

CDBG-DR Action Plan Housing Program Options

San Marcos City Council Meeting
November 1, 2016

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HUD Requested Information

- **Infrastructure Project detail**
- **Housing Program detail**
- How the City will prioritize assisting **low income** populations and **prevention of homelessness**
- **Expenditure & scheduling projections** for the 6 year grant period

Council Direction: Infrastructure \$12.5 M

- Detailed list of potential projects
- Currently out for **RFP for Project Feasibility Study**
- Award Contract in January 2017
- Study Results in April 2017
- Present Study to Council – May 2017



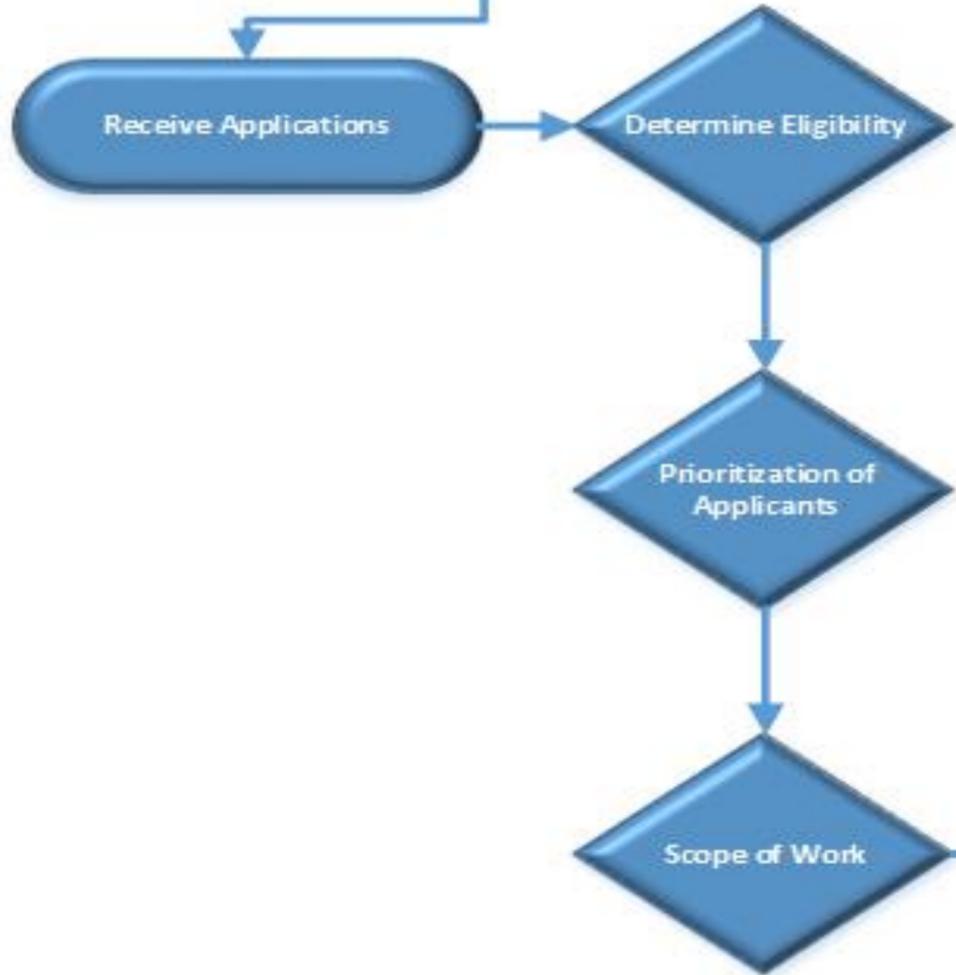
Council Direction: Housing \$7.5 M

- Housing Activity in Action Plan:
 - Rehabilitation
 - Reconstruction
 - Buyout or Acquisition
 - Elevation Only (with minimal interior rehab)



Eligible Housing Activities

Owner Occupied Housing Process: Budget - ?



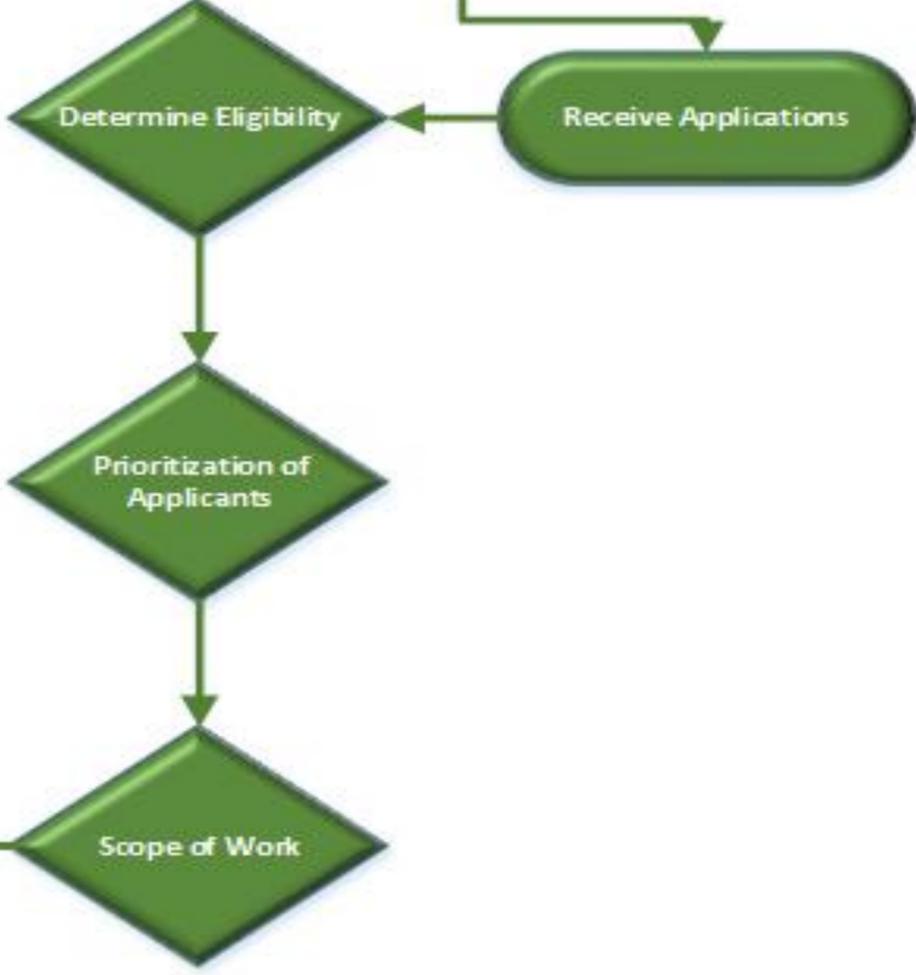
Buyout

Rehab/Repair

Elevation with Minor Repairs

Reconstruction & Elevation

Rental Housing Process: Budget - ?



Determine Eligibility

Prioritization of Applicants

Scope of Work

Types of Housing Activities: Buyout vs. Acquisition

- **Buyouts** are intended to **reduce risks of future flooding**, therefore, the land **cannot be redeveloped** once purchased by the City.
- **Acquisition** is reserved for cases in which the City **purchases property for a different reason (not due to risk reduction)**, for example to complete certain portions of an infrastructure project.

Owner-Occupied Housing Process

- 1. Eligibility** – applicant and property
- 2. Most In need** – income, disability, elderly and/or children
- 3. Scope of Work**



1. Housing Application Eligibility

- Annual household **income must be less than 80% of Area Median Income**
- Proof of **current** ownership, must have owned the damaged dwelling and been the primary residence **at the time of the flooding**. Probate and legal assistance may be needed.
- Proof that property taxes are current or that they are on an approved payment plan
- The applicant(s) must be U.S. citizens or have legal alien status

1. Housing Application Eligibility

- Dwelling located within the updated **100 year floodplain**
- Mortgage payments current for the damaged dwelling if applicable
- The applicant and co-applicants (if applicable) must be current on child support payments
- Applicant must be able to temporarily relocate at their own cost if necessary during the rehabilitation period **or meet minimum income requirement**

2. Applicant Prioritization

Household Characteristics that indicate a Funding Priority

- **Household Income** – Priority given to households with the lowest annual income
- **Disability** – If one or more members of a household have a documented disability
- **Age** – If one or more household members are less than 18 years of age or 62 years of age or older



3. Scope of Work

Rehabilitation vs. Reconstruction

- Estimated repair costs are usually calculated through national standards such as RS Means or Xactimate
- Homes with estimated repair costs within the established Programmatic cap are eligible for **Rehabilitation**. Homes with repair costs in excess of the cap are eligible for **Reconstruction**.
 - There will be separate caps for Accessibility/Special Needs, which can be added to the initial rehabilitation cap

3. Housing Scope Determination

- **Repair / Rehab** (\$45,000 or less) or not substantially damaged
- **Elevation only** (\$50,000 max) minor repairs after elevation
- **Reconstruction with elevation** (\$150,000)



To Elevate or Not to Elevate?

- Base Flood Elevation (BFE) is reviewed as part of the Environmental Review for each structure. A pre-construction elevation certificate will confirm the current elevation of each structure.
- Federal Requirements specify that homes with more than 50% damage **MUST** be in compliance with elevation standards to receive assistance.
- Rehabilitations can be elevated above BFE during construction activities.
- Reconstructions will be built above BFE.

Council Direction: Rental Housing

- 1 to 4 unit dwellings (no multi-family)
- First come – first serve
- Substantial damaged (vacant due to flood damage)
- 5-year affordability period (must rent to LMI family)
- Uniform relocation assistance required

SF Owner Occupied Rehab/Recon/Buyout \$5.0 M

SF 1-4 Unit Rental Rehab/Recon/Buyout \$2.5 M



Action Plan Review Timeline

Council Direction	November 1
Revise Action Plan	November 2-3
Printing & Binding	November 4
Overnight to HUD	November 4
HUD Review	November 7-10
HUD Response	November 10

Questions?