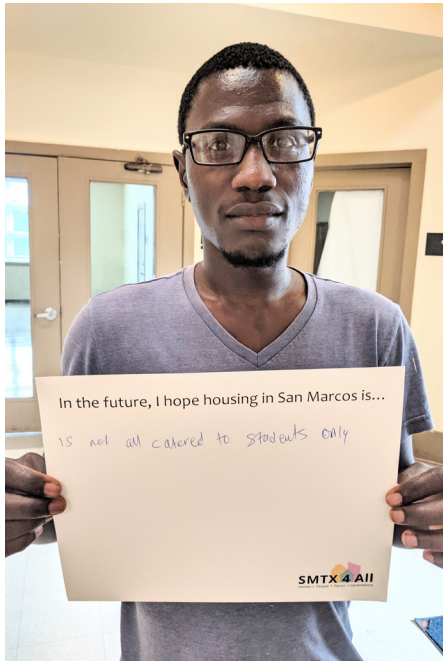
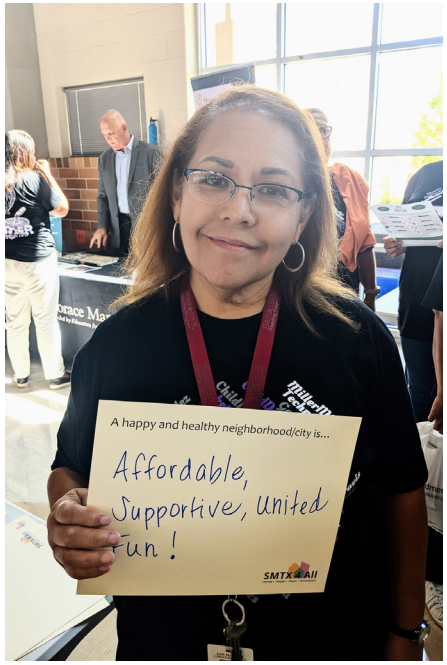


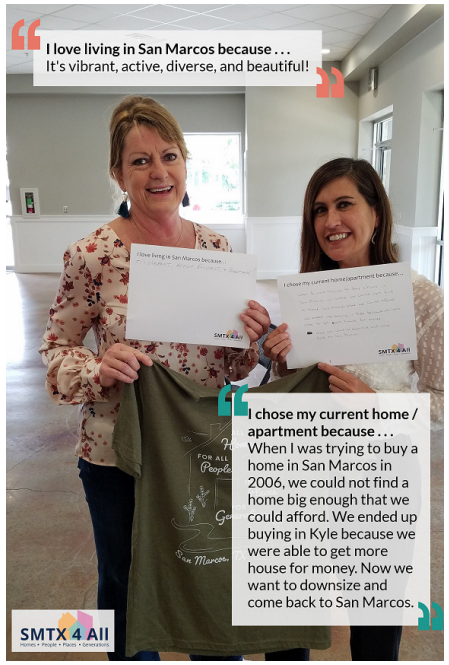
Figure 12: *Community Conversations*

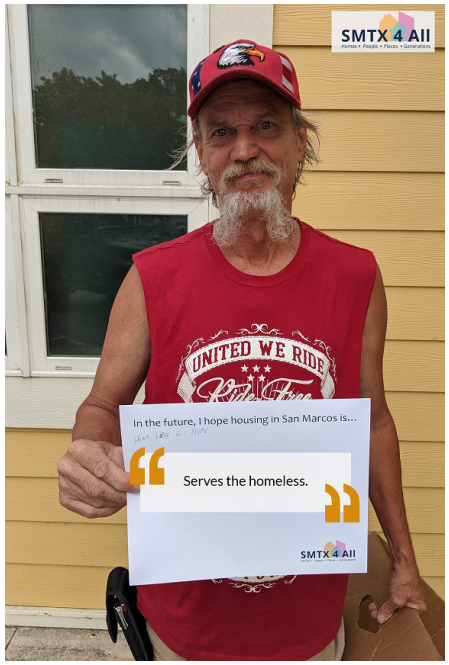
ORGANIZATION / GROUP	
University Housing Group	League of Women Voters - Public Meeting
WIC Staff Meeting	Sustainable Placemakers
SMCISD Cabinet	Lions Club
DTA Quality of Life Committee	HBA July Advocacy Forum
Facebook Live #1	Neighborhood Commission
SMCISD Parent Liaisons	Reclaim Dunbar Leadership
Neighborhood Commission Open House	Rotary Club
Homelessness Advocacy Group	Facebook Live #2
Hays County Food Bank Staff	Heritage Association Board
Corridor Real Estate Group	SMCISD Back to School Convocation
Planning Commission	SMCISD Trustees Mtg.
Hays County Food Bank Distribution	CASA Volunteer Training
Local Realtor Breakfast Discussion	Business EXPO
Hays Caldwell Womens Center	SMCISD Leadership - Land Banks
Chamber - Public Policy Forum	Inspectors Quarterly Meeting - Land Banks
Council of Neighborhood Associations (CONA)	Public Meeting - Land Banks
CTMC Leadership	Commission on Children and Youth
Main Street Advisory Committee	SM Unitarian Universalist Fellowship
Neighborhood Enhancement Team	Comal Hays Real Estate Investment Assoc.

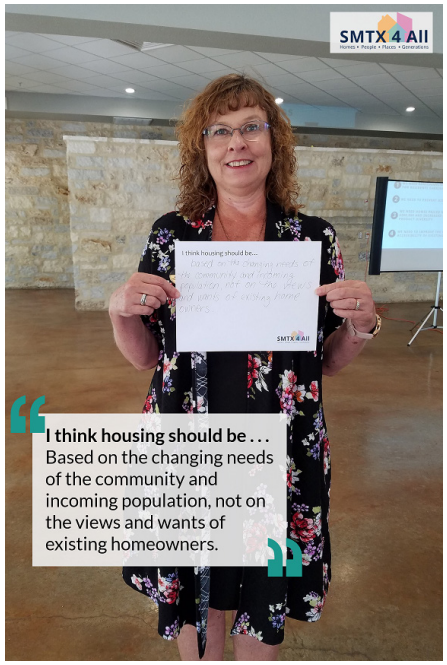

SMTX 4 All
A happy and healthy neighborhood/city is...
Living in a home that is comfortable, safe & community centered
ALL Homes FOR ALL People IN ALL Places FOR Generations
A happy and healthy neighborhood / city is . . .
Living in a home that is comfortable, safe, and community-centered.

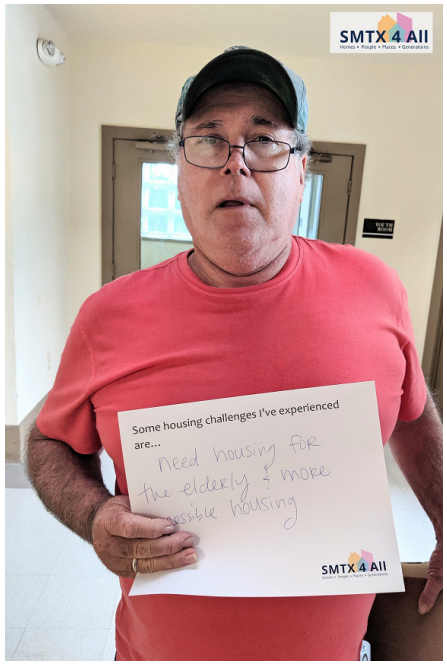

In the future, I hope housing in San Marcos is...
is not all catered to students only
SMTX 4 All

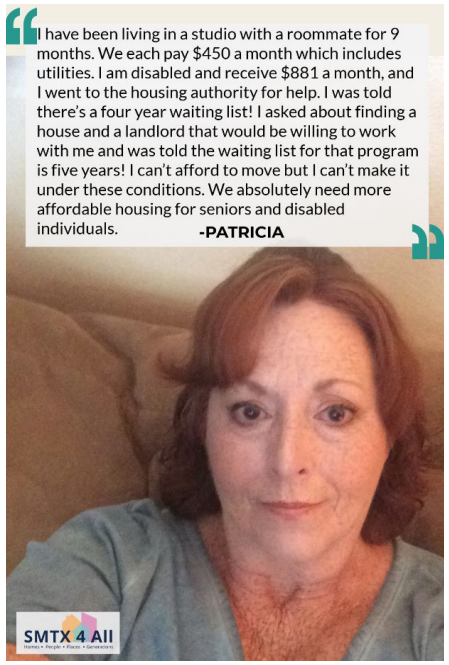

A happy and healthy neighborhood/city is...
Affordable, Supportive, United Fun!
SMTX 4 All

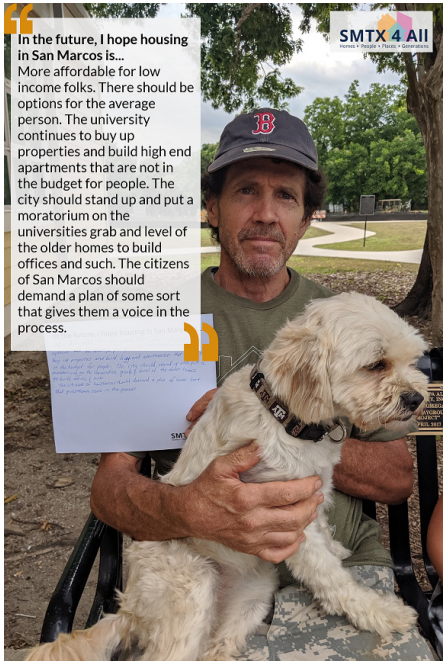

I love living in San Marcos because . . .
It's vibrant, active, diverse, and beautiful!
I chose my current home / apartment because . . .
When I was trying to buy a home in San Marcos in 2006, we could not find a home big enough that we could afford. We ended up buying in Kyle because we were able to get more house for money. Now we want to downsize and come back to San Marcos.
SMTX 4 All

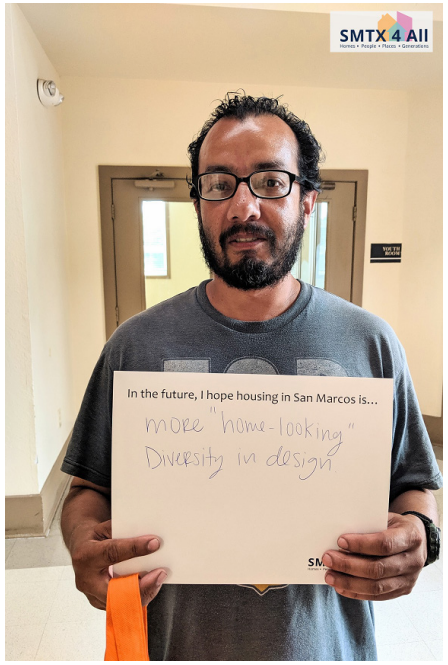

SMTX 4 All
UNITED WE RIDE
In the future, I hope housing in San Marcos is...
Serves the homeless.
SMTX 4 All

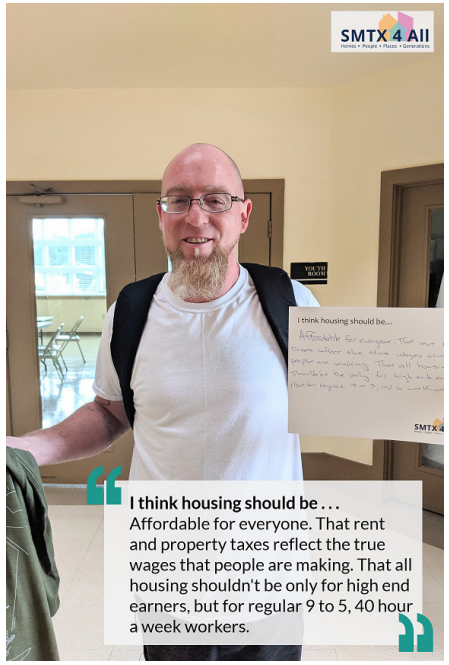

SMTX 4 All
I think housing should be...
I think housing should be . . .
Based on the changing needs of the community and incoming population, not on the views and wants of existing homeowners.

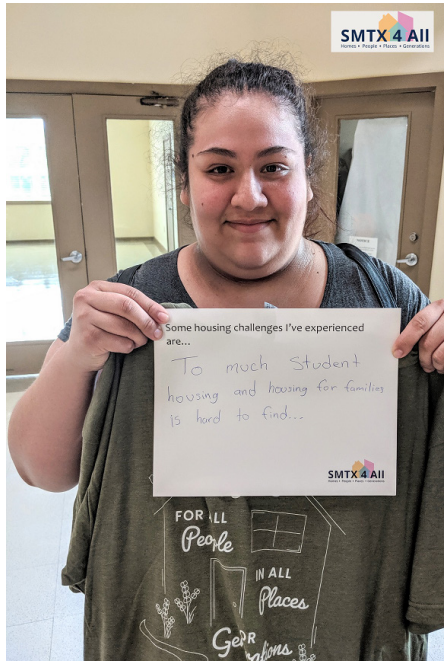

SMTX 4 All
Some housing challenges I've experienced are...
Need housing for the elderly & more affordable housing
SMTX 4 All

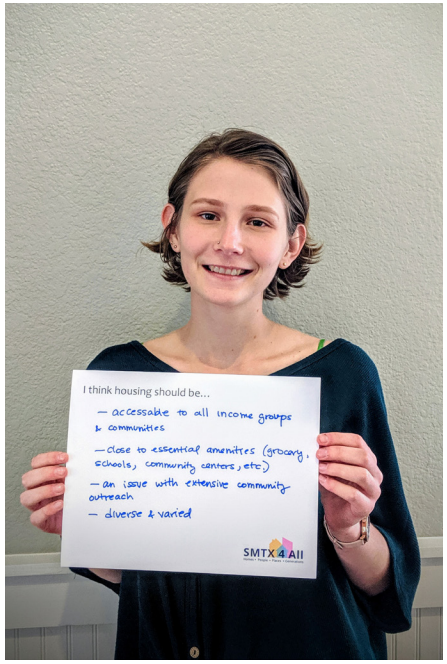

I have been living in a studio with a roommate for 9 months. We each pay $450 a month which includes utilities. I am disabled and receive $881 a month, and I went to the housing authority for help. I was told there's a four year waiting list! I asked about finding a house and a landlord that would be willing to work with me and was told the waiting list for that program is five years! I can't afford to move but I can't make it under these conditions. We absolutely need more affordable housing for seniors and disabled individuals.
-PATRICIA
SMTX 4 All

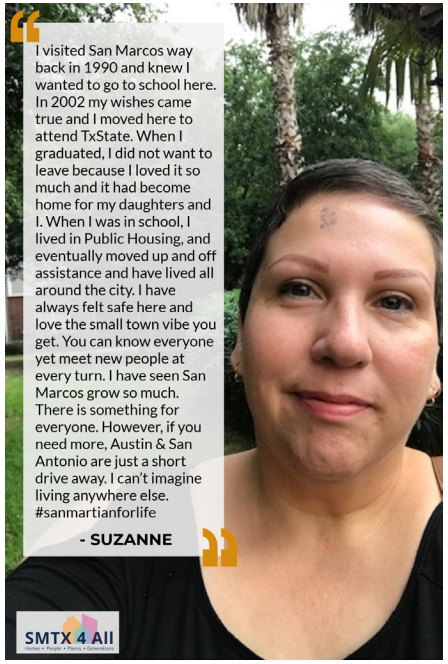

SMTX 4 All
In the future, I hope housing in San Marcos is...
More affordable for low income folks. There should be options for the average person. The university continues to buy up properties and build high end apartments that are not in the budget for people. The city should stand up and put a moratorium on the universities grab and level of the older homes to build offices and such. The citizens of San Marcos should demand a plan of some sort that gives them a voice in the process.


SMTX 4 All
In the future, I hope housing in San Marcos is...
more "home-looking"
Diversity in design


SMTX 4 All
I think housing should be...
I think housing should be . . .
Affordable for everyone. That rent and property taxes reflect the true wages that people are making. That all housing shouldn't be only for high end earners, but for regular 9 to 5, 40 hour a week workers.


SMTX 4 All
Some housing challenges I've experienced are...
To much Student housing and housing for families is hard to find...
FOR ALL People
IN ALL Places


I think housing should be...
— accessable to all income groups & communities
— close to essential amenities (grocery, schools, community centers, etc)
— an issue with extensive community outreach
— diverse & varied
SMTX 4 All


I visited San Marcos way back in 1990 and knew I wanted to go to school here. In 2002 my wishes came true and I moved here to attend TxState. When I graduated, I did not want to leave because I loved it so much and it had become home for my daughters and I. When I was in school, I lived in Public Housing, and eventually moved up and off assistance and have lived all around the city. I have always felt safe here and love the small town vibe you get. You can know everyone yet meet new people at every turn. I have seen San Marcos grow so much. There is something for everyone. However, if you need more, Austin & San Antonio are just a short drive away. I can't imagine living anywhere else. #sanmartianforlife
- SUZANNE
SMTX 4 All

Some housing challenges I've experienced are...
I'd like to buy a home to live in permanently in with my family, but it is difficult to compete with investors who buy the homes to rent out. I'm planning to try again next year.
SMTX 4 All

I hope that in the futures, all families will have housing options that will fit their individual needs. Whether you're a young couple just starting out, a family with children, a student, or a senior citizen, you should have access to the type of home that you need. This is the photo from when we closed on our house!
- LAUREN
2001
SMTX 4 All

GOALS AND IMPLEMENTATION FRAMEWORK

The Housing Needs Assessment and varied forms of public input over the last year highlighted the growing housing challenges in San Marcos. Potential solutions and strategies to address the issue are highly varied in terms of scale, level of difficulty, required resources and potential impact. Over the course of 14 months, the Workforce Housing Task Force, City Council Housing Committee and City staff brainstormed, vetted and ultimately developed four goals, six strategies, and 23 actions to steer the City's efforts towards addressing the community's four key housing needs. A series of metrics have been identified for tracking the City's progress towards achieving its goals.

FROM NEEDS TO ACTION

Survey results reflect the importance to residents that the San Marcos housing stock be a true mix of housing types to accommodate the preferences and incomes of diverse residents and households. A balanced housing stock accommodates a full "life cycle community"—where there are housing options for each stage of life from career starters through centenarians—which in turn supports the local economy and contributes to San Marcos' community culture. In order to address the community's housing challenges, it was important to first identify the key needs. To address these needs, the Workforce Housing Task Force identified four overarching goals and a framework of strategies and actions. The Workforce Housing Task Force worked closely with the community through a series of public input and feedback sessions to improve and refine the goals, strategies and actions.

FIRST WE ASKED, "WHAT ARE OUR NEEDS?"

FOR RENT

WE NEED ADDITIONAL AFFORDABLE RENTALS FOR RESIDENTS EARNING LESS THAN $25,000.

WE NEED TO PREVENT DISPLACEMENT.

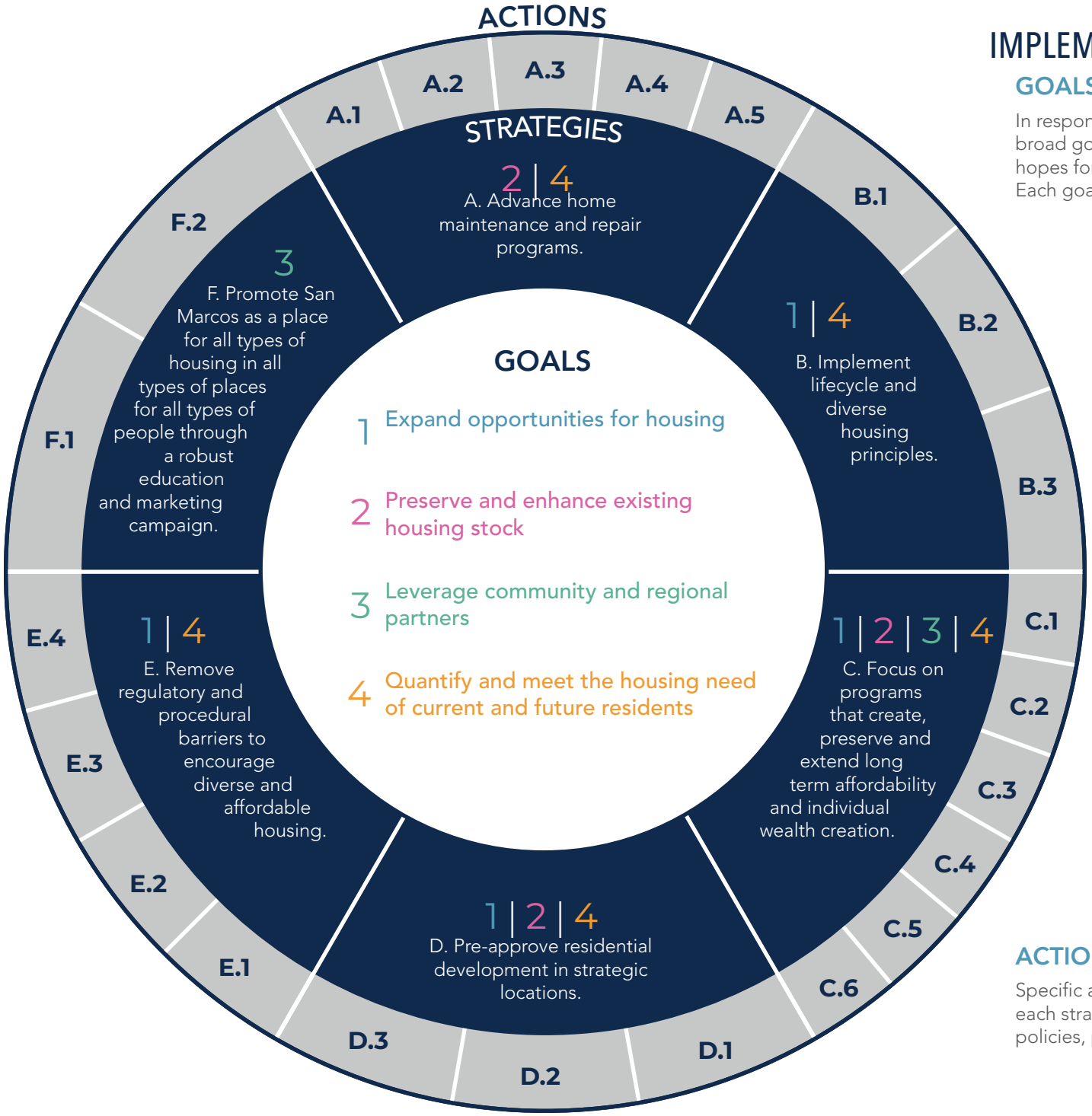
FOR SALE

WE NEED HOMES PRICED NEAR OR BELOW $200,000 AND INCREASED OWNERSHIP PRODUCT DIVERSITY.

WE NEED TO IMPROVE THE CONDITION AND ACCESSIBILITY OF EXISTING HOUSING STOCK.

THEN, WE ASKED, "HOW WILL WE ADDRESS THEM?"

IMPLEMENTATION FRAMEWORK



GOALS

In response to key community issues and needs, broad goals have been identified to describe the hopes for the future of housing in San Marcos. Each goal is a point towards which we strive.

STRATEGIES

Strategies describe what is needed to move the community towards completion of its goals. They are used by the City and other implementers to guide decisions and future actions. Multiple strategies can be used to carry out one goal and one strategy can also be used to accomplish multiple goals.

ACTIONS

Specific actions are recommended to carry out each strategy. Actions include projects, programs, policies, plans or research.

SAN MARCOS HOUSING GOALS

1 EXPAND OPPORTUNITIES FOR HOUSING.

As part of the housing survey, San Marcos residents rated the importance they associate with a housing supply that is suitable for a number of different types of households. The ratings reflect the importance to residents that the San Marcos housing stock be a true mix of housing types accommodating the preferences and incomes of a diversity of residents and households. San Marcos has experienced a substantial increase in home prices since 2000, with particularly sharp increases in the last 5 years. Median incomes, however, have not kept pace. In 2017-2018, San Marcos' median sale price was $256,600. Stakeholders identified families with household incomes of $60,000 to $80,000 to have the greatest unmet affordable housing need, for both rental and ownership products. This goal reflects the community desire and need for a more diverse housing market in the City of San Marcos.

ADDRESSING KEY NEEDS

FOR RENT — We need Additional affordable rentals for residents earning less than $25,000.

FOR SALE — We need homes priced near or below $200,000 and increased ownership product diversity.

Income Range	Max Affordable Home Price	Cumulative Housing Gap
$25,000-$34,999	$112,271	-14%
$35,000-$49,999	$160,388	-25%
$50,000-$74,999	$240,584	-3%
$75,000 - $99,999	$320,779	24%
$100,000-$149,999	$481,171	39%
$150,000 or more	$481,172+	46%

Sources: Housing Choice Survey and Root Policy Research

2 PRESERVE AND ENHANCE EXISTING HOUSE STOCK.

Actions that help mitigate price increases and preserve both market-rate and publicly assisted housing affordability help preserve the culture and identity of the community itself. According to survey results, in the past five years, nearly one in five (18%) of renters experienced displacement — having to move from a home when they did not want to move. The most common factors were rent increases, flood damage, cost of utilities and their landlord selling the home.

Nearly 50%

of non-student renters who experienced displacement did so because the rent increased more than their ability to pay.

Sources: Housing Choice Survey and Root Policy Research

ADDRESSING KEY NEEDS

We need to prevent Displacement.

We need to Improve the condition and accessibility of existing housing stock.

3 LEVERAGE COMMUNITY AND REGIONAL PARTNERS.

The City cannot do this alone. Partnerships will be essential to addressing all key needs. Strategies to assist extremely low income households will require strong partnerships and multi-layered initiatives. The Workforce Housing Task Force has helped bring existing organizations together that share an interest in affordable housing. This plan will ensure that they are working together to tackle the community's biggest challenges.

ADDRESSING KEY NEEDS

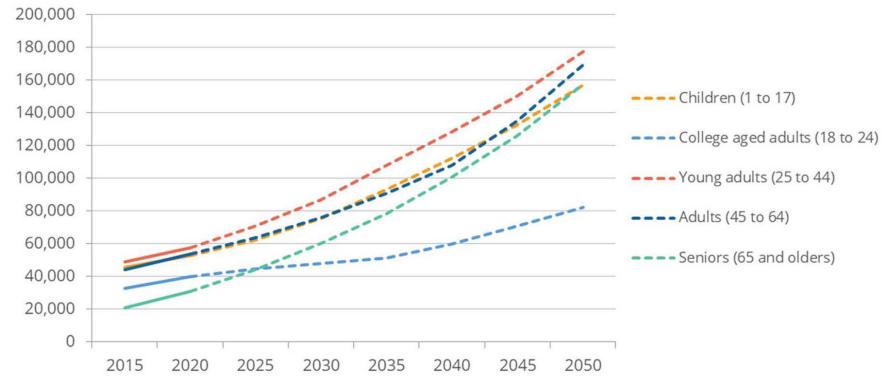
- We need Additional affordable rentals for residents earning less than $25,000.
- We need homes priced near or below $200,000 and increased ownership product diversity.
- We need to prevent Displacement.
- We need to Improve the condition and accessibility of existing housing stock.

Over

community and regional partners are focusing on providing affordable housing in San Marcos.

4 QUANTIFY AND MEET THE HOUSING NEED OF CURRENT AND FUTURE RESIDENTS.

The City of San Marcos is currently home to over 63,000 people with a diversity of housing needs ranging from student housing to small families to adults with live-in parents to single seniors, among others. The population of greater Hays County is projected to grow at an average annual rate of 3.7 percent over the next 30 years. This goal reflects the need to quantify and meet the community's evolving housing needs as residents age, families increase and decrease in size, and people move into and out of San Marcos.



Sources: Texas Demographic Center and Root Policy Research

ADDRESSING KEY NEEDS

- We need Additional affordable rentals for residents earning less than $25,000.
- We need homes priced near or below $200,000 and increased ownership product diversity.
- We need to prevent Displacement.
- We need to Improve the condition and accessibility of existing housing stock.

STRATEGY A

ADVANCE HOME MAINTENANCE AND REPAIR PROGRAMS

Improving the condition and accessibility of the existing housing stock is one of the City's key housing needs. Nearly 30 percent of housing survey respondents indicated that their home was in poor or fair condition. Renters and low- to moderate-income households were more likely to report a home in poor or fair condition. Additionally, substandard housing was one of the key reasons that people looking to purchase a home chose to move to a different community rather than San Marcos. Helping people stay in their own home and keep it in good repair helps families and their communities. Homeownership helps families and individuals build savings over time. It strengthens communities and helps many kinds of businesses that support the local economy.

Rental properties in disrepair can make renters feel helpless. A rental registry program can be used to regulate and better control the quality of rental properties. Registration enables the City to locate property owners in the case of code violations and emergencies and ensures that property owners understand their obligation under City ordinances.

Of all the homeowners who rated their home in fair or poor condition in the survey, 73 percent could not afford to make necessary repairs. If this continues for months and even years, necessary repairs compound and can easily overwhelm a homeowner. A variety of different programs and partnerships, including programs geared towards homeowners needing to make repairs, dedicated maintenance funds, and partnerships with home maintenance businesses can be used to help homeowners get out from under an ever growing list of necessary home repairs. By assisting with funding, labor and connecting homeowners to key partners, struggling owners can get their home back to good working order.

The City can also increase code enforcement and strategically acquire vacant land or unoccupied structures to transition them to a positive public use or future affordable housing.

The recommendations for this strategy include programs and policies that help people stay in and improve their current living situation, assist neglected renters, and enhance properties that are in disrepair. On-going research of key metrics is essential to tracking the City's progress over time.

METRIC

Number of households assisted through repair and rehabilitation programs (location and demographics).

2019 Baseline Condition: ##

METRIC

Number of renovation permits issued.

2019 Baseline Condition: ##

METRIC

Number of serious code violations and repeat offenders.

2019 Baseline Condition: ##

METRIC

Number of rentals on rental registry.

2019 Baseline Condition: ##

Figure 13: *Case Study; City of San Antonio Owner Occupied Rehabilitation and Reconstruction Programs*

The City of San Antonio's Neighborhood and Housing Services Department provides a variety of rehabilitation and reconstruction programs to help low income residents repair and maintain the houses they already own.[1] Applicants must meet HUD Income guidelines and cannot exceed 80 percent of the Area Median Income. Some programs are offered citywide and others are district-specific. San Antonio's citywide rehabilitation and reconstructions programs include:

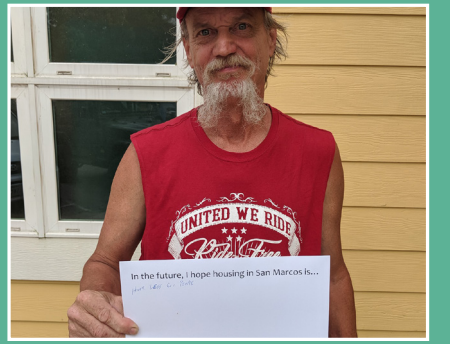
Image source: See 2 below

- **Green & Healthy Homes.** This program is available to owners and landlords of residential properties. It is intended to address and prevent housing-related health and safety hazards such as fire hazards, lead-based paint and asthma triggers. The program is targeted towards houses built prior to 1978 which have a child age 5 or under living or spending at least 6 hours per week in the house.
- **Minor Repair Program.** This program is intended to address health and safety hazards, ADA modifications and code issues such as electrical and plumbing, windows and doors, and other items in need of repair. Assistance is provided in the form of a one-time grant up to $25,000.
- **Owner-Occupied Rehabilitation.** This program helps low- to moderate-income homeowners rehabilitate their substandard and non-code compliant residential property. Assistance is provided in the form of a deferred forgivable loan to cover the cost of the needed repairs.
- **Under 1 Roof Residential Roof Repair Program.** This program helps homeowners repair or replace worn roofs with an energy efficient roof. Assistance is provided in the form of a one-time grant up to $14,000.

1 *City of San Antonio Neighborhood & Housing Services Department. Repair & Remediation Programs. https://www.sanantonio.gov/NHSD/Programs/Repair#228782761-citywide*
2 *City of San Antonio (2018). San Antonio's Housing Policy Framework, p 45. https://www.sanantonio.gov/Portals/0/Files/HousingPolicy/Resources/SA-HousingPolicyFramework.pdf*

Figure 14: *Preventing Homelessness*

The city is in an affordable housing crisis and if growth projections are correct, it will not improve unless bold and strategic measures are developed and enacted. Solutions must include preventing and diverting low-income families from entering homelessness. According to the U.S. Interagency Council on Homelessness one of the primary strategies to ending homelessness is "strengthening our ability to prevent it in the first place. To do that we must take a multi-sector approach that focuses on housing need, housing stability, and risks of homelessness across many different public systems." By boldly and strategically addressing our communities housing challenges this action plan is helping to prevent homelessness from occurring in the first place.



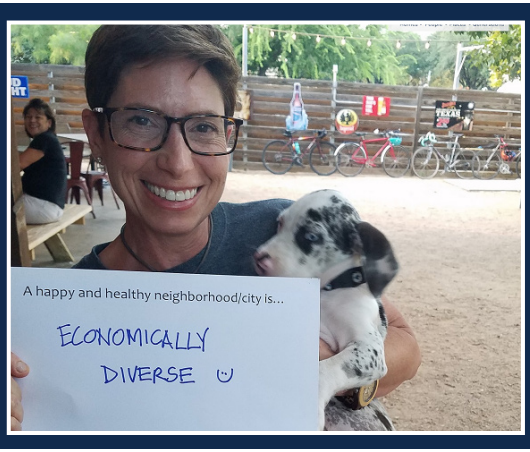
STRATEGY A: ADVANCE HOME MAINTENANCE AND REPAIR PROGRAMS

ACTION PLAN

ACTION ID	ACTION	DIFFICULTY	LEVEL OF EXPENSE	POTENTIAL PARTNERS	TYPE OF ACTION
A.1	Rental Registry Establish a rental registry program to promote the safety and well-being of all renters through health and safety standards and tenant-landlord counseling education.	Medium	$$	Real Estate Community, Tenants Council, ACT Program	Policy / Program
A.2	Owner Occupied Rehabilitation Programs Expand existing housing rehabilitation programs including, but not limited to a revolving loan fund for owner occupied rehabilitation, major repairs and minor repairs.	Medium	$$	Non-profit Sector, Financial Institutions	Program
A.3	Community Partnerships Develop and promote social enterprises (a cause-driven business whose primary reason for being is to improve social objectives and serve the common good) within the community that assist residents with repairs, materials, design and labor on existing homes for low to moderate income residents.	High	$	SMCISD, Workforce Solution, Community Action, Gary Job Corp, Texas State, Builders Association, Private Building Industry	Project
A.4	Sustainable Funding Source Create a dedicated and stable funding source for home maintenance and repair programs. This could include TIF fund allocations, small stipend from closing costs for new single-family homes, a fee-in-lieu program from new development requests, etc.	High	$$	Development Community, Real Estate Industry	Policy / Program
A.5	Enhanced Code Enforcement Efforts If vacant land and/or unoccupied structures are too dilapidated to repair, consider obtaining the parcels and adding them to the land bank. The City should also increase enforcement efforts to address code violations in occupied structures prior to abandonment.	Medium	$	City of San Marcos Planning & Development Services Department	Program

Figure 15: *Funding Sources*

Addressing the housing crisis in a holistic way will include both market-driven approaches and financial assistance programs directed towards some of the City's most vulnerable populations. Programs requiring financial assistance, such as the ones identified in Strategies A, B, and C of this action plan, are not inexpensive and will require a long-term and sustainable local funding source. Current federal and state funding allocated through Community Development Block Grants (CDBG) or Low Income Housing Tax Credits (LIHTC) do not provide the depth or flexibility in funding to meet the needs identified in this Action Plan. Throughout the country, there are a range of options that have been effective tools for increasing local housing funds from relatively simple real estate transaction fees to a recapture and set aside of additional tax increment, community benefit agreements, developer incentives, or local housing bonds. In developing a local funding source San Marcos has the opportunity to leverage growth and development to ensure that as we grow we are providing housing solutions for all.



STRATEGY B

IMPLEMENT LIFECYCLE AND DIVERSE HOUSING PRINCIPLES

One of the City's key housing needs is to diversify housing options. This includes family homes priced near or below $200,000 and increased ownership product diversity.

The results of the housing survey indicated that the community thinks it is important to have a true mix of housing types to meet the needs of varying incomes, ages and household compositions. Lifecycle housing principles enable a diversity of housing types that respond to the evolving housing needs of residents as they age. This includes college students, young families, people with aging parents and seniors, among others.

Providing affordable and diverse housing options is partially predicated on development and zoning codes that allow and often incentivize, rather than inhibit, such uses. Key challenges with developing affordable housing often include the cost of land, lot and unit size requirements, lengthy permit processes, and neighborhood push-back. Recommendations for this strategy include policy and process changes to encourage development of diverse housing products. It also includes leveraging public lands to help offset the cost of developing affordable units. This reduction in cost can then be passed through to potential homebuyers.

METRIC

Number of lots rezoned to accommodate diverse housing types.

2019 Baseline Condition: ##

METRIC

Number of diverse housing types constructed, including: small lot single family, accessory dwelling units, townhomes, condominiums, all multi-unit complexes up to a maximum of 24 units per project.

2019 Baseline Condition: ##

Figure 16: *Combining Transportation and Housing Costs*

The traditional measure of affordability recommends that housing cost no more than 30% of household income. However, that benchmark fails to take into account transportation costs, which are typically a household's second-largest expenditure. Combining housing and transportation costs sets the benchmark at no more than 45% of household income. Typically a household's second-largest expenditure, transportation costs are largely a function of the characteristics of the neighborhood in which a household chooses to live. Compact and dynamic neighborhoods with walkable streets and high access to jobs, transit, and a wide variety of businesses are more efficient, affordable, and sustainable[1].

1 *Center for Neighborhood Technology. Housing and Transportation Index https://htaindex.cnt.org/fact-sheets/#*

STRATEGY B: IMPLEMENT LIFECYCLE AND DIVERSE HOUSING PRINCIPLES

ACTION PLAN

ACTION ID	ACTION	DIFFICULTY	LEVEL OF EXPENSE	POTENTIAL PARTNERS	TYPE OF ACTION
B.1	Development Codes and Zoning Support diverse and vibrant neighborhoods by expanding the types of zoning districts and building types allowed within existing neighborhoods. Use a community driven process with a focus on accommodating residents through all stages of life.	Medium	$	General Community Outreach, Small Scale Developers, Neighborhood Organizations	Policy / Plan
B.2	Public Lands Leverage publicly owned lands for diverse affordable housing developments by taking a comprehensive inventory of land and its suitability for affordable housing development.	Medium	$$	Public and Quasi-Public Partnerships, Neighborhoods, Development Partners	Program / Project
B.3	Infill Housing Assistance Assist builders with fee waivers, clear-path permitting, and regulatory incentives like reduced parking or additional units in exchange for permanently affordable housing in pre-identified infill sites.	Medium	$	Landowners and Developers within Strategic Locations	Program / Policy

Figure 17: *Case Study; Incentives for Small Scale Development (Grand Rapids, MI)*

Source: https://www.apartments.com/campus-two-triplex-development-seattle-wa/r8we352/

In an effort to incentivize small scale development, the City of Grand Rapids, Michigan is changing select standards for development site layout and building placement. The following four changes were also discussed with developers and will encourage development of "missing middle" housing products such as duplexes, quadplexes and other options smaller than a large house.[1]

- **Minimum unit width.** Reducing the minimum width for dwelling units from 18 feet to 14 feet.
- **By-right development of two-family units.** Allowing by-right construction of two-family residential developments in their Low Density Residential zone district when located on a corner parcel or within a specified distance of select commercial or transit related zones. Lot area and width requirements will be aligned with their single family residential requirements.
- **Minimum lot area.** Removing the minimum lot area requirement for multi-family residential developments.
- **By-right development of multi-family units.** Allowing by-right construction of multi-family units, with no more than four units per building, in their Low Density Residential zone district when located within a specified distance of select commercial or transit related zones, and when the development complies with form standards and maximum building footprint and width.

The City is also creating a Design Guidelines Manual to ensure that the character of existing neighborhoods is preserved.

1 *City of Grand Rapids. Housing NOW! https://www.grandrapidsmi.gov/Government/Programs-and-Initiatives/Housing-NOW*
2 *https://www.apartments.com/campus-two-triplex-development-seattle-wa/r8we352/*

STRATEGY C

FOCUS ON PROGRAMS THAT CREATE, PRESERVE AND EXTEND LONG TERM AFFORDABILITY AND INDIVIDUAL WEALTH CREATION

A key housing need in the city is to prevent displacement. The city's housing market is generally affordable for people earning more than $50,000 per year (depending on the type of housing they pursue). However, the 2017 median family income was $49,551 and median household income was $34,748. This means that homeownership in the current market is out of reach for many people in San Marcos.

Housing costs have been steadily increasing in San Marcos, with a significant increase in the last five years. Without the creation of programs targeted specifically towards long-term housing affordability, the impact of growing housing costs will continue to increase.

This strategy includes a variety of programs and policies that support the creation or preservation of affordable housing, or help individuals access housing that might be slightly out of their reach financially. A legal entity can be created to share in equity of housing as a means of keeping costs low for homebuyers. Other programs, such as land banking, can help to offset the cost and preserve land for future affordable housing. With a variety of potential solutions, it is recommended that a Community Advisory Group be created to help guide the long-term implementation of various programs.

METRIC

Number of shared equity or land trust homes created.

2019 Baseline Condition: ##

METRIC

Number of households assisted through down payment assistance.

2019 Baseline Condition: ##

METRIC

Number of parcels land-banked and number of parcels from land bank that are developed into affordable housing.

2019 Baseline Condition: ##

METRIC

Number of households assisted through other policies as implemented (e.g., tax exemptions).

2019 Baseline Condition: ##

METRIC

Inventory of City-owned parcels and whether they are suitable for affordable housing development.

2019 Baseline Condition: ##

Figure 18: *Shared Equity Homeownership*

Shared equity homeownership, or resale-restricted, owner-occupied programs are used to create permanently affordable housing options. A one-time public investment is used to offset the costs of housing. This makes the home affordable for a lower-income family. In return for purchasing a home at an affordable cost, the homeowners agree to limit their returns upon resale. In effect, homeowners "share" some of the proceeds from resale to pay the opportunity forward to the next qualified household who buys the home.[1]

There are a variety of shared equity homeownership models, the most popular of which is community land trusts (CLTs). CLTs are often used to develop and steward affordable housing, commercial spaces and community gardens. The CLT is a nonprofit corporation that acts on behalf of the community. Land is held in a trust that is controlled by the community. The CLT leases land at a nominal price to a lower-income person so they are able to purchase the home at an affordable price.[2] When the owner sells the home, the sale amount is restricted to pass along the ownership opportunity to the next low-income homeowner. Shared equity models balance wealth building opportunities for low-income families with preserving the community's investment.

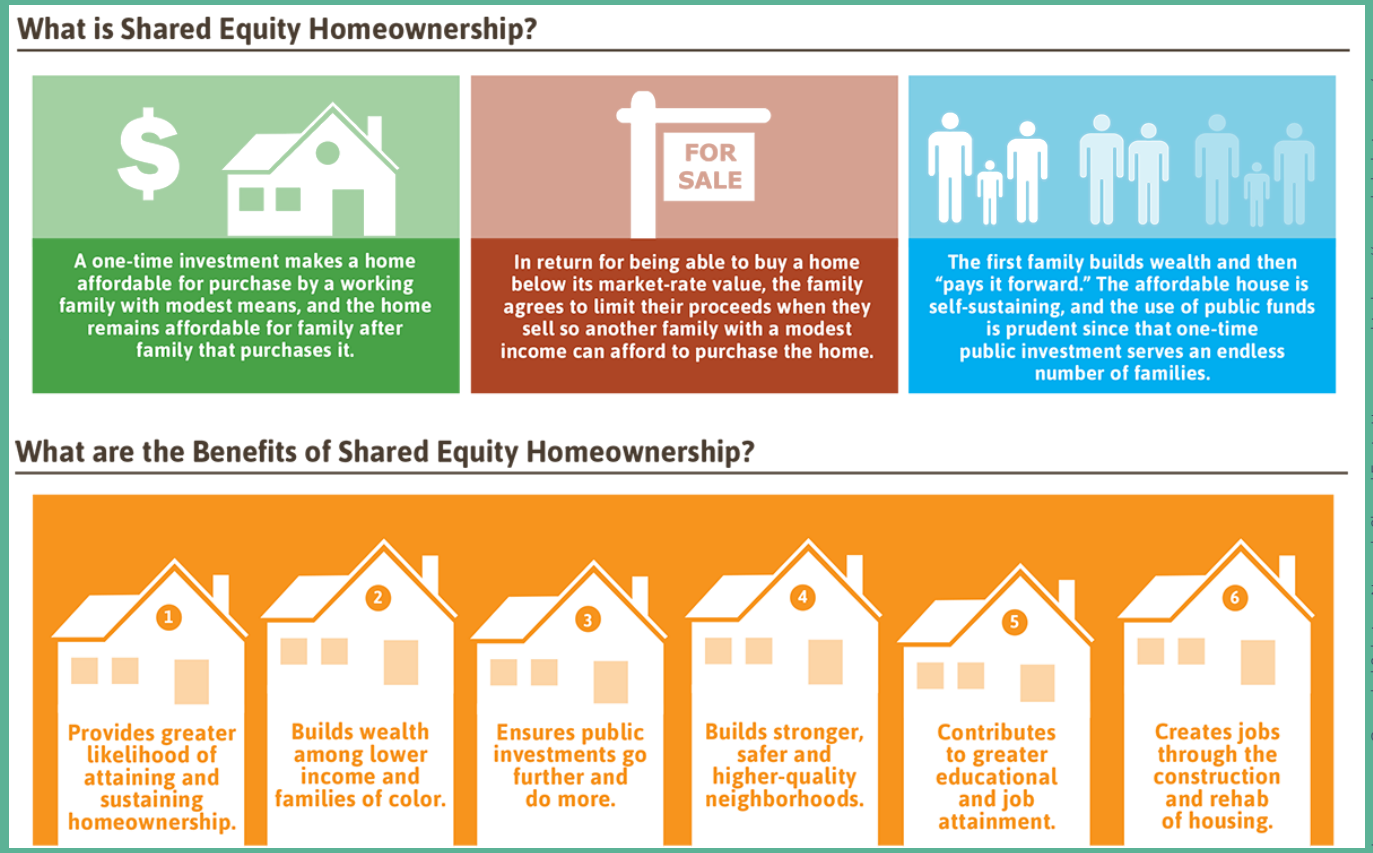


Image source: Grounded Solutions Network. Shared Equity Homeownership. https://groundedsolutions.org/strengthening-neighborhoods/shared-equity-homeownership

1 *Grounded Solutions Network. Shared Equity Homeownership. https://groundedsolutions.org/strengthening-neighborhoods/shared-equity-homeownership*
2 *Thaden, Emily. Shelterforce; The Voice of Community Development. The State of Shared-Equity Homeownership. 7 May, 2018. https://shelterforce.org/2018/05/07/shared-equity/*

Figure 19: *Case Study; Houston Land Bank*

Houston Land Bank's (formerly known as the Land Assemblage Redevelopment Authority) mission is to "strategically acquire, dispose, and steward vacant, abandoned, and damaged properties into productive use to catalyze transformative community and economic development for the City of Houston." The Houston Land Bank has brought over $37 million in property value back to the market since 2007. They work in neighborhoods that are in need of reinvestment. The cumulative effect of acquiring, flipping and selling properties has provided residents with an opportunity to build wealth through home ownership and led to increased tax revenue which helps to fund public schools, the City of Houston and Harris County programming.[1]

Houston Land Bank offers programs for homebuyers, builders, partners and neighborhoods.[2]

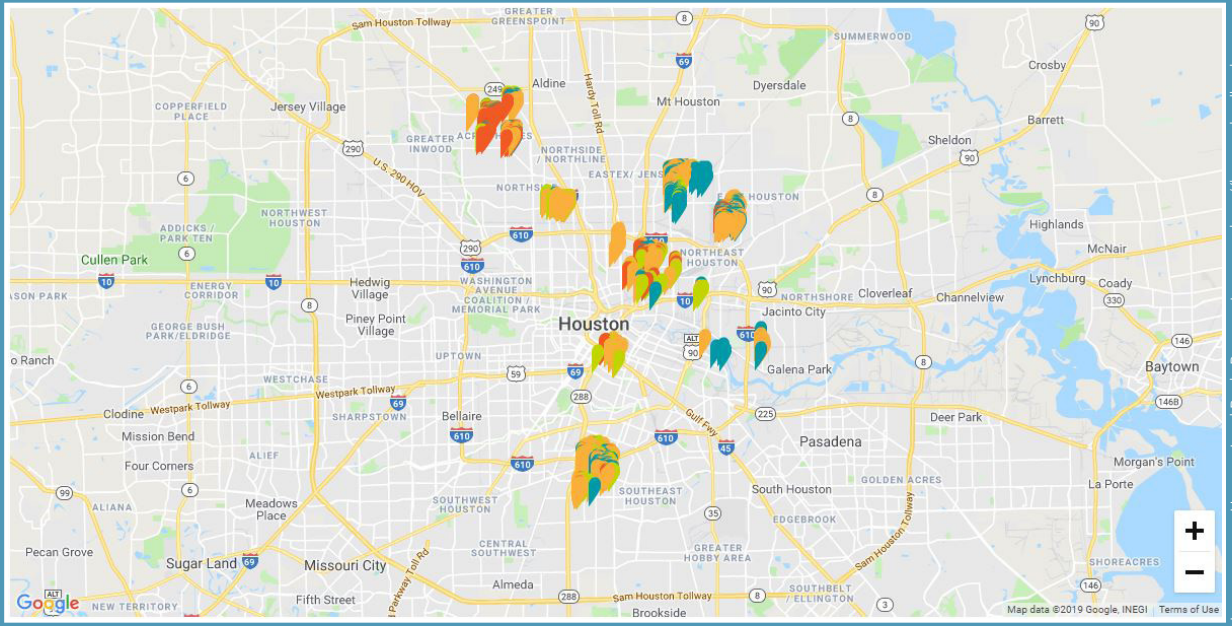


Image source: Houston Land Bank. Property Inventory. http://houstonlandbank.org/property-inventory-and-historical-lot-home-sale/

- **Homebuyers.** They provide new affordable houses to qualified buyers through a partnership with the City of Houston Housing and Community Development.
- **Builders.** Builders can purchase lots at a discount to provide new affordable housing.
- **Partners.** The Houston Land Bank utilizes investment, redevelopment and contract partners to help accomplish their mission.
- **Neighborhoods.** Citizens can stay up to date with the Houston Land Bank's activities through transparent access to data and information.

Image source: Houston Land Bank. For Homebuyers. http://houstonlandbank.org/for-homebuyers/

Image source: Houston Land Bank. For Homebuyers. http://houstonlandbank.org/for-homebuyers/

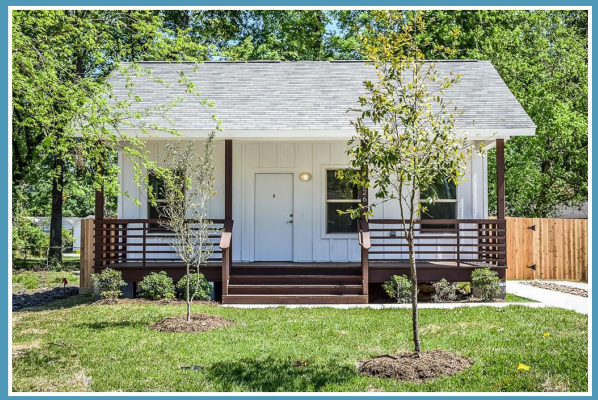


Image source: Houston Land Bank. For Homebuyers. http://houstonlandbank.org/for-homebuyers/

1 *Houston Land Bank. Our Impact. http://houstonlandbank.org/impact/*
2 *Houston Land Bank. Our Programs. http://houstonlandbank.org/programs/*
3 *Houston Land Bank. Property Inventory. http://houstonlandbank.org/property-inventory-and-historical-lot-home-sale/*
4 *Houston Land Bank. For Homebuyers. http://houstonlandbank.org/for-homebuyers/*

STRATEGY C: FOCUS ON PROGRAMS THAT CREATE, PRESERVE AND EXTEND LONG TERM AFFORDABILITY AND INDIVIDUAL WEALTH CREATION

ACTION PLAN

ACTION ID	ACTION	DIFFICULTY	LEVEL OF EXPENSE	POTENTIAL PARTNERS	TYPE OF ACTION
C.1	Community Advisory Group Create a process by which a Community Advisory Group can be developed along with a detailed outline of their roles & responsibilities. The Advisory Group will be tasked with implementation of and on-going administration of strategies within this plan. This will ensure on-going transparency and community involvement.	Medium	$	City of San Marcos Planning & Development Services Department, Neighborhood Residents and Advocates.	Program
C.2	Stabilize Households Implement affordable housing tax and appraisal protection measures and work with partners to enhance awareness and resources around tenant rights and responsibilities.	High	$$	Appraisal District, Hays County, School District, Neighborhood Organizations	Policy
C.3	Down Payment Assistance Expand down payment assistance and home buyer counseling programs by supporting public-private partnerships with financial institutions and major employers. Consider a shared-equity approach for longer-term affordability, where appropriate.	Medium	$$	Business Community, Financial Institutions, Major Employers, CDBG Staff and Community Beneficiaries	Program
C.4	Land Banking Acquire public, vacant, flood prone, or dilapidated structures with the purpose of transitioning properties to a public use such as parkland or open space in flood prone areas and diverse types of affordable housing on suitable properties. This could include partnering with developers to expand affordable housing options in the City of San Marcos.	Medium	$$	Affordable Housing Developers	Program
C.5	Shared Equity Create a Community Land Trust or other forms of Shared Equity Ownership. Transition suitable land bank properties to permanently affordable housing through a public/ private partnership with builders and a shared equity model.	High	$$	Neighborhood Organizations, Appraisal District, School District	Program
C.6	Legislative Adjustments Continue to work with partners to amend the State Law governing Land Bank and Land Trust Legislation. We need to ensure that the law is compatible and flexible to meet our local needs.	Medium	$	City of San Marcos Planning & Development Services Department, Bickerstaff	Regulation

STRATEGY D

PRE-APPROVE RESIDENTIAL DEVELOPMENT IN STRATEGIC LOCATIONS

The city needs more housing. Key needs include additional rentals affordable to people earning less than $25,000, family homes near or below $200,000, and increased ownership product diversity. Rental units in San Marcos are currently concentrated near the University and along the northwest side of the I-35 corridor. Owner-occupied housing units are mostly concentrated northwest of I-35, away from the corridor, and near Stokes Park, just southeast of I-35. As part of the Vision San Marcos Comprehensive Plan, the City identified a series of Intensity Zones where the majority of growth is anticipated over the next 30 years. It will be important to plan for and accommodate new residential development in these areas.

There will need to be significantly more residential housing in San Marcos in the coming years. A variety of regulatory and financial strategies can be used to allow, and even encourage, greater density and overall residential development in strategic areas. Opt-in overlay districts can be used to incentivize development of affordable housing while preserving the character of existing neighborhoods. Proactively zoning undeveloped and infill areas to allow for residential growth can help to reduce the time and complexity of development. Allowing the formation of a TIF can help with on-going funding of housing in these key areas. The recommended actions for this strategy can work separately or together to encourage the development of diverse and affordable housing options for San Marcos residents.

METRIC

Number and type of development incentives utilized (and number of affordable units generated through incentives and level of affordability by AMI).

2019 Baseline Condition: ##

METRIC

Implementation of any zoning changes or overlays that facilitate diversity of housing choice.

2019 Baseline Condition: XX

STRATEGY D: PRE-APPROVE RESIDENTIAL DEVELOPMENT IN STRATEGIC LOCATIONS.

ACTION PLAN

ACTION ID	ACTION	DIFFICULTY	LEVEL OF EXPENSE	POTENTIAL PARTNERS	TYPE OF ACTION
D.1	Opt-In Zoning Overlay Districts Create Opt-In zoning districts in Intensity Zones that offer an option for increased density and fast tracked permitting in exchange for affordable housing and other community benefits important to those strategic locations.	Medium	$	Landowners and Developers within Strategic Locations	Policy / Program
D.2	Accommodate Growth through Appropriate Zoning The City should pro-actively zone both undeveloped and infill areas in accordance with the Comprehensive Plan to ensure that the capacity for residential growth is in excess of the anticipated population growth instead of relying on each individual project to request zoning.	High	$	Landowners within Strategic Locations	Policy
D.3	Tax Increment Financing Utilize Tax Increment Financing mechanisms in strategic growth areas from the Comprehensive Plan to ensure that affordability is included in growth areas.	Medium	$$	Landowners within Strategic Locations	Policy / Program

Figure 20: *Case Study; University Neighborhood Overlay Zoning (Austin, TX)*

Austin's University Neighborhood Overlay (UNO) zoning district was adopted in 2004. The purpose of the ordinance is to, "promote high density redevelopment in the area generally west of the University of Texas campus, provide a mechanism for the creation of a densely populated but livable and pedestrian friendly environment, and protect the character of the predominantly single-family residential neighborhoods adjacent to the district."[1]

There are nearly 55,000 students and faculty at the University of Texas. Student housing is provided but a large percentage of people live in the neighborhoods around the campus. In an effort to preserve the character of less dense neighborhoods, the City created this incentive-based overlay. The overlay provides an alternative set of development regulations (e.g., reduced parking, significantly increased density), in exchange for affordable housing.

Thousands of apartments have been added to the area since the rezoning. As of December 2018, over 10,000 new units/bedrooms were built or approved, over $1 billion value of new buildings and over $25 million annual tax revenue.[2]

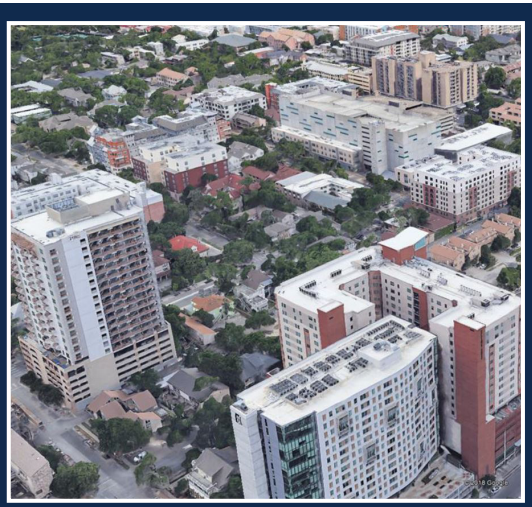


Image source: City of Austin Planning and Zoning Department (2018). Overview of the University Neighborhood Overlay (UNO) Planning Commission Briefing. http://www.austintexas.gov/edims/document.cfm?id=311899

1 City of Austin. Ordinance No. 040902-58. http://www.austintexas.gov/edims/document.cfm?id=3062
2 City of Austin Planning and Zoning Department (2018). Overview of the University Neighborhood Overlay (UNO) Planning Commission Briefing. http://www.austintexas.gov/edims/document.cfm?id=311899

STRATEGY E

REMOVE REGULATORY AND PROCEDURAL BARRIERS TO ENCOURAGE DIVERSE AND AFFORDABLE HOUSING

Two of the top needs identified in the Housing Needs Assessment were more affordable rental units and homes priced near or below $200,000. There will be a need for additional housing construction to help address this issue. Home pricing and timing of construction can be significantly impacted by regulatory requirements and approval procedures. Conversely, regulations can be intentionally written to encourage development of affordable and varying housing products.

The recommendations for this strategy include policies that remove barriers to the delivery of diverse and affordable housing. These include adding to the list of permitted uses and adjusting development standards to encourage more diverse housing types. These also include procedural and regulatory changes to create a clear path to a permitted development that helps the City address its growing housing challenges.

METRIC

Number of manufactured or tiny home parks and/or expansion to capacity for manufactured homes due to zoning changes.

2019 Baseline Condition: ##

METRIC

Number of accessory dwelling units (ADUs) permitted.

2019 Baseline Condition: ##

METRIC

Number and type of publicly assisted units and when the affordability contracts expire.

2019 Baseline Condition: ##

Figure 21: *Case Study; Opportunity Village Eugene (Eugene, OR)*

Opportunity Village Eugene (OVE) is a tiny house community that will provide 22 tiny homes to people in need of affordable housing. The development is being created by Square One Villages, a non-profit organization that creates self-managed communities of low-cost tiny homes. The residents selected for the property were either homeless or at very high risk of homelessness.[1]

As a pilot project, the City of Eugene provided a one-year lease for one acre of land to OVE for $1 per year.[2] (This lease has since been extended). Funds for development of the site were then raised by the local community. Local architects and builders are providing in-kind services to design and build some of the houses. The City is also providing some credit towards System Development Charges (essentially impact fees) to help reduce costs.

Each home is designed as a permanent dwelling on a slab foundation. The homes each include living and sleeping areas, a kitchenette and bathroom. The homes will also be supported by a larger community building with common areas and facilities.

OVE illustrates that with accommodating regulations; strategic partnerships; and a small amount of land; affordable, diverse housing products can be provided.

Image source: Stephens, Alexis. Tiny House Expedition. A New Tiny House Community for Low-Income. https://tinyhouseblog.com/tiny-house-concept/new-tiny-house-community-low-income/

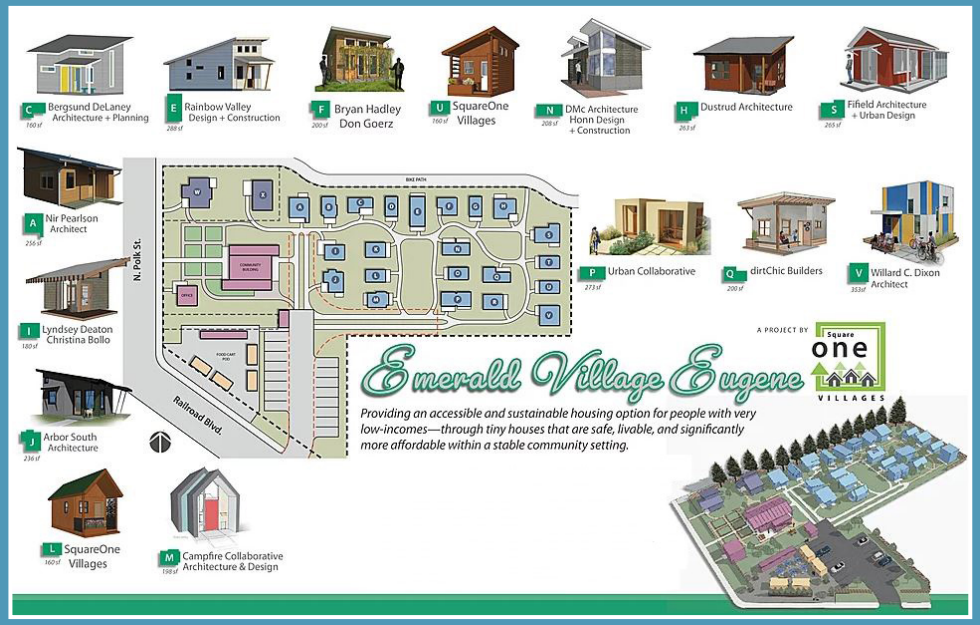


Image source: Square One Villages. Emerald Village Eugene Fact Sheet. https://www.squareonevillages.org/emerald

Image source: Stephens, Alexis. Tiny House Expedition. A New Tiny House Community for Low-Income. https://tinyhouseblog.com/tiny-house-concept/new-tiny-house-community-low-income/

1 *Square One Villages. Emerald Village Eugene Fact Sheet. https://www.squareonevillages.org/emerald*
2 *Stephens, Alexis. Tiny House Expedition. A New Tiny House Community for Low-Income. https://tinyhouseblog.com/tiny-house-concept/new-tiny-house-community-low-income/*

STRATEGY E: REMOVE REGULATORY AND PROCEDURAL BARRIERS TO ENCOURAGE DIVERSE AND AFFORDABLE HOUSING.

ACTION PLAN

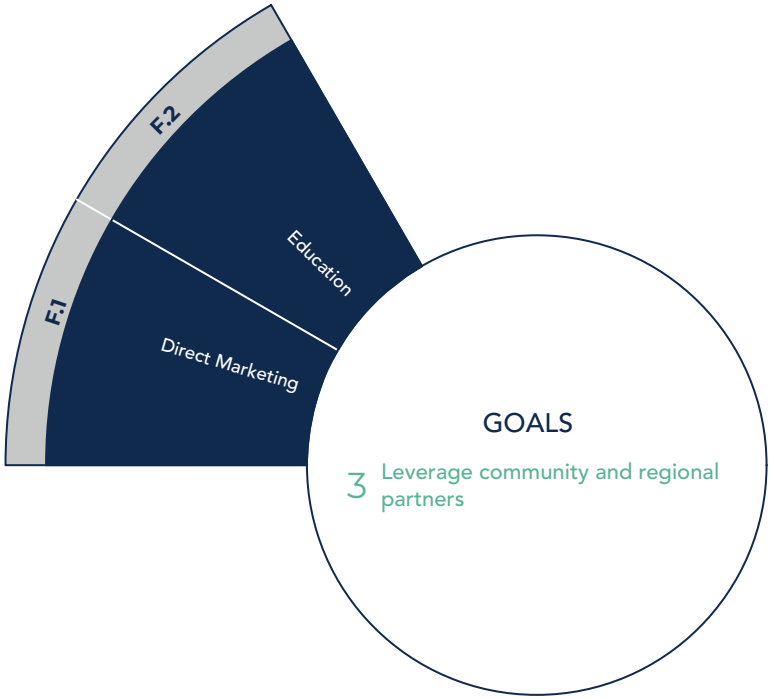
ACTION ID	ACTION	DIFFICULTY	LEVEL OF EXPENSE	POTENTIAL PARTNERS	TYPE OF ACTION
E.1	Manufactured Homes Manufactured homes provide an opportunity to enter the housing market at a lower cost than conventional home. The City should look for additional opportunities to include or allow manufactured homes.	Medium	$		Policy
E.2	Tiny Homes The City should review and modify land-use and zoning regulations to encourage tiny home ownership and community development, as they provide opportunities for affordable home ownership. Additionally, tiny homes used as Accessory Dwelling Units can increase the number of affordable rentals in the community while allowing for residents to stay in their homes by providing opportunities for them to generate income.	Low	$		Policy
E.3	Clear Path Permitting Minimize the time it takes to build mixed income or affordable communities with a clear path permitting process. This includes a dedicated case manager, pre review prior to formal submittal, priority in the review queue and priority inspections.	Low	$	Landowners and Developers of Mixed-income or Affordable Communities.	Policy
E.4	Remove Regulatory Barriers to Affordable Housing Remove regulatory barriers to affordable housing when developments include a percentage of affordability. Barriers may include: • Impact fees • Parking requirements • Height requirements • Maximum density • Requiring full site plan review for projects with 12 units or less • Material requirements • Permit fees	Medium	$		Policy

STRATEGY F

PROMOTE SAN MARCOS AS A PLACE FOR ALL TYPES OF HOUSING IN ALL TYPES OF PLACES FOR ALL TYPES OF PEOPLE THROUGH A ROBUST EDUCATION AND MARKETING CAMPAIGN

Addressing all of the key needs identified in the Housing Needs Assessment will require partnerships and community buy-in. While housing survey respondents indicated that providing diverse housing types was important, most did not want housing other than single family homes in their neighborhoods. A resistance to large student housing developments may be part of the community's sentiment. If the City is going to truly accommodate lifecycle housing throughout the community, a targeted education campaign will be needed to help residents understand the value and need for different housing types. Being situated relatively close to other strong housing markets, it is also necessary to strategically target and market to the development community.

The recommendations for this strategy include programs that promote affordable needs and opportunities to the community, the development community, and potential residents through major employers.



METRIC

Number of marketing efforts and/ or educational and engagement opportunities for residents.

2019 Baseline Condition: ##

STRATEGY F: PROMOTE SAN MARCOS AS A PLACE FOR ALL TYPES OF HOUSING IN ALL TYPES OF PLACES FOR ALL TYPES OF PEOPLE THROUGH A ROBUST EDUCATION AND MARKETING CAMPAIGN.

ACTION PLAN

ACTION ID	ACTION	DIFFICULTY	LEVEL OF EXPENSE	POTENTIAL PARTNERS	TYPE OF ACTION
F.1	Direct Marketing • Market affordable housing and benefits to the community. • Market affordable housing and San Marcos to the development community, especially residential and affordable housing developers. Demonstrate the need and the support provided by the city and other partners. • Market affordable housing to current and prospective major employers including Texas State University.	Medium	$$	Chamber of Commerce, GSMP, University, Major Employers.	Program
F.2	Education Fund proactive outreach and counseling on opportunities for affordability to low- and moderate-income households experiencing housing vulnerability.	Medium	$$	Community Action, Non-Profit Sector, Financial Institutions, Texas State	Program

Image source: https://www.houstontx.gov/housing/SayYes/

Figure 22: *Case Study; City of Houston SAY YES To Quality Homes for All Incomes, in All Areas!*

The City of Houston has seen home prices escalate beyond affordable levels for many entry level professionals. In an effort to increase awareness about the need for affordable home development and address community opposition and misconceptions, the Houston Housing and Community Development Department launched their "Can I Be Your Neighbor?" campaign. The campaign includes a series of flyers in English and Spanish (see excerpts above). Each flyer provides ideas and opportunities for people to participate passively and actively to help address the issue.[1]

1 *City of Houston. Housing and Community Development Department. SAY YES To Quality Homes For All Incomes, In All Areas! http://www.houstontx.gov/housing/SayYes/housing/SayYes/*

THREE-YEAR ACTION PLAN

The housing challenges faced by the San Marcos community have been steadily growing over the years. This Plan includes 23 recommended actions to address the community's housing needs. The following five actions have been prioritized into an initial three-year action plan. These actions have been identified as having the greatest potential for impact and options for near-term implementation. The successful implementation of these actions is predicated on the provision of additional resources (e.g., funding, staffing). Incremental implementation steps and necessary resources are listed in the table below. The prioritization and timeline for the remaining recommended actions will be further defined as the City implements the initial three-year action plan.

ACTION ID	ACTION	INITIATION TIME FRAME 2020	2021	2022
E.3	Clear Path Permitting Implementation Steps: 1. Appoint a dedicated case manager of projects that include housing identified as a need in the community. 2. Develop a pre-review group made up of staff members from Planning & Development Services and Engineering & Capital Improvements Departments. 3. Implement a prioritization strategy for permit reviews.	X		
C.5	Shared Equity Implementation Steps: 1. Obtain legal advice on the creation of a land trust and other forms of shared equity. 2. Set up the land trust. 3. Determine the land that will be used for the first project of the land trust.			X
C.4	Land Banking Implementation Steps: 1. Review City-owned property and determine appropriateness for use as affordable housing. 2. Identify properties that are appropriate for affordable housing in the tax-delinquent rolls. 3. Identify properties that are appropriate for affordable housing owned by government and non-profit partners.	X		
D.2	Accomodate Growth through Appropriate Zoning Implementation Steps: 1. Identify areas in Intensity Zones from the Comprehensive Plan that are vacant or underdeveloped and are appropriate for higher density zoning districts. 2. Utilize a small area planning process in Existing Neighborhoods on the Comprehensive Plan to build community support for zoning districts that provide opportunities for additional diverse housing that fits into the neighborhood. 3. Proceed with a rezoning in Intensity Zones while ensuring mixed incomes and diverse commuities.		X	
A.4	Owner Occupied Rehabilitation Implementation Steps: 1. Expand existing housing rehabilitation programs including, but not limited to a revolving loan fund for both major and minor repairs.		X	

CONCLUSION

SAN MARCOS' GROWING HOUSING NEEDS

As identified and explained throughout this Plan, the San Marcos community has growing housing challenges. With the increasing cost of rent quickly outpacing the median income and median home sale prices continuing to escalate, the ability to enter and remain in the housing market is getting more and more challenging for current and prospective residents. The quality of the housing stock is decreasing as owners struggle to make ends meet, let alone make repairs to their home. According to survey results, nearly one in five renters had to move from a home when they did not want to. Access to quality, affordable and desirable homes is a key need for a thriving community. Providing a balanced housing stock that accommodates a full lifecycle community also supports the local economy and contributes to the culture that people love about San Marcos.

The goals, strategies and actions in this Plan have been identified as key steps towards addressing the housing challenges faced by the city. Full implementation of this Plan will take many years, additional resources, and the support and cooperation of numerous partners. While the City is not responsible for actual development of housing products, it can help to facilitate the process through programs, policies, regulatory changes, projects and strategic partnerships. It is crucial that the City's administrative systems and regulatory framework support the goals established in this Plan. If not, they could inhibit its successful implementation.

HOW TO USE THIS PLAN

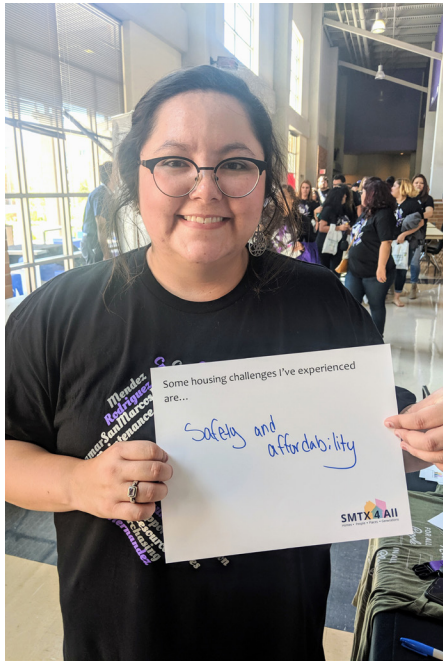
Initial implementation efforts of this Plan span the next three years. While this is a relatively short time frame, the quickly changing housing market and community demographics warrant regular review of the remaining recommended actions. Communities all over the country are struggling with housing challenges. Out of these challenges will likely come new strategies and innovative solutions.

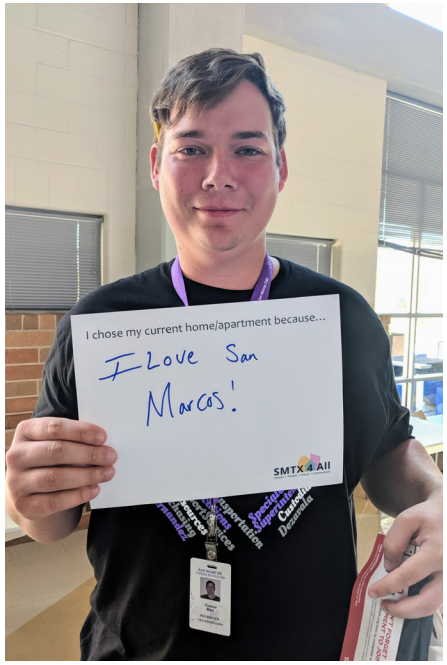
This Plan should be reviewed regularly and course corrected as needed. In order to track implementation efforts, the metrics laid out throughout the Plan should be tracked on an annual basis. Updated metrics should be publicly accessible on an interactive housing dashboard on the City's website. As part of their work program, the Planning and Development Services Department should prepare an annual update for submittal and discussion with the City Council. Updated metrics and the status of implementation efforts should be included in these reports.

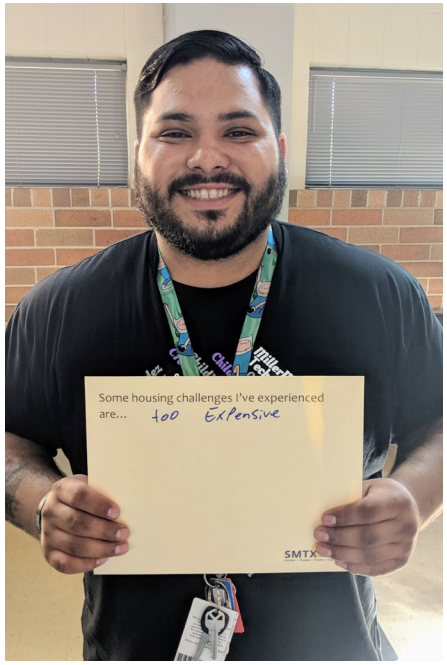
POTENTIAL PARTNERS

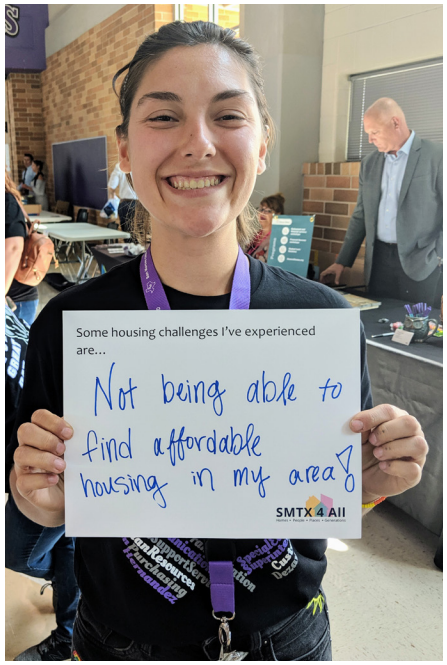
Implementation of this Plan will take coordinated effort from community leaders, appointed and elected officials, outside entities and agencies, and individual citizens. The City will need to partner with local, state and federal public and private partners to successfully address the housing challenges in San Marcos. Potential partners could include:

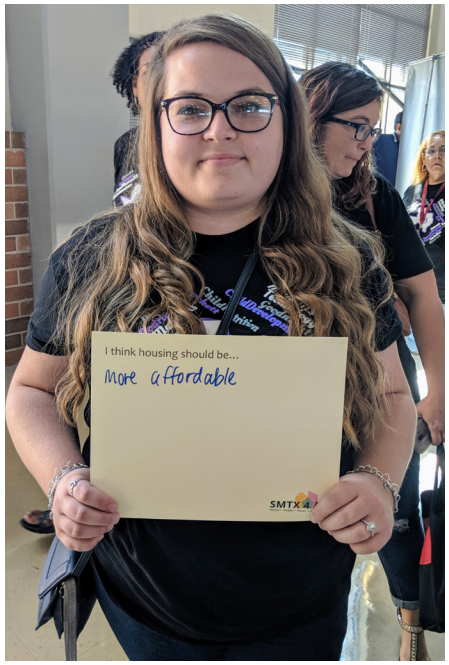
- San Marcos elected and appointed officials;
- City administration and staff;
- Workforce Housing Task Force members;
- Community Advisory Group (once created);
- Hays County;
- Hays Central Appraisal District;
- San Marcos Consolidated Independent School District;
- Texas State University;
- San Marcos Chamber of Commerce;
- Community Action of Central Texas;
- ACT Program;
- Tenant's Council;
- Major employers;
- Real estate and development community;
- Home Builders Association;
- Financial institutions;
- Workforce development organizations;
- Non-profit sector;
- San Marcos neighborhoods; and
- Individual landowners, among others.

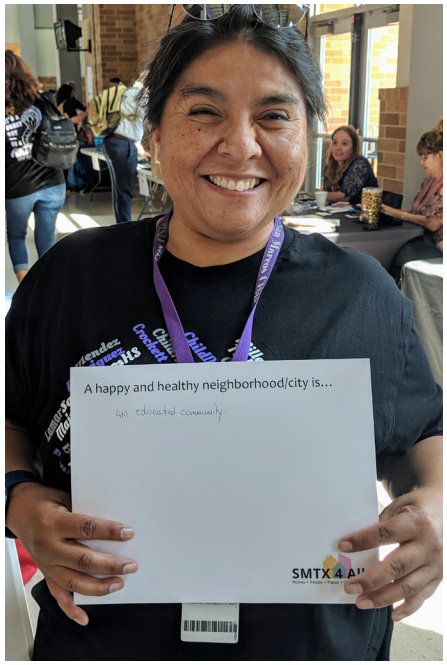

Some housing challenges I've experienced are...
Safety and affordability
SMTX 4 All

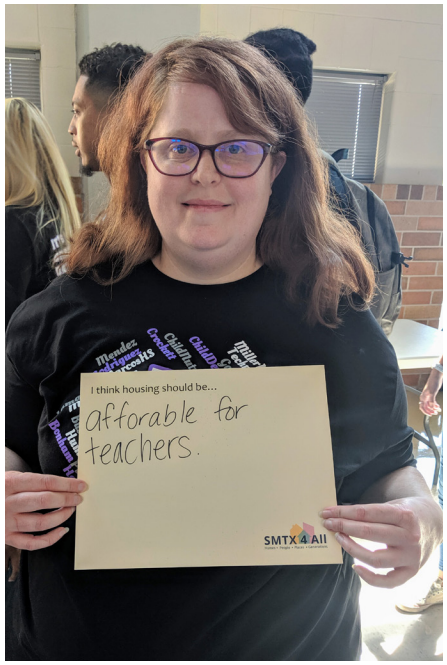

I chose my current home/apartment because...
I Love San Marcos!
SMTX 4 All

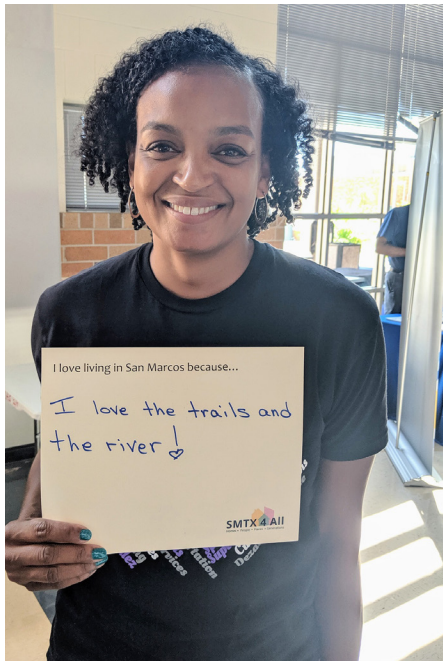

Some housing challenges I've experienced are...
too Expensive

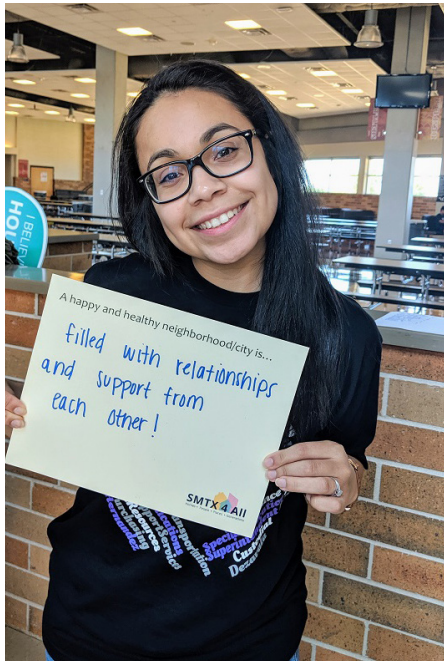

Some housing challenges I've experienced are...
Not being able to find affordable housing in my area!
SMTX 4 All

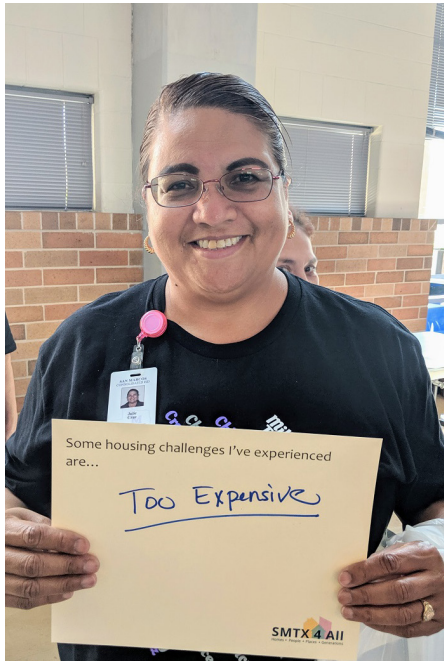

I think housing should be...
more affordable

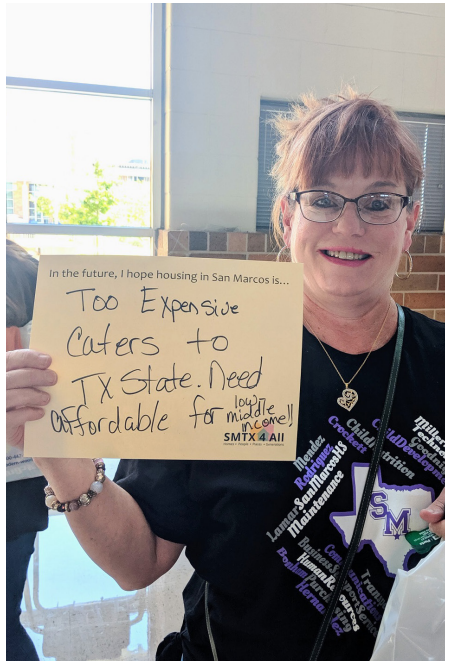

A happy and healthy neighborhood/city is...
fun educated community
SMTX 4 All

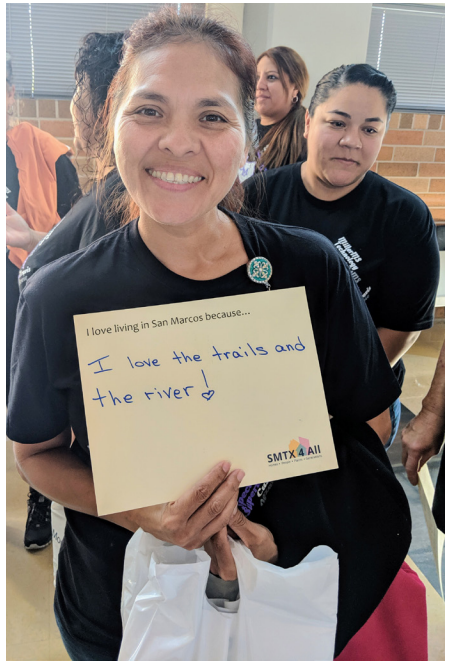

I think housing should be...
afforable for teachers.
SMTX 4 All

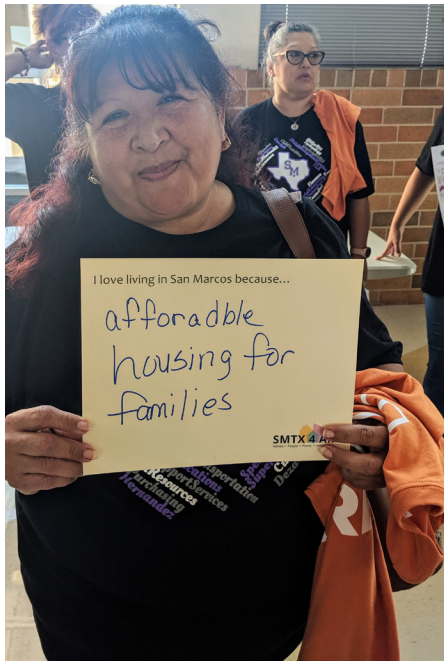

I love living in San Marcos because...
I love the trails and the river!
SMTX 4 All

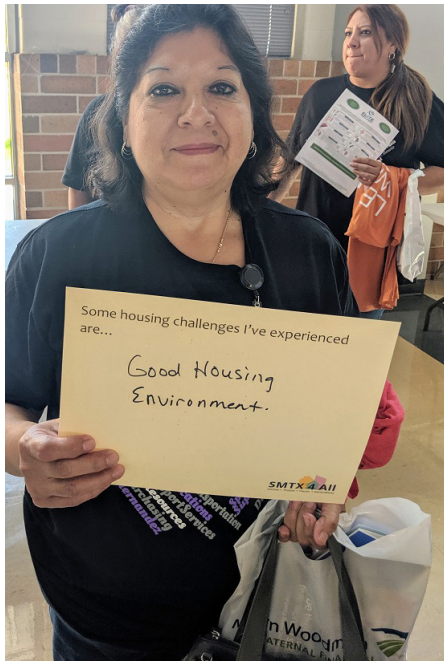

A happy and healthy neighborhood/city is...
filled with relationships and support from each other!
SMTX 4 All

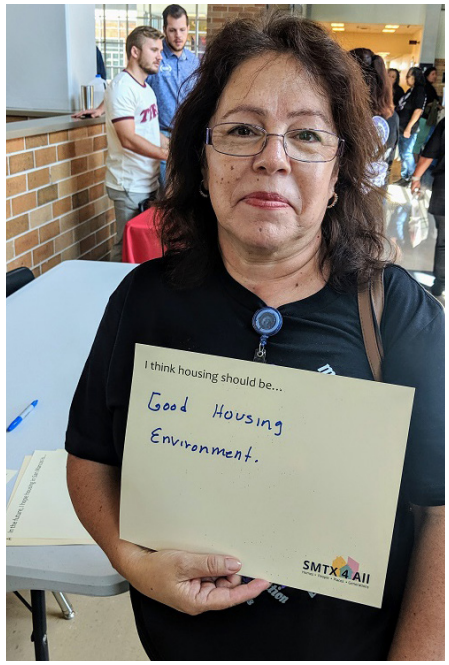

Some housing challenges I've experienced are...
Too Expensive
SMTX 4 All

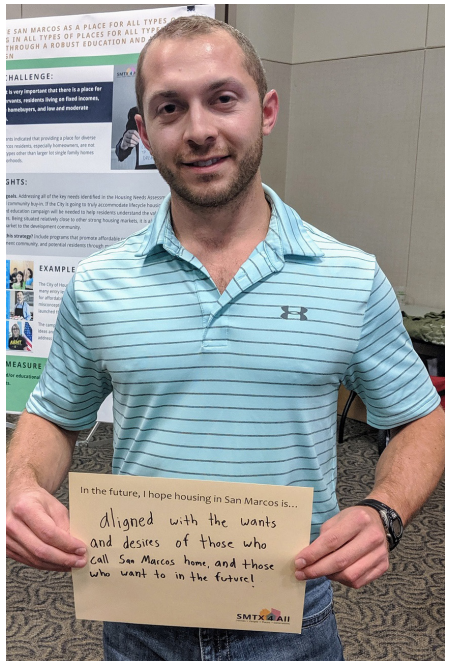

In the future, I hope housing in San Marcos is...
Too Expensive
Caters to TX State. Need
Affordable for low middle income!!
SMTX 4 All

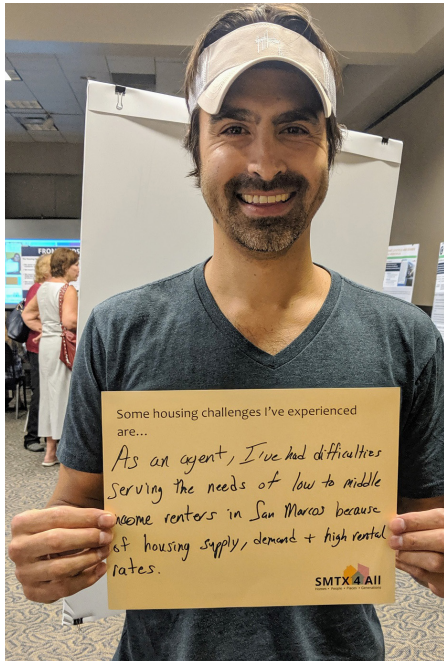

I love living in San Marcos because...
I love the trails and the river!
SMTX 4 All

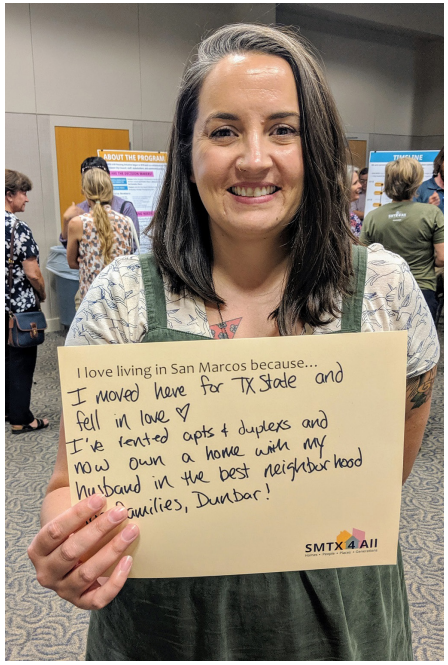

I love living in San Marcos because...
afforadble housing for families

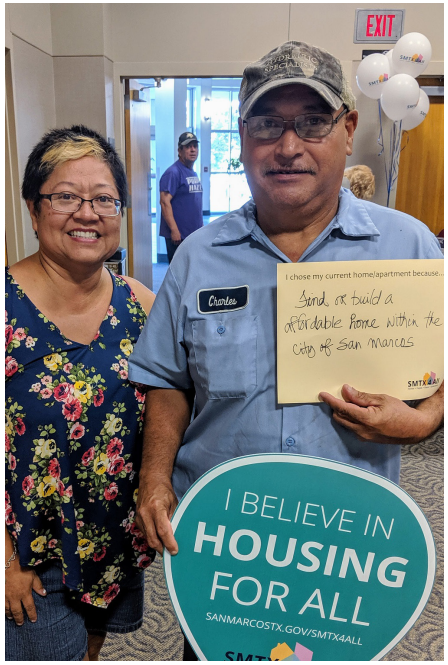

Some housing challenges I've experienced are...
Good Housing Environment.
SMTX 4 All

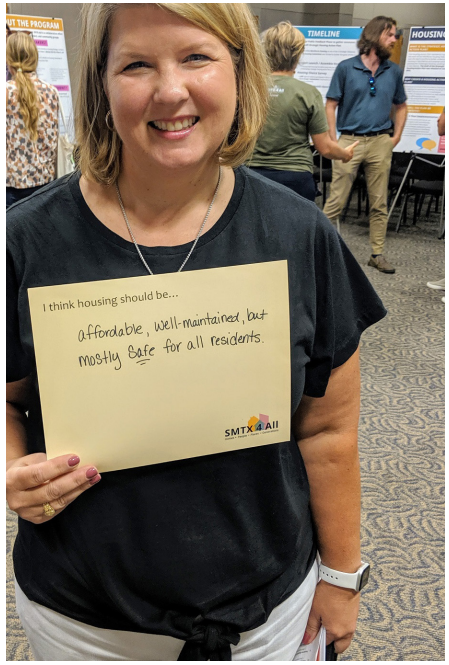

I think housing should be...
Good Housing Environment.
SMTX 4 All

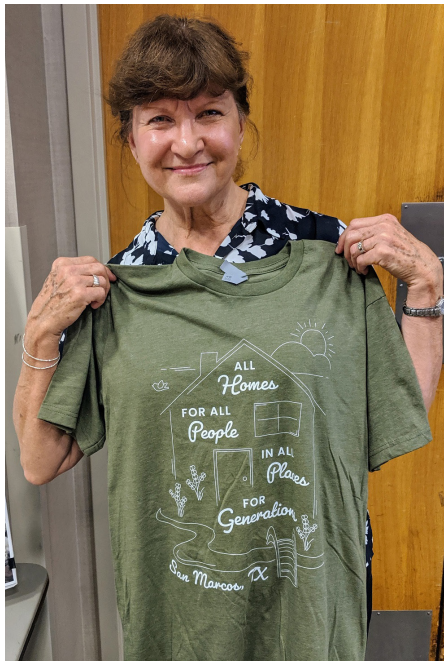

In the future, I hope housing in San Marcos is...
aligned with the wants and desires of those who call San Marcos home, and those who want to in the future!
SMTX 4 All

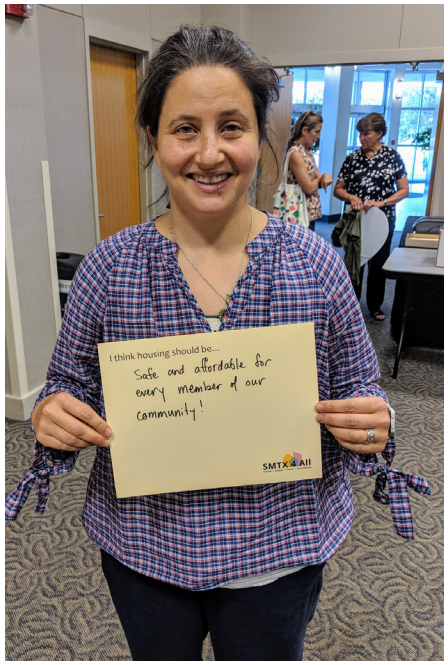

Some housing challenges I've experienced are...
As an agent, I've had difficulties serving the needs of low to middle income renters in San Marcos because of housing supply, demand + high rental rates.
SMTX 4 All

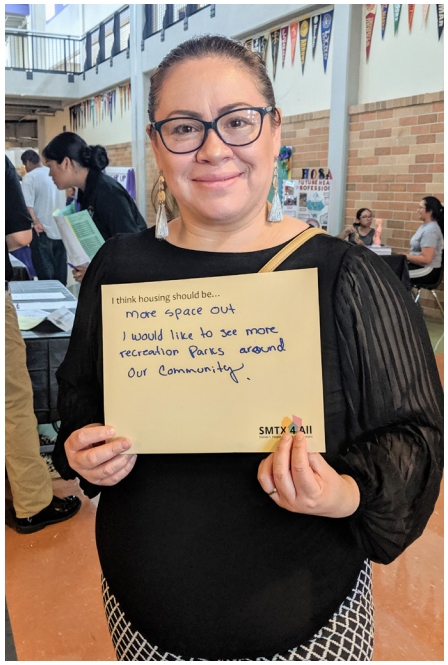

I love living in San Marcos because...
I moved here for TX State and fell in love ♡
I've rented apts + duplexs and now own a home with my husband in the best neighborhood for families, Dunbar!
SMTX 4 All

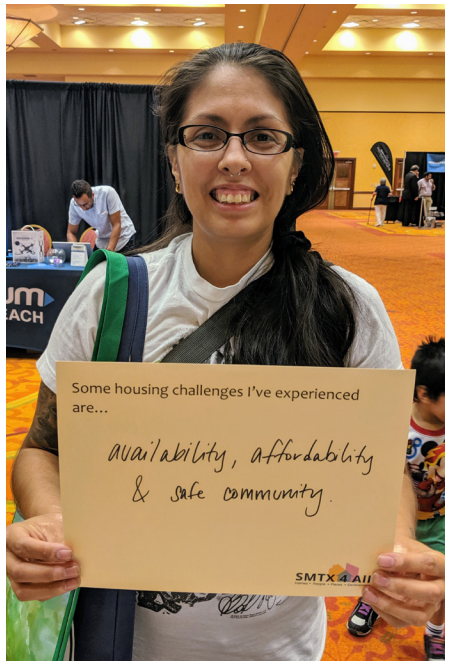

EXIT
I chose my current home/apartment because...
Find or build a affordable home within the city of San Marcos
SMTX 4 All
I BELIEVE IN
HOUSING
FOR ALL
SANMARCOSTX.GOV/SMTX4ALL

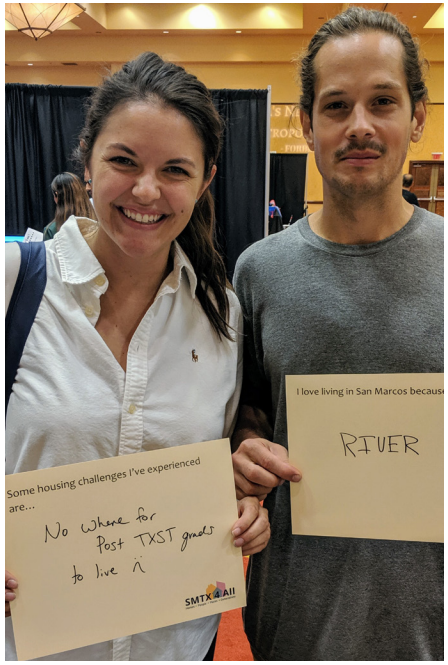

I think housing should be...
affordable, well-maintained, but mostly safe for all residents.
SMTX 4 All

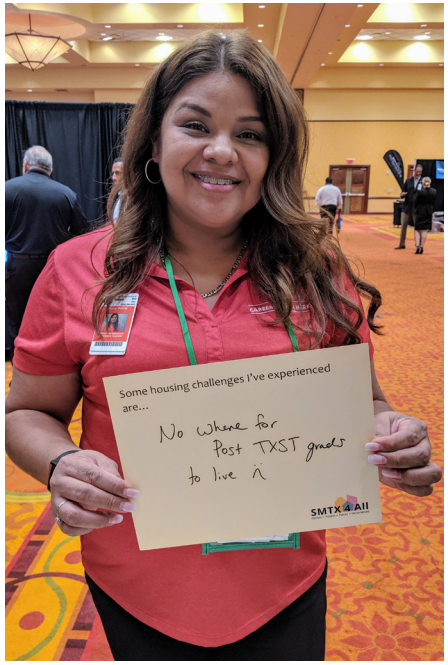

ALL
Homes
FOR ALL
People
IN ALL
Places
FOR
Generation
San Marcos, TX

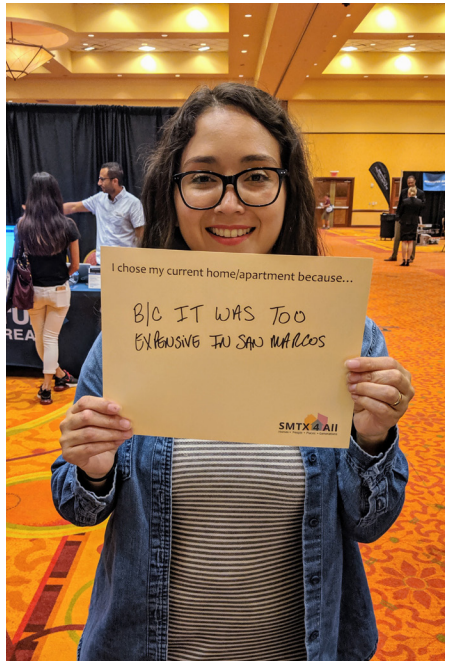

I think housing should be...
Safe and affordable for every member of our community!
SMTX 4 All

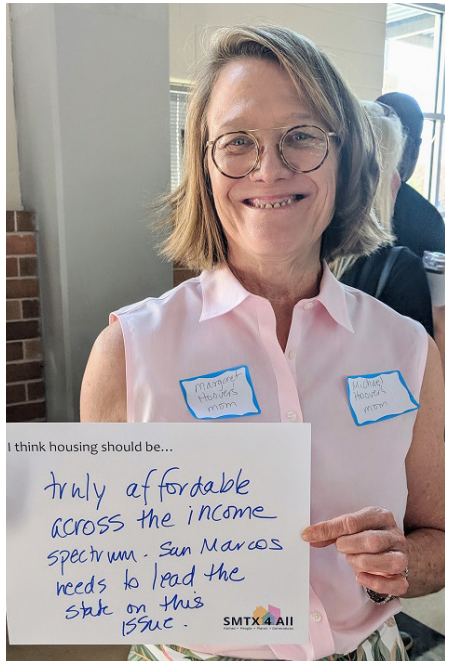

I think housing should be...
more space out
I would like to see more recreation parks around our community.
SMTX 4 All

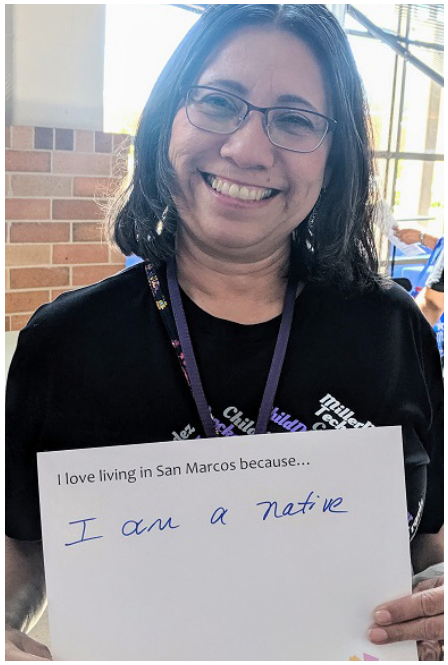

Some housing challenges I've experienced are...
availability, affordability & safe community.
SMTX 4 All

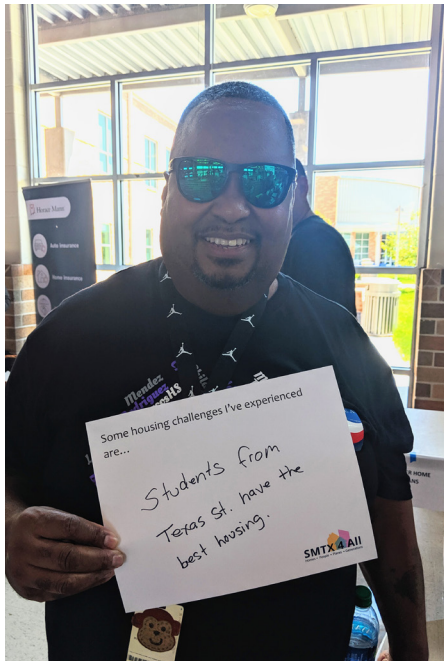

I love living in San Marcos because...
RIVER
Some housing challenges I've experienced are...
No where for Post TXST grads to live ñ
SMTX 4 All

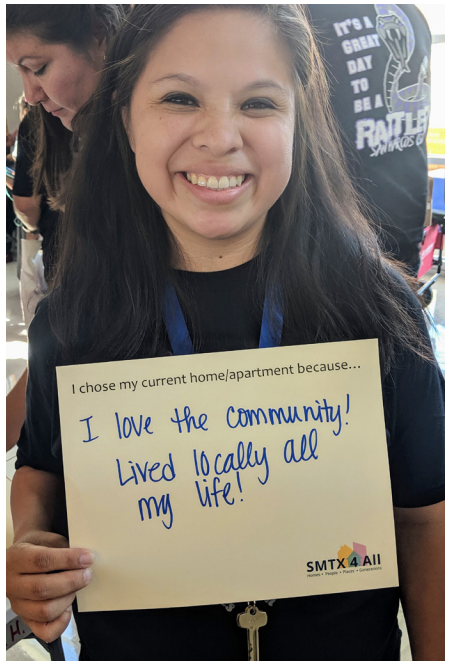

Some housing challenges I've experienced are...
No where for Post TXST grads to live ñ
SMTX 4 All

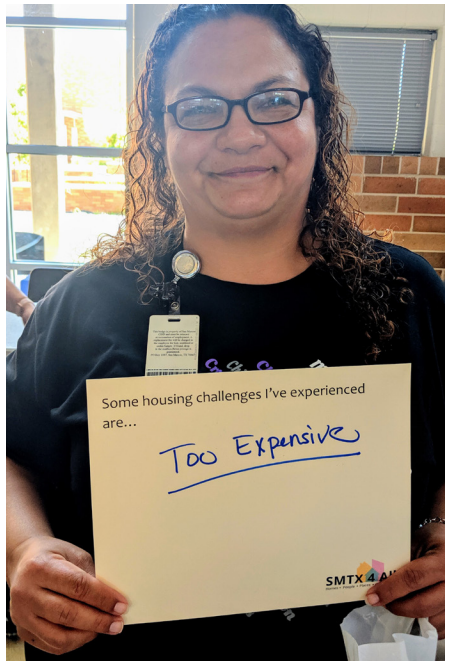

I chose my current home/apartment because...
B/C IT WAS TOO EXPENSIVE IN SAN MARCOS
SMTX 4 All


I think housing should be...
truly affordable across the income spectrum. San Marcos needs to lead the state on this issue.
SMTX 4 All


I love living in San Marcos because...
I am a native


Some housing challenges I've experienced are...
Students from Texas st. have the best housing.
SMTX 4 All


I chose my current home/apartment because...
I love the community! Lived locally all my life!
SMTX 4 All


Some housing challenges I've experienced are...
Too Expensive

SMTX 4 All

Homes • People • Places • Generations