



## APPENDIX B: TECHNICAL MEMORANDA AND RESOURCES

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**Appendix B** is comprised of 10 technical memoranda prepared by members of the San Marcos Transportation Corridors Study consultant team. The memoranda provide an overview of topic-specific research and data evaluation that has been incorporated into the study's existing conditions analysis and needs assessment report. They are structured to serve as consolidated (and abbreviated) reference materials for the consultant team during subsequent phases of the study. The cumulative findings of these memoranda have also been considered during selection of the study's catalyst sites.

**Appendix B** includes the following memoranda:

**Technical Memorandum 1.0: Demographics** Page 4

Details San Marcos's population growth and racial/ethnic composition, employment and key household characteristics to provide an initial picture of the community's demographic composition.

**Technical Memorandum 2.0: Land Use** Page 28

Evaluates current land use classifications and policies, and development suitability of land, within and proximate to the study area to measure development and redevelopment potential.

**Technical Memorandum 3.0 Mobility** Page 56

Evaluates the condition, capacity and safety of the multi-modal transportation network within and intersecting the study area to identify improvements designed to promote efficient and equitable mobility options.

**Technical Memorandum: 4.0 Regulatory Environment** Page 108

Assesses development regulations and design standards that may alternatively facilitate or inhibit future development scenarios in the study area.

**Technical Memorandum: 5.0 Market Context** Page 142

Evaluates current and future national and regional real estate industry trends that may affect growth in San Marcos; demographic and psychographic trends in San Marcos; and market supply and demand dynamics that will determine San Marcos's share of future growth.

**Technical Memorandum: 6.0 Housing** Page 156

Assesses the condition, age, typologies, densities and price points of existing housing stock to determine the existing housing market conditions.

**Technical Memorandum: 7.0 Community Health** Page 320

Measures public investments and health factors in the study area to determine where social inequities and disparities may exist at the neighborhood level, and to inform study recommendations that may generate improvements to community health metrics.

**Technical Memorandum: 8.0 Public Services** Page 360

In conjunction with technical memorandum 7.0 (Community Health), provides an inventory of public safety and health services available to current and future study area populations.

**Technical Memorandum: 9.0 Utilities Infrastructure** Page 372

Assesses the capacity of existing public utilities and infrastructure to set a baseline for future development scenarios proposed within the study.

**Technical Memorandum: 10.0 Fiscal Impact Analysis (Preliminary)** Page 386

Provides a cost of service analysis for the baseline (existing) land use conditions that balance policy goals with preferred fiscal outcomes.

**11.0 Housing Implementation Strategies** Page 394

Provides strategies to achieve the desired development of housing within the study area.

**12.0 Roadway Costs Estimates** Page 396

Provides a cost of service analysis for construction/reconfiguration of the three study area thoroughfares.





**TO:** Chad McKeown, AICP, CAMPO Deputy Executive Director  
Shannon Mattingly, AICP, City of San Marcos  
Laurie A. Moyer, PE, City of San Marcos

**CC:** Amanda Hernandez, AICP, CNU-A, City of San Marcos  
Zack Lofton, AICP, CNU-A, CAMPO Regional Planner

**FROM:** Christian F. Lentz, AICP, Project Manager

**DATE:** August 15, 2020

**RE:** Existing Conditions Analysis and Needs Assessment (Technical Memoranda)

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As part of the San Marcos Platinum Planning Study’s ongoing existing conditions analysis and needs assessment, the consultant team has prepared ten (10) memoranda that summarize topic-specific research and data evaluation. The technical memoranda address all topics listed in Task 3.1 (Existing Conditions Analysis) and Task 3.3 (Needs Assessment) of the Platinum Planning Study scope of services and include the following:

- |                               |                                 |
|-------------------------------|---------------------------------|
| — 1.0. Demographics           | — 6.0. Housing                  |
| — 2.0. Land Use               | — 7.0. Community Health         |
| — 3.0. Mobility               | — 8.0. Public Services          |
| — 4.0. Regulatory Environment | — 9.0. Utilities Infrastructure |
| — 5.0. Market Context         | — 10.0. Fiscal Impact Analysis  |

As background information, the technical memoranda will be incorporated into a single appendix. Preliminary findings and assumptions presented within each memorandum will be verified, refined and consolidated for inclusion in the existing conditions and needs assessment section of the principal Study report (along with additional feedback from clients, stakeholders and the public).

All ten technical memoranda and a corresponding “preface” for the appendix can be accessed here: <https://bit.ly/3ascn3>. When reviewing the memoranda, please consider the following:

- Memoranda are structured to serve as consolidated (and abbreviated) reference materials for the consultant team during subsequent phases of the Platinum Planning Study.
- There is no single author of the technical memoranda. The memoranda have been prepared by several team members and therefore, content will reflect varying narrative styles and typographical conventions.
- Although prepared using a consistent graphic style, the memoranda (as an appendix) have not been formatted to incorporate highly refined figures, images, and maps.

We look forward to your feedback.



# Technical Memorandum 1.0

## Demographics

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Technical Memorandum 1.0, *Demographics*, details San Marcos's population growth and racial/ethnic composition, employment and key household characteristics to provide an initial picture of the community's demography. A demographic analysis of the community and Study Area is critical to understanding the social context within which this place-making and transportation study is taking place. The sources of data for the demographic profile include the U.S. Census Bureau, 2014-2018 American Community Survey 5-year estimates; U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages; City of San Marcos, San Marcos Chamber of Commerce; and City of San Marcos Planning and Development Department.

## 1.1 POPULATION AND HOUSEHOLDS

### Population

San Marcos, a suburban city in a high-growth metropolitan region, has experienced a population increase of 32 percent since 2010. The City is expected to grow at over twice the average annual rate as the Austin-Round Rock metropolitan area over the next 10 years (3.3 percent and 1.6 percent, respectively). San Marcos's current population is 59,045 and is estimated to grow at a rate of nine percent between 2019 and 2024 to reach approximately 64,562 in 2024. Currently, over one-fourth of the total population in Hays County (26 percent) lives in San Marcos, and 13 percent of the population in San Marcos lives in the Study Area.

To understand the current population and expected population growth in the Study Area data extrapolated from traffic analysis zones was analyzed. A traffic analysis zone (TAZ) is a special area delineated by state and/or local transportation officials for tabulating and modeling vehicular trip-related data, especially journey-to-work and place-of-work statistics; for the purposes of long-range transportation planning. A TAZ usually consists of one or more census blocks, block groups, or census tracts. Data was extracted from 30 TAZs which overlap or are proximate to Study Area corridors and centers.

Transportation planners will input Base Year TAZ data, based on existing land uses, and compare it with Future Year TAZ estimates, based on a Future Land Use Plan, to analyze trip generation, thoroughfare capacities and levels of service; in order to estimate the likelihood of needed roadways and roadway expansion in the future, based on anticipated development trends. The following population analysis is based on the current and future number of residents and jobs in the TAZs in the Study Area.

### Population in the Study Area

A significant portion of the Study Area, 68 percent, has a small population size of less than 500 people. These low-population TAZs are primarily along the future north-south connector corridor east of FM 621 and west of Clovis R Barker Road. The area north of Interstate 35 along the Guadalupe Street corridor is also sparsely populated, with a population size of less than 500 people. A small portion of the Study Area (approximately eight+ percent), close to the Medical Center, is comprised of higher population TAZs, which contain between 2,000 and 3,000 residents. This high-density area is south of Interstate 35, east of Clovis R Baker Road, and west of FM 621. The Blanco Gardens residential subdivision south of the SH 80 and Interstate 35 intersection, is also a high-density area with between 3,000 and 4,800 residents (Map 1.1, *TAZ Population 2020* on page 1.5).

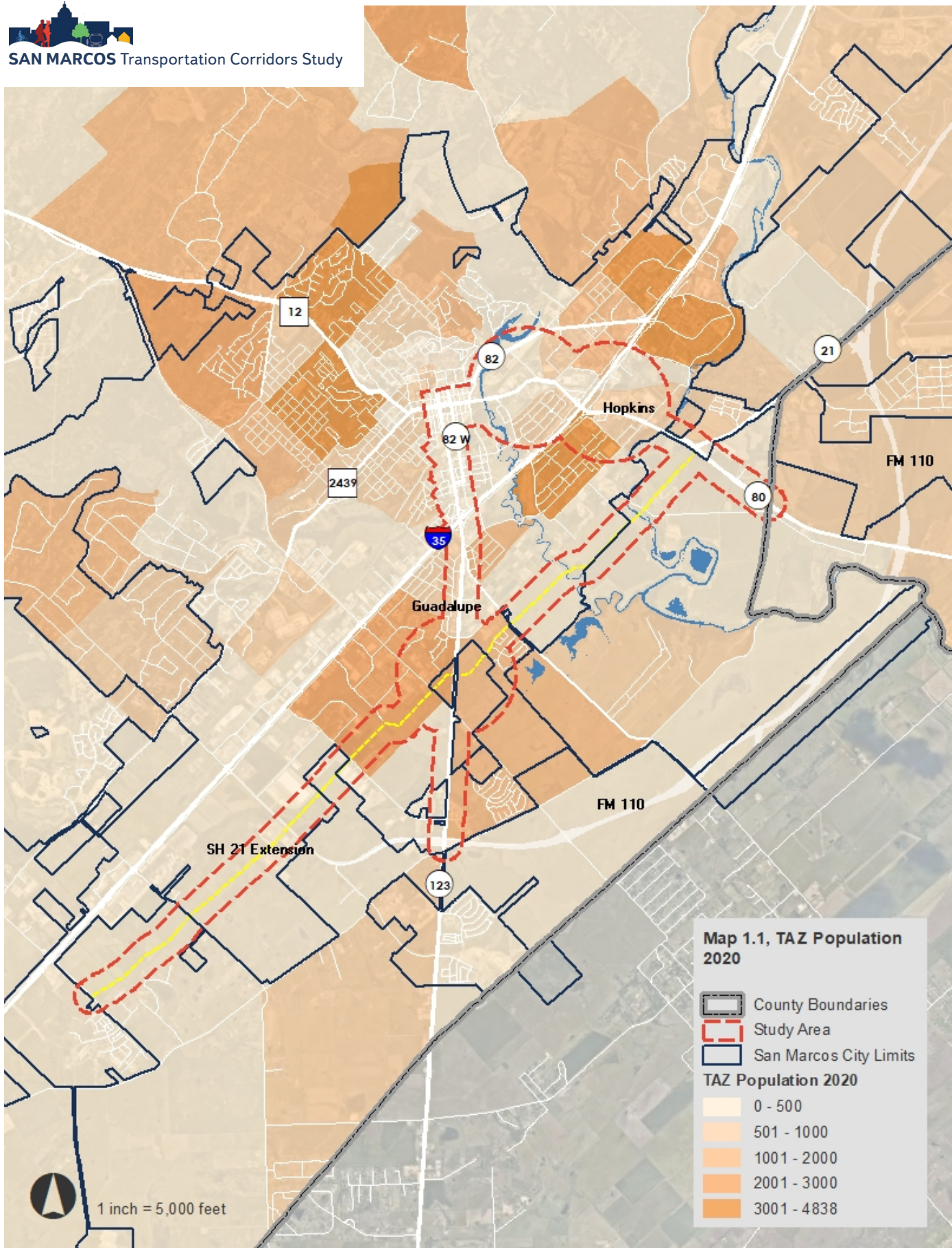
The adjacent areas to the north and south of the Study Area include population sizes of between 1,000 and 2,000 residents. Specifically, the area east of SH 123 and west of FM 621 outside the city limits of San Marcos - with a newly developed subdivision, an elementary, and community college - has a population of between 1,000 and 2,000 people. Similarly, areas west of Downtown and Guadalupe Street adjacent to Hopkins Street, which are comprised of single family residential neighborhoods also have populations of over 1,000 people.



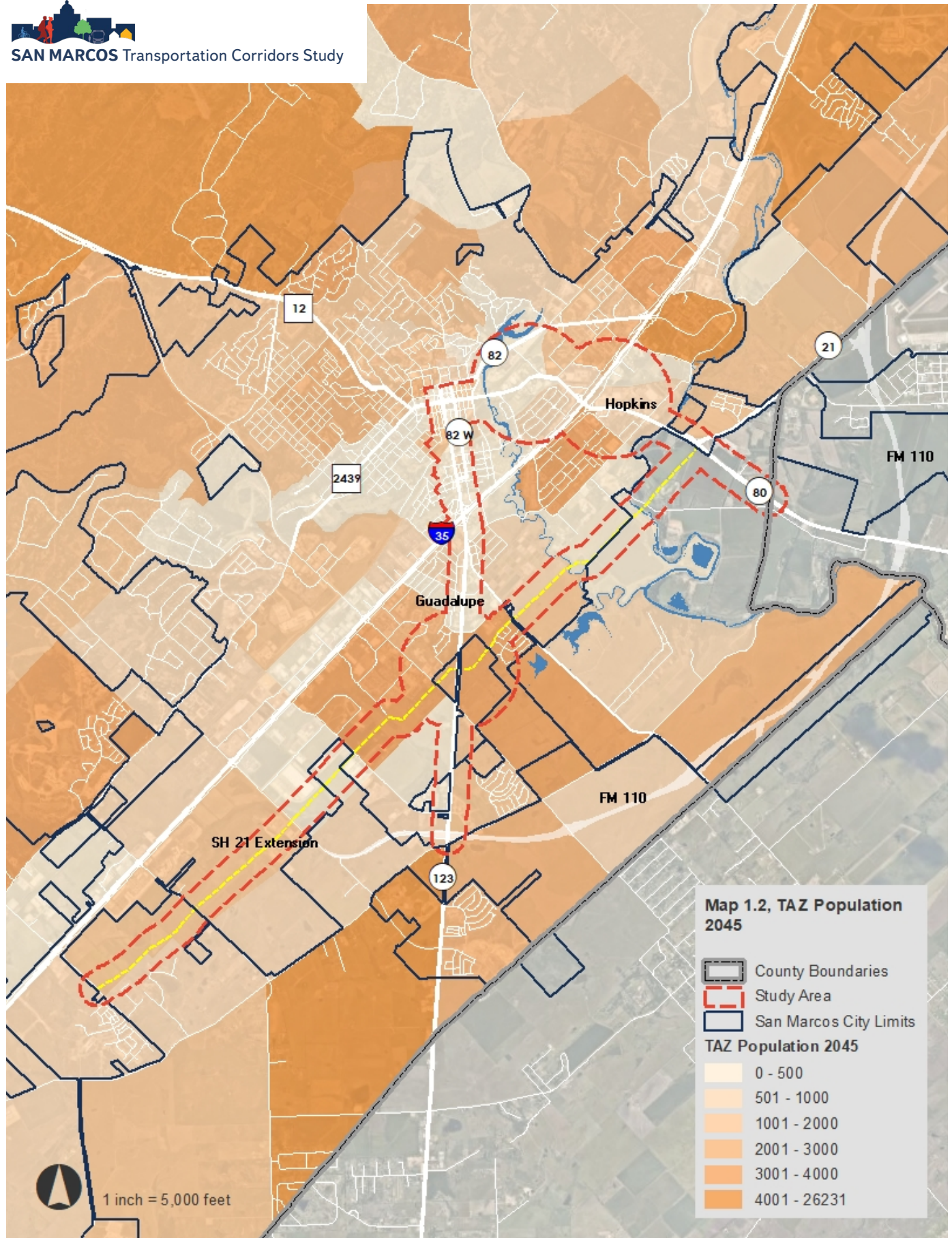
By 2045, significant portions of the Study Area and the areas adjacent to the north-south connector corridor outside the Study Area will experience population growth. Approximately, 30 percent of the Study Area will have a population of over 3,000 people. This includes the area west of FM 621 and east of Clovis R Barker Road which will be high-density - with between 3,000 and 4,000 residents. The currently undeveloped area to the west of E McCarty Lane close to the San Marcos Premium Outlets Mall will also experience population growth and is expected to contain between 2,000 and 3,000 residents by 2045. Similarly, the Guadalupe Street corridor south of Interstate 35 will experience high population growth, and the area to the south of Old Bastrop Street will have the highest population density, up to 26,000 residents (Map 1.2, *TAZ Population 2045* on page 1.6).

The area around the Guadalupe Street and Hopkins Street intersection both inside and outside the Study Area is expected to increase in population size by 2045 and have between 1,000 and 2,000 residents. Though the population size of the Study Area and its immediate surroundings will increase, over 40 percent of the entire Study Area will have a population of less than 1,000 residents by 2045.











## Age Distribution

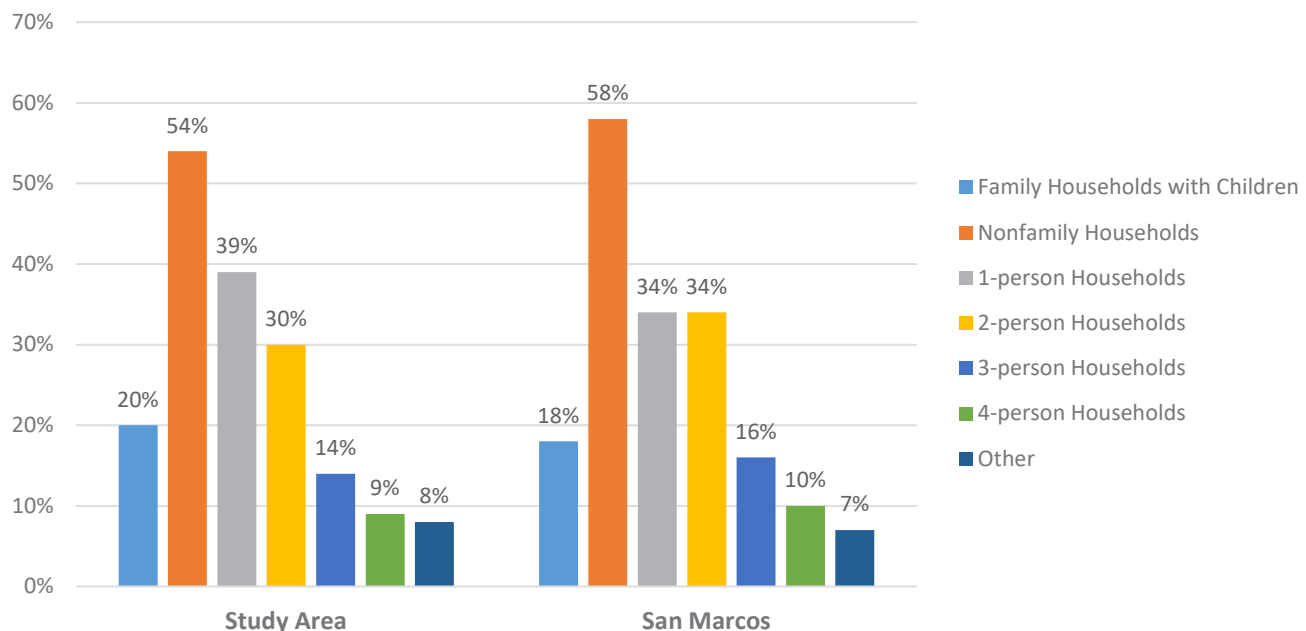
San Marcos residents are young with a median age of 25.4 years. One-third of the city's residents are between the ages 18 and 24 while 27 percent are between the ages of 25 and 44. Less than 10 percent of the residents are 65 years or older. The median age for residents in the Study Area is higher, at 31 years and over one-third (34 percent) of the population in the Study Area is between the ages of 25 and 44. Residents who are 65 years and older comprise of 11 percent of the Study Area's population.

## Types of Households

The average household size in San Marcos is 2.28 people. Forty-two percent of the households in San Marcos are families (married-couple families, other families), as described in Figure 1.1, *Types of Households in San Marcos*. Over one-third (34 percent) of the households in the city are comprised of people living alone. In the Study Area, less than half (46 percent) of the households are families, while 39 percent are single-person households. In San Marcos and the Study Area, over half (57 percent) of the family households do not have children. Furthermore, more than three-quarters of all the households in San Marcos and the Study Area have no persons under the age of 18 years.

San Marcos's demographic profile is significantly skewed to the student population at Texas State University. Consequently, the City has higher shares of the indicators that characterize a young, transient population, namely: a higher renter population, a higher number of one- and two-person households, and a higher number of nonfamily households. These indicators result in a significantly lower average household size.

**Figure 1.1, Types of Households in San Marcos**



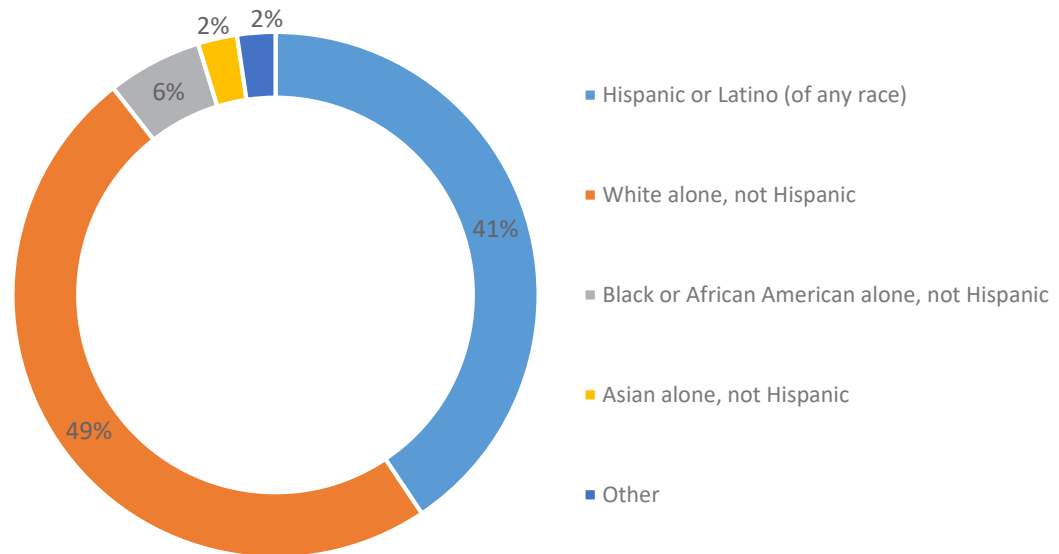
An accurate description of the age breakdown for San Marcos residents can aid in the planning of a built form and urban character that fulfill the needs of residents in various stages of life and with varying lifestyles.



## Race and Ethnicity

The majority of residents in San Marcos are White, not Hispanic (49 percent). The second largest race and ethnicity demographic is Hispanic or Latino, at 41 percent. The African American, non-Hispanic form less than 6 percent of the city's residents and the Asian, non-Hispanic population is at two percent (Figure 1.2, *Race and Ethnicity in San Marcos*). Within the Study Area, the majority of the population is Hispanic or Latino, at 59 percent.

**Figure 1.2, Race and Ethnicity in San Marcos**



## Educational Attainment

In San Marcos, 85 percent of the population 25 years and above has a high school degree or higher and 30 percent have a bachelor's degree or higher (Table 1.1, *Educational Attainment in San Marcos and Study Area*). In the Study Area, the percentage of persons 25 years and above with a high school degree and a bachelor's degree decreases to 78 percent and 24 percent, respectively.

**Table 1.1, Educational Attainment in San Marcos and Study Area**

| Educational Attainment        | Study Area |            | San Marcos |            |
|-------------------------------|------------|------------|------------|------------|
|                               | Count      | Percentage | Count      | Percentage |
| Population of Age 25+ Years   | 4,610      | 100%       | 29,906     | 100%       |
| Less than 9th grade           | 443        | 10%        | 1,851      | 6%         |
| Some High School, no diploma  | 547        | 12%        | 2,443      | 8%         |
| High School Graduate (or GED) | 1,281      | 28%        | 7,941      | 27%        |
| Some College, no degree       | 1,030      | 22%        | 7,024      | 23%        |
| Associate Degree              | 207        | 4%         | 1,619      | 5%         |
| Bachelor's Degree             | 779        | 17%        | 5,347      | 18%        |
| Master's Degree               | 264        | 6%         | 2,663      | 9%         |
| Professional School Degree    | 13         | 0%         | 337        | 1%         |
| Doctorate Degree              | 46         | 1%         | 681        | 2%         |

The enrollment in the San Marcos Independent School District (ISD) was a little over 8,000 students in 2018. Over a five-year period (2013-2018), the enrollment in San Marcos ISD has increased by nine percent.

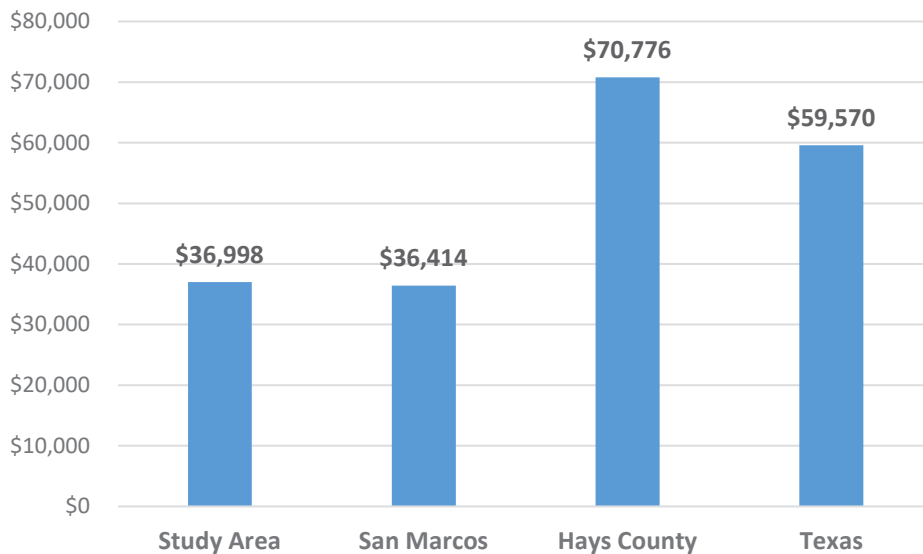


## Household Income

The median household income in San Marcos and the Study Area is similar - \$36,998 and \$36,414, respectively. This is considerably lower than the median household income for Hays County (\$70,776) and Texas (\$59,570), as described in Figure 1.3, *Median Household Income, 2018-2019*. By 2024, the median household income for San Marcos is projected to increase to \$40,902 and the Study Area is projected to increase to \$39,850. This indicates a 10.5 percent increase in the City and a 9.4 percent increase for the Study Area in the median household income between 2019 and 2024.

The City skews toward significantly lower household income and education levels, as compared to the Austin-Round Rock metropolitan area. This reflects both the transient nature of a good portion of San Marcos's population, but also the degree to which Austin-Round Rock has become an established concentration of young wealth.

**Figure 1.3, Median Household Income**



Close to one-quarter of the households in San Marcos and the Study Area have a household income of less than \$15,000. As indicated in Table 1.2, *Household Income*, households earning less than \$15,000 are the largest cohort of the total households in San Marcos and the Study Area. By 2024, the number of households earning less than \$15,000 will decrease by three percentage points in both the city and the Study Area, while households with income between \$100,000 to \$149,000 will increase.



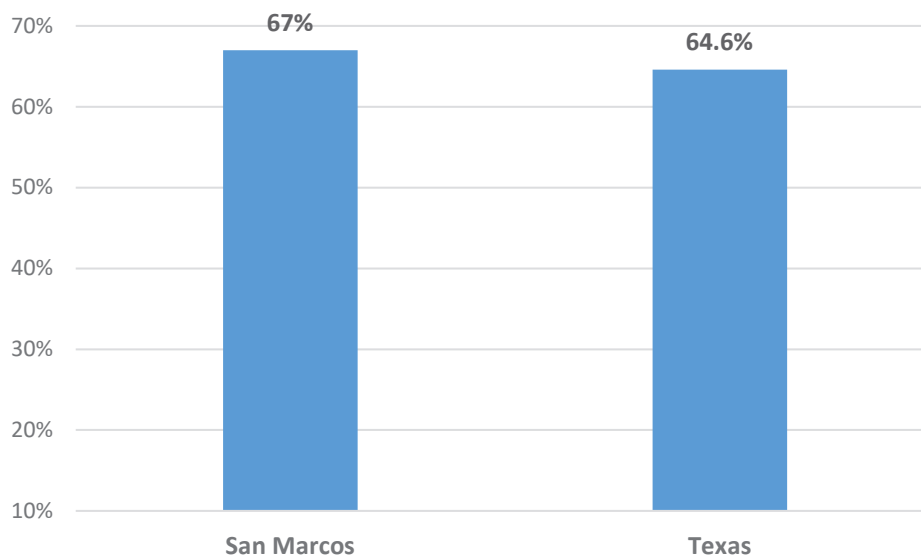
**Table 1.2, Household Income**

| Household Income       | Households in Study Area |      | Households in San Marcos |      |
|------------------------|--------------------------|------|--------------------------|------|
|                        | 2019                     | 2024 | 2019                     | 2024 |
| < \$15,000             | 23%                      | 20%  | 24%                      | 22%  |
| \$15,000 to \$24,999   | 14%                      | 12%  | 12%                      | 11%  |
| \$25,000 to \$34,999   | 12%                      | 12%  | 12%                      | 12%  |
| \$35,000 to \$49,999   | 16%                      | 16%  | 14%                      | 15%  |
| \$50,000 to \$74,999   | 16%                      | 15%  | 16%                      | 15%  |
| \$75,000 to \$99,999   | 11%                      | 11%  | 9%                       | 10%  |
| \$100,000 to \$124,999 | 5%                       | 6%   | 5%                       | 6%   |
| \$125,000 to \$149,999 | 2%                       | 3%   | 3%                       | 4%   |
| \$150,000 to \$199,999 | 2%                       | 2%   | 3%                       | 3%   |
| \$200,000 to \$249,999 | 1%                       | 1%   | 1%                       | 2%   |
| \$250,000 to \$499,999 | 0%                       | 1%   | 1%                       | 1%   |
| \$500,000+             | 0%                       | 0%   | 1%                       | 1%   |

## Occupation of Residents

The labor force participation rate, which is a measure of the active workforce in the community, is 67 percent in San Marcos. This is higher than Texas labor force participation rate (64.6 percent) (Figure 1.4, *Labor Force Participation, 2018*).

**Figure 1.4, Labor Force Participation, 2018**



Data from 2017 Longitudinal Employer-Household Dynamics (LEHD) by the Census Bureau estimates that 80 percent of San Marcos workers do not reside in the City. Of those living in San Marcos, 56 percent are employed in white collar occupations, such as management, business, science, and arts. Table 1.3, *Occupation of Residents, 2019*, describes the employment by occupation for residents age 16 and older living in San Marcos and the Study Area.





**Table 1.3, Occupation of Residents, 2019**

| Civilian Employed Population 16 Years+ by Occupation | Study Area | San Marcos |
|--|------------|------------|
| Food Preparation and Serving                         | 18%        | 17%        |
| Sales and Related                                    | 17%        | 17%        |
| Office and Administration Support                    | 11%        | 12%        |
| Education, Training, Library                         | 9%         | 8%         |
| Construction, Extraction                             | 7%         | 6%         |
| Transportation, Moving                               | 6%         | 5%         |
| Management   | 5%         | 5%         |
| Production   | 5%         | 5%         |
| Healthcare Practitioner, Technician                  | 4%         | 4%         |
| Building Grounds Maintenance                         | 3%         | 2%         |
| Business, Financial Operations                       | 3%         | 2%         |
| Personal Care, Service                               | 2%         | 4%         |
| Community, Social Services                           | 2%         | 3%         |
| Maintenance Repair                                   | 2%         | 2%         |
| Healthcare Support                                   | 2%         | 1%         |
| Arts/Entertainment, Sports                           | 1%         | 2%         |
| Computer, Mathematical                               | 1%         | 1%         |
| Life, Physical, Social Science                       | 1%         | 1%         |
| Protective Service                                   | 1%         | 1%         |
| Architect, Engineer                                  | 0%         | 1%         |
| Legal  | 0%         | 1%         |
| Farming, Fishing, and Forestry                       | 0%         | 0%         |

The top five occupations that employ the highest number of people are food preparation and serving; sales, office and administration support; education, training and library; and construction and extraction. Notably, the service, sales, and office jobs have lower median annual earnings (approximately \$14,000) compared to other employment sectors in the city, as illustrated in Table 1.4, *Occupation and Earnings in San Marcos*. Section 1.2, Economic and Employment Data, provides further detail on the average wages of the industrial sectors and their growth over the past 10 years (2009 through 2019).

**Table 1.4, Occupation and Earnings in San Marcos**

| Occupation                                       | Annual Median Earnings for People Employed* |
|--|---|
| Management, business, science, and arts          | \$35,530                                    |
| Service  | \$14,191                                    |
| Sales and office                                 | \$14,915                                    |
| Natural resources, construction, and maintenance | \$28,717                                    |
| Production, transportation, and material moving  | \$22,849                                    |

\*Median Earnings in the past 12 months (in 2018 inflation-adjusted dollars) for the civilian employed population 16 years and over

Understanding the primary occupations and earning for workers can help draw inferences about the demand in the community for different modes of transportation, types of housing, working hours, and leisure time for families; which, in turn, ensures that investments into new development and multi-modal transportation improvements respond to



## 1.2 ECONOMIC AND EMPLOYMENT DATA

The economic profile of San Marcos and the Study Area is influenced by regional economic factors as well as by the composition of the local economy in Hays and Caldwell counties. The quantity, type and median earnings of occupations have a major impact on the size and nature of housing demand. The following sections use county-level data to analyze employment trends and wages, both of which are important building blocks in creating an economic profile for San Marcos and the Study Area.

### Employment Trends

The largest employment sectors in Hays County and Caldwell County are retail trade and educational services due to the presence of San Marcos Premium Outlets, a large outlet mall, and Texas State University. These two sectors have driven the growth of the accommodation and food services sector, both of which are in the five largest industry sectors in the two counties. The health care and social assistance industry sector is also among the five largest industry sectors in the area. Table 1.5, *Employment by Industry, 2019*, provides details on the number of jobs in the industry sectors in Hays and Caldwell Counties in 2019.

**Table 1.5, Employment by Industry, 2019**

| Industry Sectors in Hays and Caldwell Counties                           | Total Estimated Jobs in 2019 |
|--|------------------------------|
| Retail Trade   | 12,786                       |
| Educational Services   | 12,244                       |
| Accommodation and Food Services  | 11,009                       |
| Health Care and Social Assistance  | 8,415                        |
| Construction   | 6,830                        |
| Manufacturing  | 5,410                        |
| Transportation and Warehousing   | 4,678                        |
| Administrative and Support and Waste Management and Remediation Services | 3,486                        |
| Professional, Scientific, and Technical Services                         | 2,886                        |
| Other Services (except Public Administration)                            | 2,737                        |
| Public Administration  | 2,701                        |
| Wholesale Trade  | 2,043                        |
| Real Estate and Rental and Leasing                                       | 1,816                        |
| Finance and Insurance  | 1,401                        |
| Information  | 1,185                        |
| Arts, Entertainment, and Recreation                                      | 766                          |
| Mining, Quarrying, and Oil and Gas Extraction                            | 444                          |
| Management of Companies and Enterprises                                  | 358                          |
| Utilities  | 341                          |
| Agriculture, Forestry, Fishing and Hunting                               | 308                          |
| Unclassified   | 54                           |
| <b>Total</b>   | <b>81,898</b>                |

### Growth Sectors

In Hays County, the accommodation and food services sector, which includes restaurants, bars, and hotels, has experienced the greatest growth over the last 10 years. Construction and transportation and warehousing have also grown as industrial development continues to locate along the Interstate 35 corridor. Total growth in jobs surged from



2014 to 2019, expanding nearly 50 percent more than the expansion in the previous five-year period of 2009 to 2014. During the ten-year period of 2009 to 2019, the estimated payroll job count increased by over 56 percent. Table 1.6, *Growth Trend in Hays County*, describes the five industry sectors with the largest change in jobs between 2009 and 2019.

**Table 1.6, Growth Trend in Hays County**

| Five Industry Sectors with Highest Growth in Hays County | 2009-2014 | 2014-2019 | 2009-2019 |
|--|-----------|-----------|-----------|
| Accommodation and Food Services                          | 1,928     | 2,325     | 4,253     |
| Construction   | 1,133     | 2,169     | 3,302     |
| Transportation and Warehousing                           | 462       | 2,766     | 3,228     |
| Educational Services                                     | 1,274     | 1,576     | 2,850     |
| Health Care and Social Assistance                        | 951       | 1,322     | 2,273     |

In Caldwell County, the retail trade, accommodation and food services, manufacturing, and construction industry sectors have had the highest growth in jobs (Table 1.7, *Growth Trend in Caldwell County*). Overall, total job growth in Caldwell County during the 10-year period of 2009 to 2019 is 34 percent.

**Table 1.7, Growth Trend in Caldwell County**

| Five Industry Sectors with Highest Growth in Caldwell County | 2009-2014 | 2014-2019 | 2009-2019 |
|--|-----------|-----------|-----------|
| Retail Trade   | 192       | 233       | 425       |
| Accommodation and Food Services                              | 124       | 265       | 389       |
| Manufacturing  | 279       | 86        | 365       |
| Construction   | 180       | 169       | 349       |
| Health Care and Social Assistance                            | 132       | 91        | 223       |

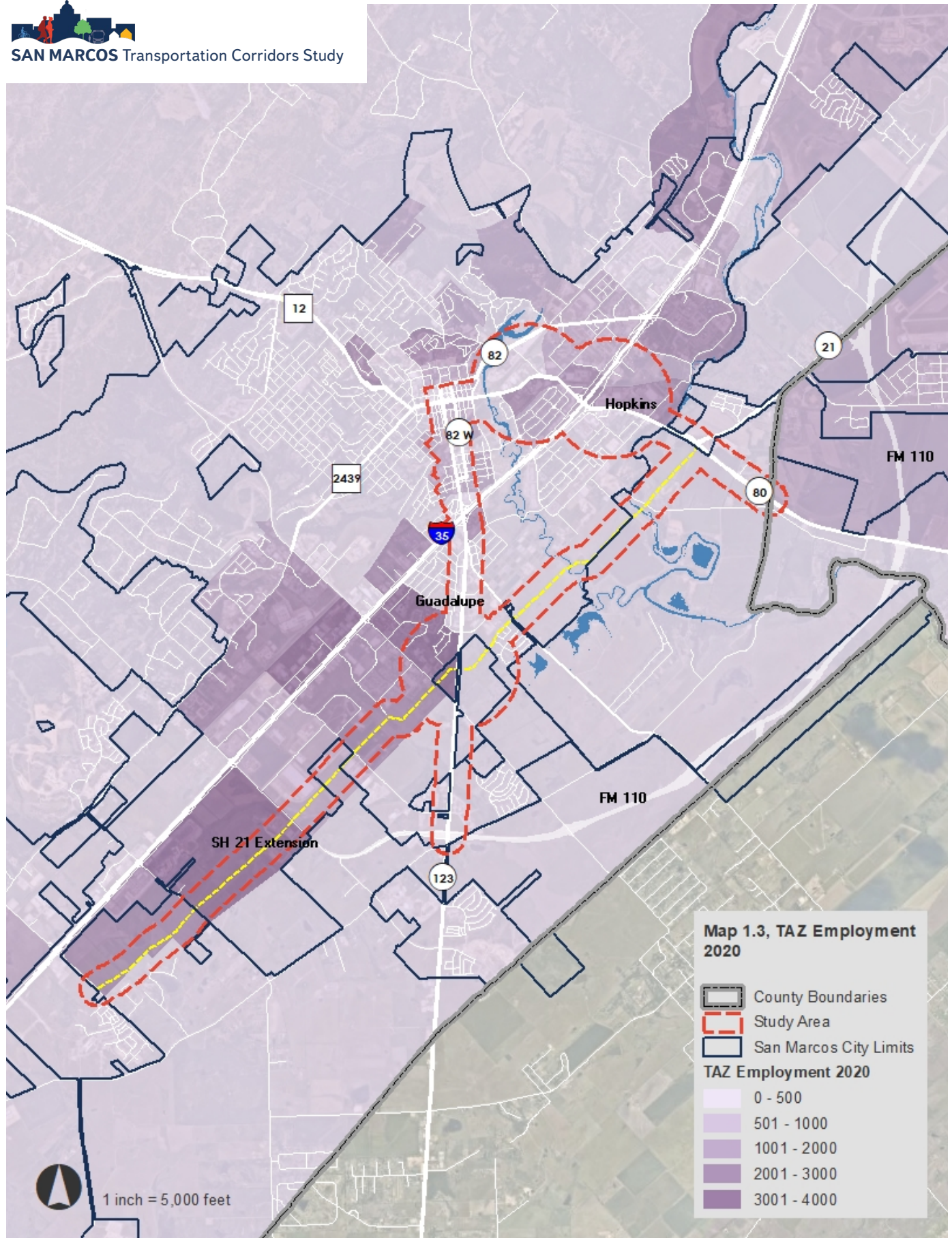
## Employment Trend in Study Area

The future north-south connector corridor west of SH 123 is currently an area with high employment, providing between 1,000 and 3,000 jobs, as illustrated in Map 1.3, *Employment 2020*, on page 1.12. This area is comprised of the Medical Center, the San Marcos Premium Outlet Mall, a variety of commercial strip centers, multi-family housing, and single-family residential subdivisions. The Study Area along the Guadalupe Street corridor north of Interstate 35 is also an employment center and has between 500 and 1,000 jobs. Together these two sub-areas – Medical Center area and Guadalupe Street corridor – constitute 38 percent of the total Study Area. The remaining 62 percent of the Study Area along the future north-south connector corridor east of SH 123 and State Highway 80 south of Interstate 35 has between zero and 500 jobs.

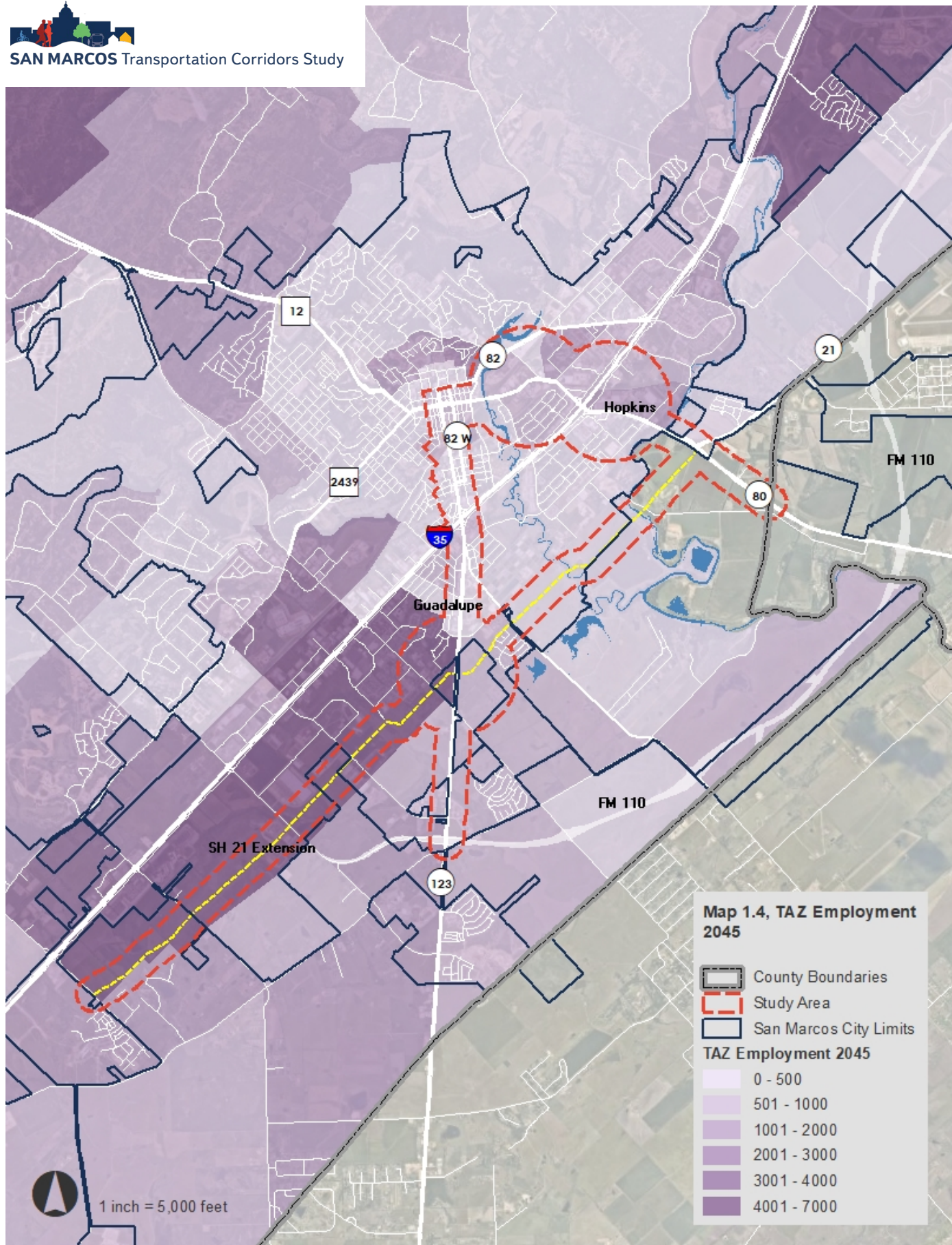
As evidenced in Map 1.4, *Employment 2045* on page 1.14, significant employment growth in and around the Study Area in the future is projected to occur in the Medical Center region, along the Interstate 35 and future north-south connector corridors. This high-growth, sub-area constitutes 21 percent of the total Study Area and will experience an increase in employment growth from 1,000 to 3,000 jobs, to between 4,000 and 7,000 jobs. The Hopkins Street corridor north and south of Interstate 35 and the area east of Downtown are expected to continue to be significant employment centers likely providing between 1,000 and 2,000 jobs. Together these areas comprise over one-third of the Study Area.

Notably, the Guadalupe Corridor south of Interstate 35 is also expected to have higher employment by 2045 compared to the employment in 2020. Currently, the corridor currently has less than 500 jobs. By 2045, the number of jobs along the corridor is expected to be between 500 to 1,000 in areas, and between 1,000 and 2,000 around the intersections of FM 110 and Old Bastrop Highway with Guadalupe Street (SH 123).











## Average Wage

The average wage varies widely among the local industry sectors. As described in the previous section, in Hays County, industries with an average weekly wage that is at the mid-point in the range of wages, such as health care (\$823) and transportation and warehousing (\$782), are growing at a rapid rate. Accommodation and food services, the county's fastest growing sector, has the lowest average weekly wages of \$357 in 2019 (Table 1.8, *Average Weekly Wages by Industry in Hays County*). On the other hand, the high-wage industries with average weekly wages ranging between \$1,100 and \$1,700, such as management of companies, wholesale trade, and professional, scientific, and technical services, have the fewest number of jobs in the county.

**Table 1.8, Average Weekly Wages by Industry in Hays County**

| Industry Sector in Hays County   | Average Weekly Wage (\$) |
|--|--------------------------|
| Mining, Quarrying, and Oil and Gas Extraction                            | 1,721                    |
| Utilities  | 1,525                    |
| Management of Companies and Enterprises                                  | 1,458                    |
| Wholesale Trade  | 1,320                    |
| Professional, Scientific, and Technical Services                         | 1,139                    |
| Public Administration  | 1,120                    |
| Construction   | 1,119                    |
| Manufacturing  | 1,085                    |
| Finance and Insurance  | 1,070                    |
| Educational Services   | 979                      |
| Agriculture, Forestry, Fishing and Hunting                               | 914                      |
| Information  | 899                      |
| Health Care and Social Assistance  | 823                      |
| Administrative and Support and Waste Management and Remediation Services | 810                      |
| Transportation and Warehousing   | 782                      |
| Real Estate and Rental and Leasing                                       | 730                      |
| Other Services (except Public Administration)                            | 669                      |
| Retail Trade   | 550                      |
| Unclassified   | 506                      |
| Arts, Entertainment, and Recreation                                      | 469                      |
| Accommodation and Food Services  | 357                      |

Caldwell County, in general, has a narrower range of average wages across industries. However, the two fastest growing sectors in the county, retail trade and accommodation and food services, are among the lowest paying, as described in Table 1.9, *Average Weekly Wages by Industry in Caldwell County*.



*Table 1.9, Average Weekly Wages by Industry in Caldwell County*

| Industry Sector in Caldwell County                                       | Average Weekly Wage (\$) |
|--|--------------------------|
| Finance and Insurance  | 1,246                    |
| Utilities  | 1,131                    |
| Wholesale Trade  | 959                      |
| Professional, Scientific, and Technical Services                         | 936                      |
| Construction   | 919                      |
| Mining, Quarrying, and Oil and Gas Extraction                            | 891                      |
| Public Administration  | 891                      |
| Educational Services   | 830                      |
| Health Care and Social Assistance  | 828                      |
| Agriculture, Forestry, Fishing and Hunting                               | 802                      |
| Manufacturing  | 786                      |
| Transportation and Warehousing   | 762                      |
| Real Estate and Rental and Leasing                                       | 742                      |
| Unclassified   | 710                      |
| Other Services (except Public Administration)                            | 675                      |
| Administrative and Support and Waste Management and Remediation Services | 636                      |
| Retail Trade   | 581                      |
| Information  | 460                      |
| Arts, Entertainment, and Recreation                                      | 448                      |
| Accommodation and Food Services  | 354                      |
| Management of Companies and Enterprises                                  | N/A                      |



## Total Wage

Estimating total wages for each industry sector is an indication of the sector's impact on the local economy. The larger the total wages, the higher the potential spending that sector generates in the local economy. In Hays County, the educational services sector has the highest amount of estimated total wages, at \$141.7 million, followed by the construction sector, at \$90.4 million in 2019 (Table 1.10, *Total Wages by Industry in Hays County*). Cumulatively, total wages across all industries have more than doubled since 2009, from \$373.7 million to \$773.8 million.

**Table 1.10, Total Wages by Industry in Hays County**

| Industry Sectors in Hays County  | Estimated Total Wage in 2019<br>(\$) |
|--|--------------------------------------|
| Educational Services   | 141,758,470                          |
| Construction   | 90,483,824                           |
| Retail Trade   | 81,424,778                           |
| Health Care and Social Assistance  | 73,987,398                           |
| Manufacturing  | 67,619,889                           |
| Accommodation and Food Services  | 46,393,764                           |
| Transportation and Warehousing   | 43,670,112                           |
| Professional, Scientific, and Technical Services                         | 40,714,114                           |
| Administrative and Support and Waste Management and Remediation Services | 33,611,432                           |
| Wholesale Trade  | 31,827,555                           |
| Public Administration  | 31,647,395                           |
| Other Services (except Public Administration)                            | 21,947,487                           |
| Real Estate and Rental and Leasing                                       | 16,619,675                           |
| Finance and Insurance  | 15,868,686                           |
| Information  | 13,430,861                           |
| Management of Companies and Enterprises                                  | 6,779,752                            |
| Utilities  | 5,332,555                            |
| Mining, Quarrying, and Oil and Gas Extraction                            | 4,437,082                            |
| Arts, Entertainment, and Recreation                                      | 4,384,044                            |
| Agriculture, Forestry, Fishing and Hunting                               | 1,592,163                            |
| Unclassified   | 280,705                              |

In Caldwell County, the health care sector has the largest estimated total wages, at \$16 million, followed by educational services, at \$11.9 million, and retail trade, at \$10.5 million. Total wages across all industries have increased by approximately 82 percent since 2009. Table 1.11, *Total Wages by Industry in Caldwell County*, provides details of estimated total wages by industry sector for Caldwell County in 2019.



*Table 1.11, Total Wages by Industry in Caldwell County*

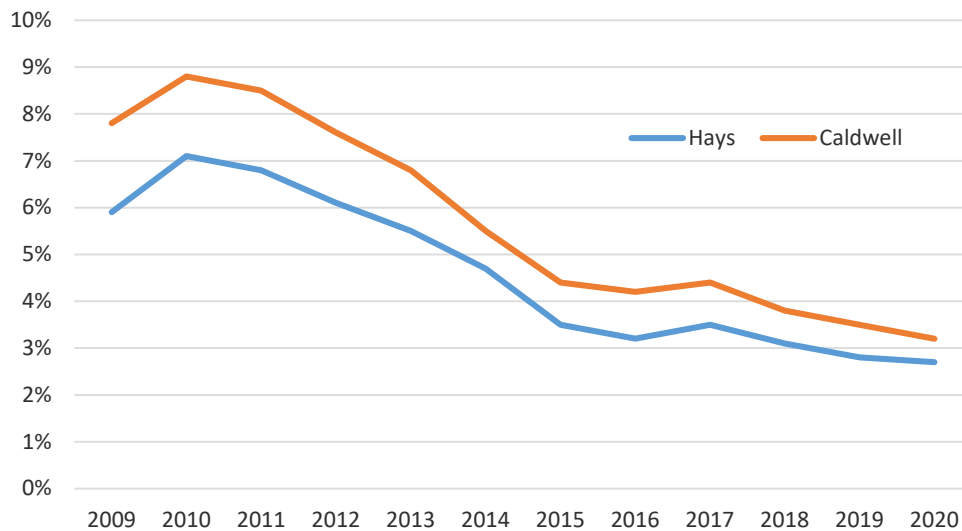
| Industry Sectors in Caldwell County   | Estimated Total Wage in 2019<br>(\$) |
|---|--------------------------------------|
| Health Care and Social Assistance   | 16,100,822                           |
| Educational Services  | 11,966,396                           |
| Retail Trade  | 10,541,566                           |
| Construction  | 7,274,550                            |
| Manufacturing   | 6,301,202                            |
| Public Administration   | 6,115,138                            |
| Accommodation and Food Services   | 4,600,942                            |
| Finance and Insurance   | 4,204,574                            |
| Transportation and Warehousing  | 3,767,752                            |
| Mining, Quarrying, and Oil and Gas Extraction                               | 2,848,413                            |
| Administrative and Support and Waste Management and<br>Remediation Services | 2,420,007                            |
| Wholesale Trade   | 2,351,899                            |
| Other Services (except Public Administration)                               | 1,889,722                            |
| Agriculture, Forestry, Fishing and Hunting                                  | 1,811,366                            |
| Professional, Scientific, and Technical Services                            | 1,654,555                            |
| Utilities   | 1,058,490                            |
| Real Estate and Rental and Leasing  | 623,644                              |
| Arts, Entertainment, and Recreation   | 271,983                              |
| Information   | 207,399                              |
| Unclassified  | 101,511                              |
| Management of Companies and Enterprises                                     | N/A                                  |



## Unemployment Rate

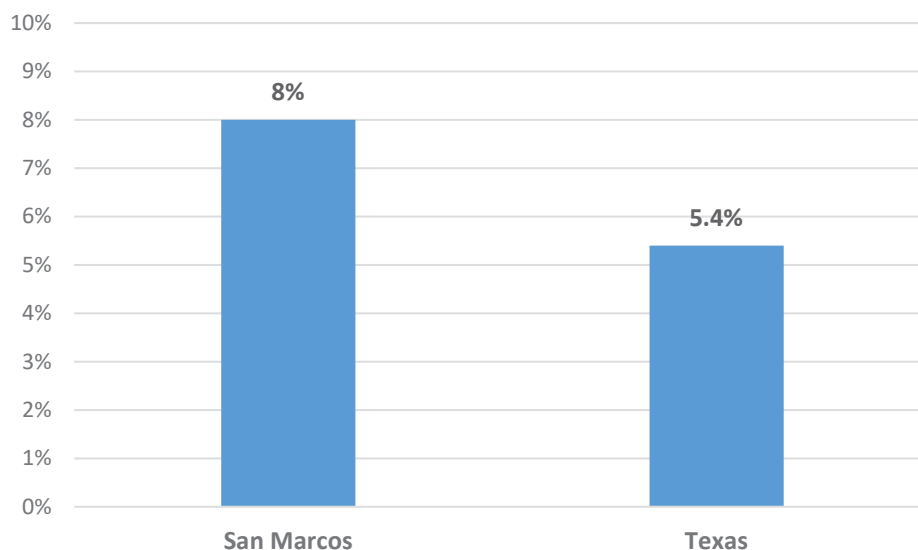
The unemployment rate for Hays and Caldwell Counties has decreased steadily from seven and nine percent at the peak of the 2008-2010 economic recession, to less than four percent in 2020 before the economic downturn of the Coronavirus pandemic. In February 2020, the unemployment rate was close to three percent in both counties (Figure 1.5, *Unemployment Rate in Hays and Caldwell Counties, 2009-2019*).

**Figure 1.5, Unemployment Rate in Hays and Caldwell Counties, 2009-2019**



The unemployment rate in San Marcos, at eight percent, is notably higher than the Texas unemployment rate (5.4 percent) (Figure 1.6, *Unemployment Rate in San Marcos, 2018*).

**Figure 1.6, Unemployment Rate in San Marcos, 2018**







## Notable San Marcos Area Economic Development Trends

In recent years, the transportation and warehousing sector and the manufacturing sector employers have been expanding in Hays and Caldwell counties. According to the Greater San Marcos Partnership, businesses that have recently located to the San Marcos area include the following:

- Urban Mining Company, a manufacturer of rare earth magnets, has opened a new 130,000 sq. ft. facility in San Marcos.
- Irby Construction Company opened a new 14,000 sq. ft. facility in Lockhart.
- Large multi-user industrial development is underway in Buda and Kyle, including a 300,000 sq. ft. speculative building in Buda.
- Dailey Electric has opened an operation in Lockhart with the expectation of eventually adding 100 jobs.
- The Hays Commerce Center, an industrial development, will have over 400,000 sq. ft. of logistics space.
- AlSCO Linen and Uniform Rental Services have opened a laundry facility in Hays Commerce Center that has 160 employees.
- The Kyle Crossing Business Park is underway, which will contain 500,000 sq. ft. of industrial space.
- High-tech manufacturer ENF Kyle Technology has begun development of a new plant in Kyle which will contain 45 to 50 employees.
- Visionary Fiber Technologies, Inc. (VFT) has announced the establishment of their global headquarters, research and development, and manufacturing facility in Lockhart, Texas. VFT is further developing technology initially created by staff at Texas State University and funded by the National Sciences Foundation for commercialization in various industries. The company plans to introduce 70 high paying jobs over the next five years.

### San Marcos Employers

In 2020, an estimated 13,580 employees work at the largest 10 employers in San Marcos, as detailed in Table 1.12, *Major San Marcos Employers*. The jobs created by these employers represent 19 percent of the total employment (73,018 workers) in Hays County in 2019.

**Table 1.12, Major San Marcos Employers**

| Public and Private Employers | Employees |
|------------------------------|-----------|
| Texas State University       | 3,300     |
| Amazon Fulfillment           | 2,200     |
| Premium Outlets              | 1,600     |
| Tanger Outlets               | 1,540     |
| San Marcos CISD              | 1,400     |
| Hays County                  | 830       |
| HEB Distribution Center      | 750       |
| Central Texas Medical Center | 700       |
| City of San Marcos           | 660       |
| CFAN                         | 600       |
| Total                        | 13,580    |

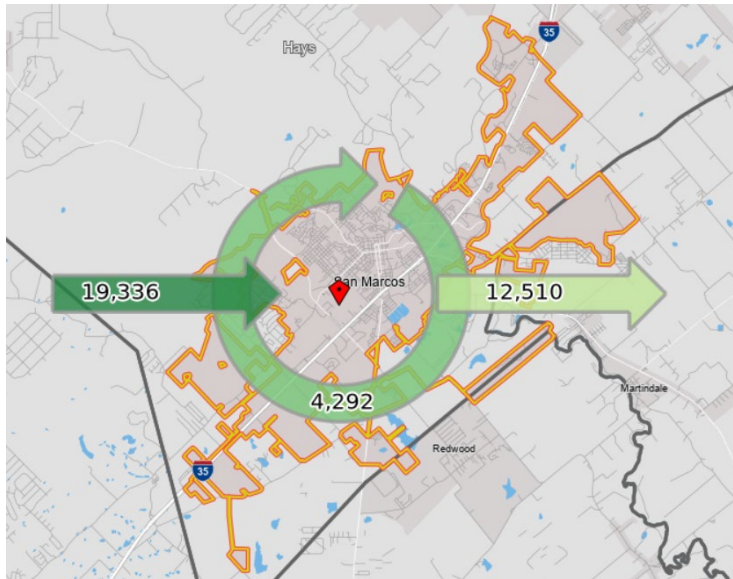




## Geographic Mobility

Labor force, residency and housing tenure data suggests that San Marcos is a majority renter city with a high population turnover and a small stable resident population that lives and works in the city. The 2017 Inflow/Outflow Job Counts Analysis in Figure 1.7, *Inflow/Outflow Analysis* illustrates the labor force movement in San Marcos. The dark green arrow pointing to the city shows the number of workers that are employed in San Marcos but live outside the city. The light green arrow shows the number of residents in San Marcos that are employed outside the city. The city is a labor force source for the surrounding communities but also has enough economic activity to serve as a labor force destination.

**Figure 1.7, Inflow/Outflow Analysis**



As described in the Table 1.13, *Inflow/Outflow Job Counts (Private Primary Jobs)*, of the 23,628 jobs in San Marcos, almost 82 percent of the employed are people who live outside San Marcos but travel to the city for work. Only 18 percent of those employed in the city also live in San Marcos. Similarly, close to three-quarters of the residents in San Marcos who live in the city travel outside the city for work.

**Table 1.13, Inflow/Outflow Job Counts in San Marcos (Private Primary Jobs)**

|   | Number of People | Percentage  |
|---|------------------|-------------|
| Employed in San Marcos                            | <b>23,628</b>    | <b>100%</b> |
| Employed in the Selection Area but Living Outside | 19,336           | 81.8%       |
| Employed and Living in the Selection Area         | 4,292            | 18.2%       |
| Living in the San Marcos                          | <b>16,802</b>    | <b>100%</b> |
| Living in the Selection Area but Employed Outside | 12,510           | 74.5%       |
| Living and Employed in the Selection Area         | 4,292            | 25.5%       |



## 1.3 PRELIMINARY FINDINGS

*The data analysis presented within this technical memorandum will be considered in conjunction with additional research, field observation, stakeholder interviews and public input to prepare future development scenarios for Study Area corridors and centers and to prepare a corresponding needs assessment report. Initial observations of note which may influence subsequent Study Area development and redevelopment scenarios include:*

- With a young, transient, and growing population, which has a high number of one-person, two-person, and nonfamily households, San Marcos is likely to experience a higher demand for urban spaces and high-intensity, mixed-use development centers that offer a range of services and amenities; from condominium-style homes, retail centers and restaurants, to enhanced public transit, office buildings, and meeting spaces that cater to younger adults, specifically those in the 25 to 34 year cohort, commonly referred to as Generation Z. Members of this cohort are also increasingly demanding walkable neighborhoods with multi-use pathways and outdoor spaces. In a post-Covid 19 world, the demand for outdoor spaces and pedestrian-friendly urban spaces may be even higher, as young adults seek safe, outdoor entertainment and recreation.
- Attractive and affordable urban living spaces can help anchor over 19,000 workers in San Marcos who live outside the City but commute to work every day. Affordable, workforce housing opportunities for workers in the Accommodations and Food Services - the industry sector employing the largest number of people in San Marcos - who have an average weekly wage of approximately \$357 will help increase the quality of life for the workers, help increase the City's tax base, invigorate the housing market, and reduce the hidden environmental costs of thousands of workers commuting to the city every day.
- The Medical Center on South Guadalupe Street (SH 123) in the Study Area is expected to become denser and experience significant growth in employment by 2045, signifying a higher demand for public services, such as transit in the area. An increase in employment and economic activity is also likely to spur further real estate development, thereby increasing pressure on municipal services (emergency services, police) and utilities infrastructure (water, wastewater, traffic).
- The anticipated increase in construction, manufacturing, and warehousing jobs in the upcoming years in the San Marcos area may have spillover effects in other sectors within the region, increasing jobs in accommodation and food services, finance and insurance, and real estate, and spurring economic development.
- Anticipated growth in the educational service sector spurred by employment opportunities at Texas State University will likely influence the demand for housing, transit, and neighborhood amenities (grocery stores, pharmacies, parks, open spaces) in the Downtown District, the City Government Center, and adjacent neighborhoods.





# Technical Memorandum 2.0

## Land Use

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## 2.1 EXISTING LAND USE

A description of existing land use patterns and the character of development is essential to plan for future real estate development, economic growth, and open space preservation that is compatible with the character of the community. Technical Memorandum 2.0, *Land Use*, evaluates current land use classifications and designations, and development suitability of land, within and proximate to the Study Area to determine development and redevelopment potential. Technical Memorandum 2.0 also presents a detailed description of the development typologies, characteristics, and zoning districts associated with each land use designation. The data sources utilized to analyze existing land uses include the San Marcos Development Code; Hays Central Appraisal District; and the Capital Area Council of Governments (CAPCOG).

Further, Technical Memorandum 2.0, *Land Use*, provides a character classification for existing land uses in San Marcos and the Study Area. Character classifications provide additional information on the relationship between use and form, including density and intensity of development, and the relationship between buildings, spaces, and landscapes, which combined, help to characterize the various types of land uses in San Marcos.

### Character Classifications

Four principal character classifications - rural, suburban, auto-urban, and urban- are used to describe the various land uses in San Marcos. These character classifications are described in technical and professional texts pertaining to urban planning and design principles and are often utilized to describe community characteristics in planning studies. A character classification is assigned to a land use based on its physicality and not its function. This physicality of the land use includes particular design elements, spatial configuration, form, relationship to other land uses, circulation, and other attributes, and the degree to which social interaction and economic activity is either facilitated or limited.

- > **Rural Character Classification.** In rural environments, open space dominates to the point that it appears to be infinite, extending to the horizon and beyond. The built environment is subordinate and relegated to the background. The rural character classification represents less populated, peripheral lands, in places where urban growth is not anticipated. The rural character classification describes undeveloped lands that are primarily used for agricultural purposes, including both tilled ground, forested acreages, and open pastureland.
- > **Suburban Character Classification.** The suburban character classification describes a character that is more gardenesque in quality and architectural enclosure is balanced with the desired natural, open character of the landscape. The land uses with a suburban character may be residential or commercial.
- > **Auto-Urban Character Classification.** Land uses that have an auto-urban character have an automobile-centric orientation, with respect to how vehicular circulation is accommodated; and are marked by developments where automobiles, parking, and roads consume more land than do the actual buildings that are served. The building massing differs from traditional urban areas by largely being single-story, often free-standing buildings surrounded by large expanses of parking. Land uses with an auto-urban character may be residential, commercial, or industrial.
- > **Urban Character Classification.** An urban character classification is generally for areas which exhibit a high level of development intensity. In contrast to land uses with an auto-urban character, the automobile is subordinate to the spatial configuration of buildings. Land uses exemplifying an urban character tend to have a strong sense of architectural enclosure within a largely pedestrian precinct. The structuring of pedestrian activity centers and nodes is a critical element of urban environments, and it influences the design of buildings and spaces.

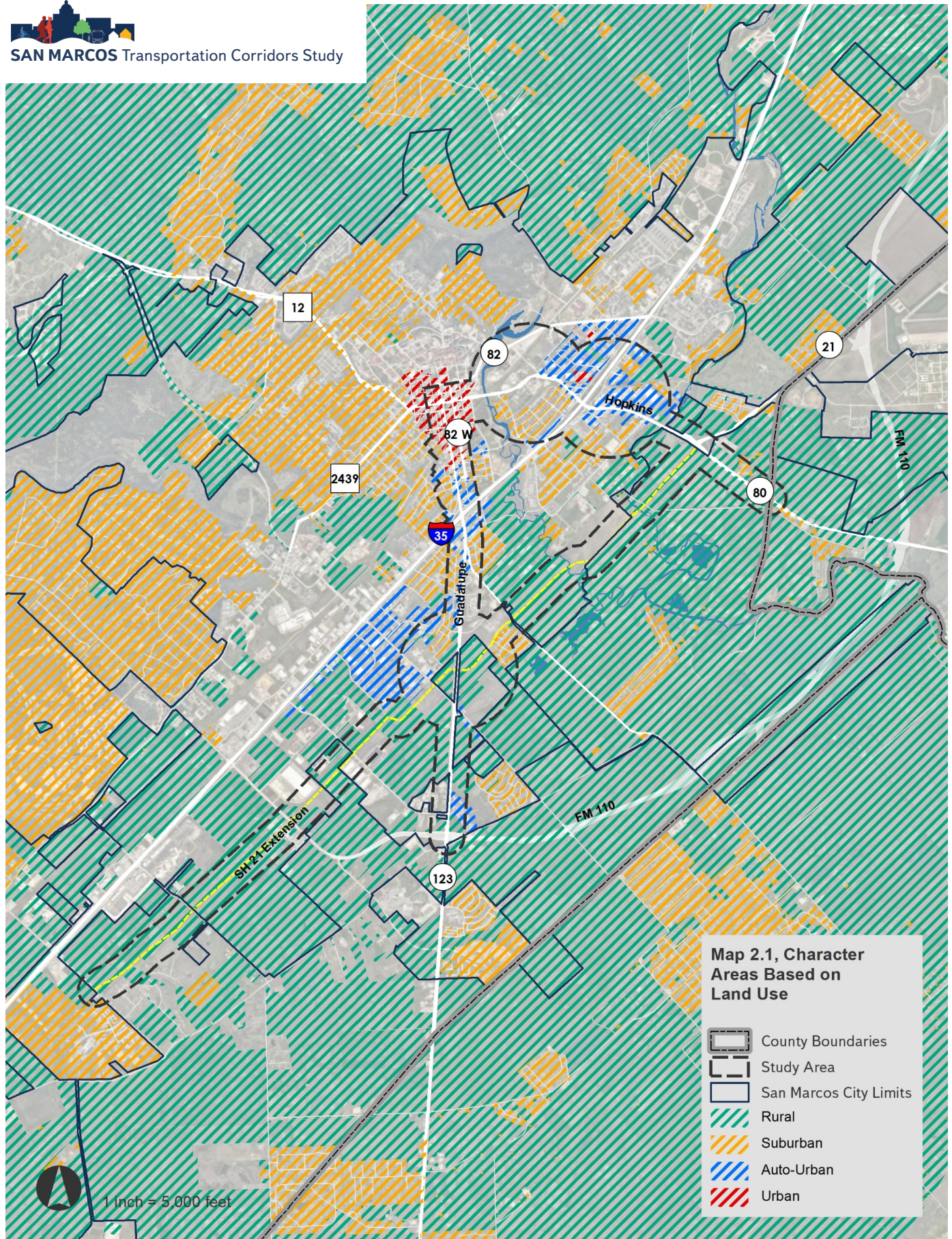
As described within San Marcos' Design Manual, the character districts in San Marcos reflect a rural-to-urban character spectrum or transect. Each character district is defined by characteristics and attributes which correspond with the density and intensity of land use and degree of urbanity. Characteristics include building placement, landscaping, and



## **SAN MARCOS** Transportation Corridors Study

pedestrian and vehicular circulation, all of which influence the amount of covered area, degree of walkability, open space, and the resulting vibrancy of a place. The land use designations in the following section include the corresponding and applicable Character District. Map 2.1, *Character Areas Based on Land Use*, generally depict the character classifications of existing land uses in San Marcos and the Study Area.









## Rural Land Use Designation

### Rural / Undeveloped Land Use Designation

#### > Rural Character Classification

The Rural / Undeveloped land use designation consists of lands that are sparsely developed, the primary uses of which consist primarily of agricultural and forested lands interspersed with very low-density, exurban residential (homes are customarily an accessory to agriculture). The landscape is accentuated by a few farmsteads, outbuildings, and gently rolling hills, which contribute to its rural character.

Landscapes and land uses possessing rural character in San Marcos and designated as Rural / Undeveloped are primarily found in areas to the southeast of Interstate 35 and southwest of the Medical Center (refer to Map 2.2, *Existing Land Use*). Rural / Undeveloped land uses constitute over 75 percent of the land area around San Marcos.

#### **Development Types:**

- Agricultural uses
- Agriculture-focused commercial retail
- Agricultural storage and support use, e.g., barns and related outbuildings

#### **Characteristics:**

- Rural character resulting from wide open landscapes, with minimal sense of architectural enclosure, and views to the horizon unbroken by buildings in most places;
- Typically, no centralized water or sanitary sewer service available; thus, requiring the utilization of on-site septic systems. Also, much greater reliance on natural drainage systems, except where altered significantly by agricultural operations;
- Potential for conservation developments that further concentrate the overall development footprint through the clustering of development, with increased open space set-aside to preserve sensitive lands, maintain the overall rural character, and buffer adjacent properties.

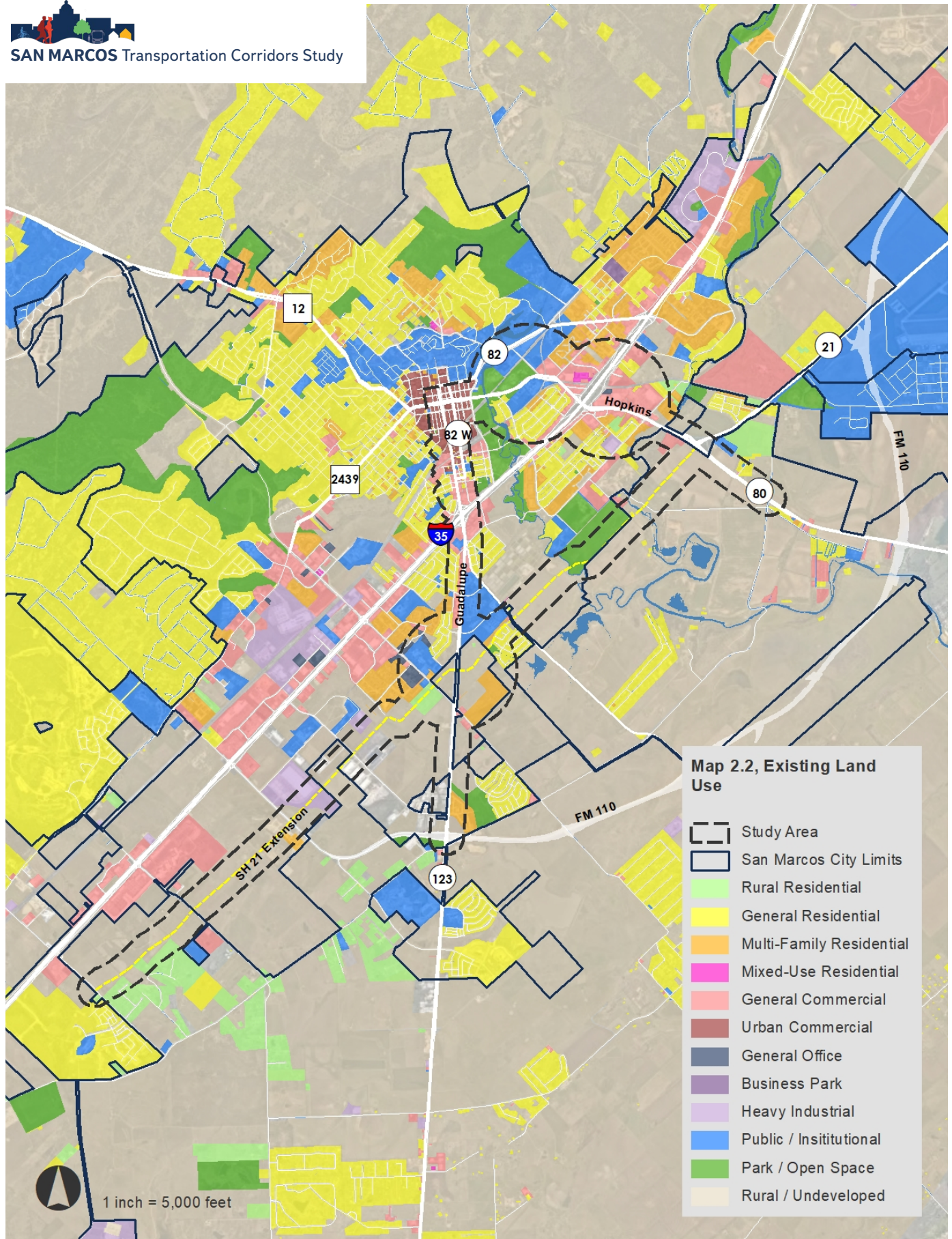
#### **Applicable City Zoning Districts:**

- Agricultural Ranch District (AR)

#### **Applicable Character Districts:**

- Character District – 1 (CD-1)







## Residential Land Use Designation

Housing provides the foundation for economic growth. Business growth requires employees. Employees require housing. To a large degree, the people living in San Marcos provides the demand for goods and services. Housing provides the customer base needed to support business retention and expansion. A diverse housing stock is required to enable people to live in San Marcos for their entire life. Each stage of life produces different housing demands. Young adults seeking to locate to (or remain in) San Marcos often face challenges in purchasing a home, let alone finding a home that suits their lifestyle. At this stage in life, the amount of income and assets may pose barriers to home ownership. As a result, this age group depends on apartments and other forms of rental housing. As age, economic status and family size increase, people often seek a shift to owned housing. Townhomes can provide a more affordable form of entry level, owned housing. Families may “move up” to larger homes over a lifetime. This transition reflects the need for more space and the capacity to afford additional housing expense. As people age and children leave home, housing needs change. “Empty nesters” may seek to downsize and opt to live in smaller homes with less maintenance-related concerns. Other older residents may require housing that includes varying levels of support services.

## Rural Residential Land Use

### > Rural Character Classification

Rural Residential (RR) land use designation describes low-density development on larger properties, thereby resulting in a visual openness. As a result of larger lot sizes, open space and vegetation enable more dominant views and vistas. Buildings are subordinate to the landscape. Depending on the size of the home and the percent of coverage and location on the lot, the Rural Residential land use designation may more closely resemble a larger, more spacious version of the typical suburban character.

Less than one percent of land in San Marcos has rural residential use. Development designated as rural residential is located primarily at the southeastern edge of the city, adjacent to Blanco River, and in the western quadrant of the city in the area opposite San Marcos Premium Outlets Mall, north of Interstate 35. Inside the Study Area, a 25-acre parcel just south of Interstate 35 in the proposed Midtown Center is the only parcel that is designated rural residential.

#### **Development Types:**

- Large lot, single family detached residential
- Residential dwellings set back from rural roads
- Outbuildings are for leisure activities (e.g., pool houses, cabanas, recreational vehicle and boats storage) and landscape maintenance (lawn mowers)
- Agricultural storage and support uses: e.g., barns and related outbuildings
- Ornamental landscape enhancements and manicured lawn areas

#### **Characteristics:**

- Scattered residential development on large acreages, resulting in very high open space ratios and very low site coverage (sometimes with residential “estate” areas providing a transition from rural to suburban densities);
- The automobile is often celebrated as the driveway is a dominant element in the composition of the manicured landscape. Garages are often free-standing and situated to the side or rear of the main dwelling;
- Vast open spaces are marked by agricultural uses with woodlands, wetlands, and scattered buildings.

#### **Applicable City Zoning Districts:**



- Single Family Rural Residential (SF-R)
- Agricultural Ranch District (AR)

**Applicable Character Districts:**

- Character District - 2 (CD-2)

## General Residential Land Use

### > Auto-Urban Character Classification

General Residential land use designation includes detached residential dwellings; attached housing types (subject to compatibility and open space standards, e.g., duplexes, triplexes, townhomes, cottage, and patio homes); planned developments (with a potential mix of housing types and varying densities, subject to compatibility and open space standards), etc.

- **Single Family Detached.** This housing style is characterized by several features. There is a one-to-one relationship between house and parcel of land. The housing unit is located on a single parcel. The house is not physically attached to another housing unit. The housing is designed for occupancy by a single family unit.
- **Single Family Attached.** Single family attached housing comes in many forms. Duplexes, quads and townhomes are common examples of this housing style. Although the specific form changes, there are several common characteristics. Though the housing units are physically attached to each other generally in a horizontal orientation, each housing unit is designed for occupancy by an individual or a single family. There is not necessarily a single pattern of organization for single family attached housing and parcels. The same physical structure may have different parcel configurations. For example, a duplex (two units attached) typically sits on a single parcel. The same structure can straddle two lots and be called a “twin home.”
- **Zero Lot Line House.** This type of residential building accommodates one detached or two attached dwelling units with each unit located on separate lots with separate entrances, typically facing the street. If units are attached, they share a common wall along a parcel boundary.

Single family residential uses are primarily in the northwestern and western area of the city north of Interstate 35, though the Rio Vista and Blanco Gardens neighborhoods adjacent to Interstate 35 just west of State Highway 80 are also predominantly single family residential. In the Study Area, the neighborhoods around the City Government Complex and along the Guadalupe Street corridor, such as Rio Vista, Wallace Addition, Victory Gardens and Sunset Acres, represent a predominant single family, general residential land use.

**Development Types:**

- Detached residential
- Attached residential
- Zero lot line house

**Characteristics:**

- Accommodation of the automobile on sites. However, garages are typically integrated into the front facade of the dwelling or hidden behind the dwelling; with driveways on the side of homes or occupying a portion of the front yard space;
- Less openness and separation between dwellings compared to suburban character areas, due to size of parcel and proportion of building footprint to parcel;





- Landscape enhancements remain subordinate to the structure;
- Building setbacks are moderate and sidewalks facilitate frequent pedestrian use within a neighborhood.

**Applicable City Zoning Districts:**

- Single Family (SF – 4.5, SF – 6, SF - 11)
- Manufactured Home and Residential (MR)
- Townhouse Residential (TH)
- Duplex Residential (D)
- Patio Home, Zero Lot Line Residential (PH-ZL)
- Neighborhood Density (ND-3, ND-3.5, ND-4)

**Applicable Character Districts:**

- Character District-3 (CD-3)

## Multi-Family Residential Land Use

### > Auto-Urban Character Classification

Multi-family residential dwellings are structures of two to three stories containing four or more housing units. Units available for rent are called “apartments.” Owned housing is typically referred to as “condominiums.” Multi-family residential developments have an auto-urban character and are typically setback from road frontages, with buildings surrounded by surface parking lots and oriented inward toward recreational / social amenities, such as swimming pools, cabanas, etc. Almost three percent of residential development in San Marcos is comprised of multi-family land use. Multi-family developments are clustered at the northern and northwestern edge of the city in and around the Millview East, Tanglewood and Hughson Heights neighborhoods, featuring large apartment complexes and fourplexes that are primarily serving as student housing for the Texas State University students. These multi-family developments are auto-urban in character, with parking lots and garages facing the street.

**Development Types:**

- Complexes of often several, multi-story (two to three stories) multi-family buildings, interspersed with parking lots and open spaces areas;
- Courtyard housing that consist of multiple units arranged around a central court, which has one side that is open to and facing the street. Courtyard housing provides higher densities and higher degree of affordability.

**Characteristics:**

- Gated automobile and pedestrian entrances
- Internal orientation
- Designated recreational areas, often with pool house and pool
- Shared stair wells and elevators, depending on the number of stories
- Perimeter buildings heights are typically reduced compared to internal buildings
- Surface parking lots



- Often adjacent to major thoroughfares and provide a buffer between low- or medium-density residential development and nonresidential development or high-traffic roadways

**Applicable City Zoning Districts:**

- Multi-Family 12
- Multi-Family 18
- Multi-Family 24

**Applicable Character Districts:**

- Character District – 4 (CD-4)

## **Mixed-Use Residential Land Use**

### **> Urban Character Classification**

The urban residential land use has relatively high density, limited open space, relative to the amount of impervious surface devoted to increased building enclosure and structured parking. The mixed-use residential use includes taller, larger buildings that occupy most, if not all, of the site and are set at the street edge, with minimal setback, with parking largely on-street or in structures. Mixed-use residential development may have three predominant uses – residential, office, commercial and residential use is integrated with commercial or office use. Sidewalks are scaled for pedestrian rather than automobile use with convenient street-level access to retail and office use.

Mixed-use residential development is present in the Midtown Center area north of Interstate 35, in the Millview West neighborhood, and adjacent to West Chestnut Street in the Sessom Creek neighborhood just north of Texas State University.

**Development Types:**

- Multi-family development which has attached structures that consist of more than 24 units that allow for appropriately scaled, well-designed higher densities.

**Characteristics:**

- High rise attached structures
- No internal yards or surface parking lots
- Parking under the building or on the side in a parking garage

**Applicable City Zoning Districts:**

- Mixed Use District (MU)

**Applicable Character Districts:**

- Character District-5 (CD-5)





## Commercial Land Use Designation

Commercial land use provides the community with goods and services, and jobs, and contributes to the City's sales tax base. Commercial businesses are not a single, uniform commodity. Commercial land uses typically fall into two broad categories:

- **Retail.** These businesses provide for the sale of goods and commodities to the public. The interaction between the business and the customer (shopping) is an essential factor in this type of commercial land use. Retail uses typically produce the highest amount of vehicle trips among commercial land uses. Traffic, access and visibility are important variables which influence the location of retail uses.
- **Services.** Service-oriented businesses provide a wide range of professional services. Examples of professional service businesses include law, health care, banking, consulting, accounting and real estate. Services typically entail less business/customer interaction than retail. Many services can be obtained without visiting the premises of the business. The nature of the interaction with the customer influences the location for service businesses.

## General Commercial Land Use

### > Auto-Urban Character Classification

The commercial land use in San Marcos is characterized by roads, driveways, and at-grade parking areas, the square footage of which typically exceeds the area of the building(s) footprint. Because of an automobile-centric site design, commercial developments are characterized by large parking lots surrounding buildings. This land use includes commercial businesses which require large amounts of land for their operations, such as auto and recreational vehicle sales, farm implement dealers, nurseries as well as other outdoor sales, and "big box" retailers. The General Commercial land use designation also includes commercial enterprises which are auto-urban in character, including, gas stations, small strip centers, restaurant franchises, hotels and motels.

The character of commercial land use in San Marcos is marked by a significant amount of space for high levels of automobile dependent interaction, i.e., large surface parking lots with multiple points of ingress/egress. Buildings are constructed at the back of the site nearest neighboring uses and away from their roadway frontage. There is substantial reliance on site access, thereby adding to the number of driveways and access points. The result is expansive parking areas that dominate the front setback and, thus, the character of the commercial development. Within the Study Area concentrations of general commercial developments are most prominent along the frontage roads flanking the Interstate 35 corridor; the Guadalupe Street corridor south of Interstate 35; Hopkins Street and Hunter Road from Bishop Street in the east to the southwestern city limits; Wonder World Drive, from Hunter Road to Guadalupe Street; developed areas along Hopkins Street, within the proposed Midtown Center.

#### Development Types:

- "Strip" commercial centers along major roadways, with a range of uses, including those on high-profile "pad" sites along the roadway frontage
- Automobile service-related enterprises (e.g., gas /service stations, auto parts, car washes)
- Restaurant chains (e.g., fast food, other)
- Banks
- Shopping centers
- "Big-box" commercial stores (e.g., grocery, appliances, Wal-Marts, clothing, etc.)



- Hotels and motels

**Characteristics:**

- Significant portions of the site is devoted to vehicular access drives, circulation routes, surface parking, and loading/delivery areas, making pavement the most prominent visual feature;
- Buildings typically set back toward rear of site to accommodate expansive parking areas in front, closest to passing traffic;
- Less emphasis on architectural design in many cases, with building façades often lacking articulation and having large banks of single-pane windows;
- Desire to maximize signage (number, size) to capitalize on site visibility to passing traffic;
- Often not conducive for access or on-site circulation by pedestrians or cyclists; and
- Required Landscape Surface Ratio of 10 to 15 percent.

**Applicable City Zoning Districts:**

- Community Commercial (CC)
- General Commercial (GC)
- Employment Center (EC)
- Heavy Commercial (HC)

**Applicable Character Districts:**

- N/A

## Urban Commercial (Central Business District) Land Use

### > Urban Character Classification

A downtown district typifies the density and intensity of development within an Urban Commercial land use classification. San Marcos' Downtown retains the historic fabric and design of a traditional mixed-use, central business district. This urban environment is characterized by taller, larger buildings that occupy most, if not all, of the site; with minimal setbacks off of wide sidewalks. Parking is largely on-street or in structures, with reduced common surface parking lots. Sidewalks are scaled for significant pedestrian activity. Buildings with historic or design significance have been mostly well-preserved. Allowed uses include high density, mixed-use residential, entertainment, restaurants, department stores and other retail, general and professional offices, hotels, open space gathering areas. Less than one percent of the land use in San Marcos is mixed-use and is almost entirely concentrated in the Downtown area and the Guadalupe Street corridor immediately south of Downtown.

**Characteristics:**

- Streets and other public spaces framed by buildings with zero/minimal front setbacks, creating sense of “architectural enclosure”
- Greatest site coverage. Multi-story structures are in character and encouraged
- Most conducive for pedestrian activity and interaction, with public plazas and pocket parks providing green space amidst an urban environment, and a place to gather and host community events
- Structured and on-street parking. Development that is auto-urban in character is strictly prohibited



- Beyond mixed-use residential land uses, residential uses promote density through small-scale, multi-family or townhome buildings, live / work buildings, and neighborhood shopfront buildings
- Low-density residential uses, and industrial uses should not be permitted within the urban commercial land use designation

**Development Types:**

- Lifestyle Centers which promote regional, pedestrian-oriented, mixed-use centers with integrated, complementary uses; with convention/assembly and/or parks and public spaces that draw visitors from surrounding neighborhoods and communities within the region;
- Live / Work buildings which are either attached or detached structures, consisting of flexible space used for artists' studios, service or retail uses, with a residential unit above or behind. Live / Work developments provide affordable and flexible mixed-use space for incubating and neighborhood-serving retail and service businesses;
- Neighborhood storefront building type accommodates ground floor retail, office, or commercial uses with or without upper-story residential or office uses at a scale that complements the existing residential character of the area;
- Mixed-use storefront building type accommodates ground floor retail, office, or commercial uses with upper story residential or office uses;
- Downtown District (mixed-use, central business district) which has an active mix and concentration of uses and public gathering spaces in a Main Street setting, including professional offices, government services, and entertainment venues; and
- Mixed-use Corridor that includes an array of commercial, office and high-density residential uses and public spaces serving surrounding neighborhoods, commercial / professional business parks and visitors from nearby communities. Building mass has little to no front setback off of an expansive sidewalk. Parking is either relegated to the rear of the building or is within a shared, off-street parking lot.

**Applicable City Zoning Districts:**

- Mixed Use (MU)
- Vertical Mixed Use (VMU)
- Neighborhood Main Street (N-MS)
- Planning Area District (PA)

**Applicable Character Districts:**

- Character Districts (CD - 4, CD - 5, CD - 5D)



## Office Land Use Designation

### General Office Land Use

#### > Auto-Urban Character Classification

The General Office land use, typified by the Office Professional District in San Marcos, is primarily for low-intensity, small-scale office uses and service facilities. General office developments are typically not compatible with surrounding residential uses and typically have auto-urban landscape and design elements. These office developments are scattered along the Interstate 35 corridor between in the Victory Gardens and Cottonwood Creek neighborhoods. The Study Area has office use in the Victory Gardens neighborhood adjacent to the railroad tracks to the south of Dunbar Park.

#### **Development Types:**

- Offices for health services, medical, and professional uses
- Armed Services recruiting center
- Municipal, State, or Federal government buildings
- Philanthropic organizations

#### **Characteristics:**

- Auto-oriented
- Surface parking lots
- Low-rise buildings

#### **Applicable City Zoning Districts:**

- Office Professional (OP)

#### **Applicable Character Districts:**

- N/A

### Business Park Land Use

#### > Suburban Character Classification

This land use category includes light industrial (design, assembly, finishing, packaging); office / warehousing / distribution; office / technology / research and development; and similar industrial / flex space clusters. These activities are characterized as “clean” since they produce a relatively small amount of environmental outputs, including, but not limited to smoke, gas, odor, dust, noise, vibration of earth, soot or lighting; to a degree that is non-offensive when measured at the property line of subject property. Business Parks are typically located to provide access to transportation networks.

Business Parks are suburban in character, are typically developed in a campus-style setting that features reduced site coverage and increased open space; and may also include offices and associated administrative, executive professional uses, and specified institutional and limited commercial uses. Parking lots are often heavily screened or located to the rear of the main office building. Parking bays for loading and off-loading are located along the longitudinal side of the building, perpendicular to interior vehicular circulation.



The business parks in San Marcos and the Study Area are generally located in the southern portion of the city, close to the Medical Center; and along the Guadalupe Street corridor's intersection with State Highway 110. Another business park, The Old Mill Business Park on Uhland Road, is outside the Study Area but in San Marcos, close to the northern city limit.

**Development Types:**

- light manufacturing and assembly
- distribution, and warehousing
- uses involving handling, storage, or shipping
- laboratories for research and development
- food production clusters (e.g., breweries, cookie, cracker and pasta manufacturing)
- arts and crafts manufacturing cluster (e.g., commercial screen printing, pottery product manufacturing, ornamental and architectural metalwork manufacturing)
- primarily office, medical, and technology/research uses
- public/institutional
- common green spaces

**Characteristics:**

- Building type, off-street parking and shipping arrangements, the presence of outdoor storage facilities, trailer trucks, loading docks, rail lines, and power sources
- Typically, a minimum landscape surface ratio (lot coverage) of 20 to 30 percent, which allows for sizable building footprints since most developments involve large sites
- Extensive landscaping of business park perimeter, and special streetscape and design treatments at entries, key intersections, and internal focal points
- Development outcomes often controlled by private covenants and restrictions that exceed City ordinances and development standard
- Intended to create a highly attractive business investment environment
- Site operations are conducted indoors with no outdoor storage or display

**Applicable City Zoning Districts:**

- Employment Center (EC)
- Heavy Commercial (HC)
- Light Industrial (LI)

**Applicable Character Districts:**

- N/A





## Industrial Land Use Designation

Industrial areas are important elements of San Marcos' identity and its future. The jobs created by local industry bring people to live in San Marcos. These people create the demand for housing and provide the market for commercial development. Industry is also a market driver for local commercial businesses. Industry creates tax base to finance local government operations and infrastructure. Planning for industrial land uses focuses on several factors, including:

- the ability for existing businesses to expand their operational footprint
- minimizing environmental impacts (e.g., noise, odor, particulate emissions and traffic conflicts with nonindustrial land uses)
- providing transportation access for employees; as well as for highway, rail, and air transportation in order to ship products and receive materials for processing
- the supply, quality and reliability of municipal utilities needed to support operations

Heavy Industrial land use designation covers the majority of industrial resource extraction, production and manufacturing land uses; while Light Industrial is used to classify land uses that are primarily associated with some product assembly, warehousing and distribution. Industrial areas are located along major highway and railroad corridors to help facilitate industrial commerce activities.

### Heavy Industrial

The Heavy Industrial land use designation includes high-impact manufacturing or industrial uses that can create nuisance and environmental impacts which are not compatible with residential or commercial developments. Heavy industrial developments are located in the northern section of the city at the Market Boulevard and Interstate 35 intersection and the Technology Way and Interstate 35 intersection. Within the Study Area, there are sites of heavy industrial development in the proposed north-south corridor southwest of Wonder World Drive and in the proposed Midtown Center at the intersection of River Road and Bugg Lane.

#### **Development Types:**

- Heavy industrial

#### **Characteristics:**

- Typically, automobile-oriented character, although a master-planned industrial park developments may feature more open space and landscaping, regulated signage, screening, building design standards, etc.
- Outdoor activity and storage, which should be screened where visible from public ways and residential areas;
- May involve significant truck traffic or direct rail service
- On-site presence of large-scale moving equipment in some cases
- Potential for environmental impacts that may affect the proximity and type of adjacent uses, including particulate emissions, noise, vibrations, smells, etc., plus the risk of fire or explosion depending on the materials handled or processed
- Required 10 to 15 percent landscape surface ratio

#### **Applicable City Zoning Districts:**

- Heavy Industrial (HI)

#### **Applicable Character Districts:**

- N/A



## Public / Institutional Land Use Designation

### Public / Institutional

Institutional land uses include improved parcels and facilities which are held in the public interest and are usually exempt from real property taxation plus any service drives or roads inside the actual parcel. This category encompasses major City-owned facilities, plus other public and private buildings and sites with an institutional nature. In San Marcos, institutional uses of land include governmental buildings, schools, libraries, and places of public assembly (e.g., churches). Public / Institutional land use is also for development which supports municipal/regional special uses and functions and may include utilities and transportation-related infrastructure.

Over five percent of the land area in San Marcos has public and institutional land use. This includes 1,800 acres of the San Marcos Regional Airport; the sprawling Texas State University campus; and the university-owned Meadow Center and Spring Lake in the north of the city. Within the Study Area, public and institutional land use includes municipal buildings such as the City Hall and San Marcos Public Library in the City's Government Complex. Additional public / institutional land use designations within the Study Area include public schools and hospitals in and around the Medical Center.

#### **Development Types:**

- Municipal and other government buildings
- Public safety facilities (police, fire)
- Schools
- Technical colleges, community colleges, and universities
- Hospitals and medical centers
- Cemeteries
- Sanitary District and Wastewater Treatment Plant
- Water Towers

#### **Characteristics:**

- High degree of visitation and/or pedestrian activity in some cases, with people coming and going throughout the day;
- Institutional functions may require multiple buildings, arranged in a campus-like setting;
- Facilities may have special parking and passenger drop-off requirements; and
- Buildings are sometimes set back from the road to provide more prominence, with large amounts of open spaces surrounding the buildings.

#### **Applicable City Zoning Districts:**

- Public and Institutional (P)

#### **Applicable Character Districts:**

- N/A



## Park / Open Space Land Use Designation

### Park / Open Space

The adequate provision of parkland and open space for a growing population is critical and should be factored-in to all new development as so much necessary infrastructure. The Parks / Open Space designation has been utilized to identify existing parks and proposed greenway corridors.

This land use category constitutes three percent of the area in San Marcos and includes all existing municipal public parks, outdoor recreation areas and open spaces that have been committed to public or private enjoyment and recreational pursuits. The park and open space areas include the San Marcos River corridor and open green space to the west of Wonder World Drive, in the western quadrant of the city. Within the Study Area, 2.6 percent of the land constitutes of parks and open spaces. They are concentrated along the San Marcos River corridor and the wetlands area south of A.E. Wood Fish Hatchery.

#### **Development Types:**

- Public parks and open space
- Public greenways and recreational trails
- Public recreation areas (e.g., public golf courses)
- Public or private lands within floodplain or storm water management areas that are generally unsuitable for development

#### **Characteristics:**

- Public parkland theoretically will remain so in perpetuity compared to other public property, such as buildings, that can transition to private ownership at some point; and
- Park design, intensity of development, and planned uses/activities should match area character (e.g., public squares/plazas in Urban downtowns; athletic fields/courts and play equipment in large community parks located and designed for intensive use; and nature parks for passive recreation in suburban, estate and rural areas).

#### **Applicable City Zoning Districts:**

- Not applicable

#### **Applicable Character Districts:**

- N/A



## 2.2 LAND SUITABILITY ANALYSIS

### Water Resources

#### Surface Water

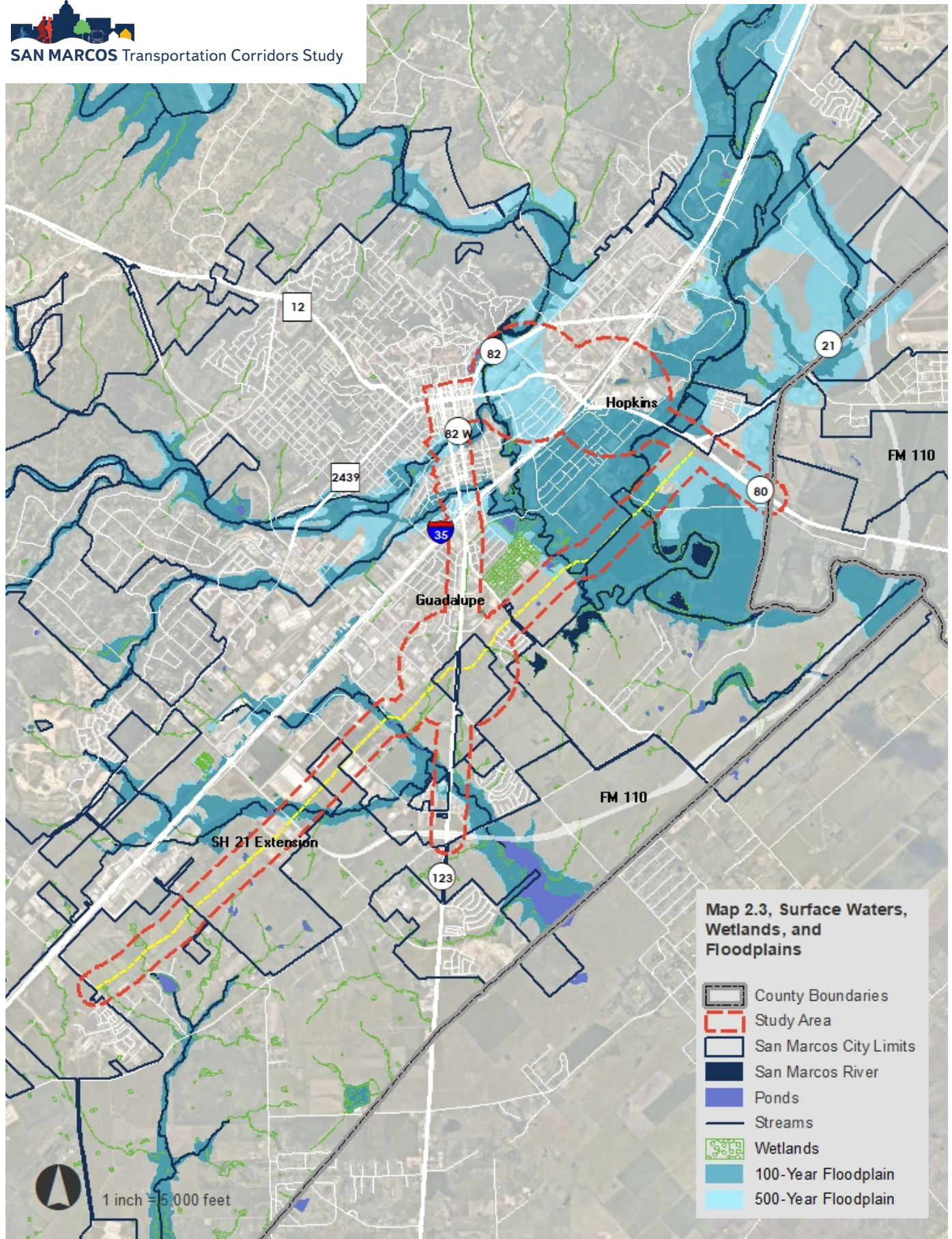
As illustrated in Map 2.3, *Surface Water, Wetlands and Floodplains*, San Marcos has several surface water features comprised of streams, ponds, and rivers fed by the Edwards Aquifer along the Balcones Fault Zone. The San Marcos Springs is the second largest cluster of springs in Texas and are underneath the Spring Lake in the north eastern quadrant of San Marcos. The springs provide water for the San Marcos River, which flows southward from Spring Lake. The San Marcos River corridor, which runs through the heart of San Marcos as well as the Study Area, is important not just for its ecological and environmental benefits but also for increasing the quality of life for San Marcos residents and serving as a significant tourist destination.

Development affecting waterways, such as the San Marcos River and Blanco River within the City or its extra territorial jurisdiction is regulated by the Enhanced Protection Zones as well as the Flood Protection Ordinance (Ordinance No. 2016-50). The Enhanced Protection Zones establish water quality and buffer zones of 100 feet in width measured from the bank of the river, which regulate runoff water, use of chemicals, and impervious cover (30 percent maximum). As discussed in Technical Memorandum 4.0, the San Marcos River Corridor (SMRC) is an area inside the San Marcos River Protection Zone, which regulates the amount of impervious cover (30 percent maximum).

#### Wetlands

Besides springs, lakes, rivers and streams, the ecology in San Marcos is marked by a wealth of wetlands resources. The wetlands in San Marcos traverse the city and are most prominent in the Spring Lake area, along the San Marcos River corridor, and the area south of Wallace Addition neighborhood, which is adjacent to the A. E. Wood Fish Hatchery. At the southern edge of the Study Area, south of the Old Bastrop Street and Guadalupe Street intersection, are wetlands connected to the Soil Conservation Reservoir. Wetlands are also present along the Blanco River corridor as it passes through San Marcos. These wetlands are home to a host of wildlife species, including birds, fish, and aquatic animals; and sustain threatened and endangered floral and faunal species such as the Fountain Darter, San Marcos Salamander, Texas Blind Salamander, and Texas Wild Rice. They also have both aquatic and terrestrial plant communities. Most of the wetlands in the Study Area are within the 100-year and 500-year floodplains. Development in floodplains constituting wetlands must comply with the City's Flood Protection Ordinance and the requirements in the Enhanced Protection Zones discussed earlier.









## Floodplains

Approximately 510 acres, 18 percent of the Study Area, are in the 100-year FEMA Effective Floodplains (Map 2.3, *Surface Water, Wetlands and Floodplains*). This means that 18 percent of the Study Area is predicted to flood during a 100-year storm, which has a one percent chance of occurring in any given year. The areas covered by the 100-year floodplain include a section of the Hopkins Street corridor between Interstate 35 and State Highway 21 in the Midtown Center area. Portions of Blanco Gardens and Two Rivers East neighborhoods are in the 100-year floodplain in this area. A significant segment of the future north-south corridor that will intersect the San Marcos and Blanco Rivers to the east of the Blanco Gardens neighborhood is also in the 100-year floodplain. Also, in the 100-year floodplain is a portion of the future north-south corridor near its intersection with East McCarty Lane to the south of the Medical Center. Future development in the 100-year floodplain may be constrained due to additional regulatory and design requirements as well as the risk of flooding.

Beyond the 100-year floodplain, an additional 12 percent of the land in the Study Area (336 acres) is in the 500-year floodplain and has a 0.2 percent chance of flooding each year. This area is primarily in the northern portion of the Study Area. Specifically, the City Government Complex area, the intersection of Guadalupe Street with Interstate 35, and the intersection of Guadalupe Street with the Union Pacific Rail line are in the 500-year floodplain and may have constraints for future development. Overall, approximately 15 percent of the land within the city limits of San Marcos is in the 100-year floodplain and seven percent is in the 500-year floodplain.

## Threatened and Endangered Species

As mentioned, the wetlands that are part of the water system in the San Marcos area sustain several types of wildlife and vegetation. This includes threatened and endangered species of animals and plants that are found in the aquatic ecosystem of the San Marcos and Blanco Rivers. The endangered animal species in the San Marcos ecosystem are the Comal Springs Dryopid Beetle, Peck's Cave Amphipod, San Marcos Gambusia, Comal Springs Riffle Beetle, Comal Springs Riffle Beetle, San Marcos Salamander, and the Fountain darter. The Devils River minnow and Texas Fatmucket mussel in the wider Edwards Aquifer ecosystem currently maintain a threatened fish and mollusks status, respectively. The endangered plant species in the region include Texas wild rice. Other formerly endangered plants, such as the American Willow, Arrowhead, Water Clover, Water Pennywort, Water Primrose, Yellow Star-grass are now considered restored.

The U.S. Fish and Wildlife Department and Texas Parks and Wildlife Department have designated the San Marcos Springs and Spring Lake critical habitat for endangered species. The primary impact to threatened and endangered species is from the degradation of the quality and quantity of spring water resulting from urban expansion and development over the springs' watershed and surrounding wetlands. The introduction of invasive plants and animals at the edges of wetlands and urban development also impact the native wetland flora and fauna.

## Cultural / Prehistoric Sites in the Study Area

Underwater excavations in the San Marcos Springs and Spring Lake have revealed the presence of materials from Early Paleoindian (13,000 years to 8,800 years ago) through Late Prehistoric (1,270 to 350 years ago) periods. These materials are evidence of human presence and occupation in the area extending from 13,000 years ago until 350 years ago; and include unique projectile points and burned rock cooking features from the Late Paleoindian phase; fluted projectile points from the Early Paleoindian phase; and specimens dating to the prehistoric period. Spring Lake is designated as a State Antiquities Landmark by the Texas Historical Commission.

The most recent historical discoveries have been on the grounds of Texas State University. The grounds have State Antiquities Landmarks associated with the discovery of a mid-nineteenth century artifacts from a home that existed on



the land in the late 1800s, as well as mid-twentieth century glass bottles and other artifacts from a building that existed in the area in the 1930s.

## Soil

The soil composition of the San Marcos area and the surrounding Hill Country are primarily shallow stone clays and gravelly clay loams. The Edwards Aquifer provides a steady supply of water to the soil, which supports a variety of vegetation, including pasture grasses and other vegetation. In San Marcos and the Study Area, streams and riverbanks have a thicker vegetative cover and a soil composition of well-drained clays with medium surface runoff.<sup>1</sup> Typically, the clays found in the San Marcos area are dark gray and brown, between 16 and 48 inches thick, and moderately alkaline and calcareous. The San Marcos River corridor is comprised of the Oakalla silty clay loam with a slope of zero to two percent and floods frequently (more than once every two years for brief periods).

The soil composition in the Study Area comprises of Tinn clay, Heiden clay, and Oakalla silty clay loam. The general area of the Midtown Center and the Hopkins Street corridor north of Interstate 35 has soil composed of Tinn clay with a slope of zero to one percent that floods frequently. It is poorly drained; surface runoff and permeability are slow. A portion of the Guadalupe Street corridor between the Union Pacific rail line and Interstate 35 is composed of Tinn clay with a zero to one percent slope, which floods frequently. The Medical Center area as well as the Downtown Center are composed of Branyon and Heiden clays with slopes between zero to three percent but do not flood frequently.

Overall, the clayey texture and composition of soil in the Study Area poses challenges to new development due to the shrink-swell characteristics of the clays, slow permeability, and potential to corrode untreated steel. Some mitigation measures that may be useful for development include collecting surface runoff water and limiting surface infiltration during rainy seasons to limit water content fluctuations in the soil.

## Topography

San Marcos is situated along the Balcones Escarpment, a geological fault zone that manifests itself in cliff-like structures; subterranean features, such as caves; and surface water features, such as springs. To the east of the city is the Blackland Prairie and to the west is the Edwards Plateau, commonly known as the Texas Hill Country. The land elevation in the San Marcos area ranges from 510 to 1,030 feet above sea level, with slopes in some areas exceeding 30 percent. Typically, moderate slopes of less than 10 percent are most suitable for development, while slopes between 15 and 30 percent may pose limited constraints regarding the grading and foundation components of building construction.

The key topographic features in the city and the Study Area include water features, such as the San Marcos Springs, Weismuller Springs, and Spring Lake in the north eastern quadrant of the city, in the vicinity of the Midtown Center and the City Government Complex. The San Marcos River and the Purgatory and Willow Springs Creeks in the river corridor that runs through the heart of the city and intersects the Study Area sustain wetlands in the area. These wetlands and water features are fed by San Marcos Springs and provide both environmental and recreational benefits to the community. The San Marcos River corridor is home to several parks, such as the San Marcos City Park, Bicentennial Park, Veteran's Plaza, and the Ramon Lucio Memorial Park.

The key features in the built environment intersecting the Study Area include the Texas State University and the Downtown District to the north of the Study Area; and historic districts, such as Belvin Street, San Antonio Street, Hopkins Street, Dunbar, Lindsey-Rogers and Burleson to the west of the Study Area. To the south of the Study Area are the A. E.

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<sup>1</sup> United States Department of Agriculture, Soil Survey of Comal and Hays Counties Texas.  
[https://www.nrcs.usda.gov/Internet/FSE\\_MANUSCRIPTS/texas/TX604/0/ComalandHays.pdf](https://www.nrcs.usda.gov/Internet/FSE_MANUSCRIPTS/texas/TX604/0/ComalandHays.pdf)



Wood Fish Hatchery that consists of 50 plastic lined ponds providing over 47 surface acres of water fed by the San Marcos River. The hatchery also has a storage reservoir, wastewater retention ponds, and a zooplankton production pond.

## 2.3 LAND USE SUSCEPTIBILITY TO CHANGE ANALYSIS

A 2017 study conducted for the City of San Marcos on the susceptibility of land uses and neighborhoods to change or redevelop over time identifies areas in San Marcos that have a high redevelopment probability. The study analyzes six factors that influence an area to change or, conversely, prevent it from changing. These factors include historic districts, land to improvement ratios, neighborhood walk scores, owner occupancy, zoning, and public comments gathered during a public engagement process.

The study assigned each parcel in the city with a weighted score (between one and 10) based on the six factors. The weighted score for each parcel is based on individual ranks for each of the six factors. A factor has a rank of “1” if it is least likely to influence the probability for change to occur, a rank of “5” if it has mid-level influence, and a rank of “10” if it has the highest influence for change to occur. Factors were assigned weights to calculate a weighted score for a parcel based on a review of similar analyses in other jurisdictions as well as the input from City of San Marcos staff.

Parcels in a historic or heritage district are prevented from changing. Across the city, parcels are assigned a rank of “1” if they are in the historic district and a rank of “10” if they are outside a historic district. Overall, the historic district factor was assigned a weight of “7.” For the historic districts factor, with a rank of “1” assigned to factors that are in the district and “10” for those that are not. The owner occupancy factor and land-improvement ratio are both given a weight of “4.” Parcels which had an improvement value below the value of the land were assigned a rank of “10,” values in the middle of the range were given a rank of “5,” and values in which land value significantly exceeded the improvement values were given a rank of “10.”

The walk scores, zoning and public comments factors are classified using the Council of Neighborhood Association (CONA) boundaries. Ranks for walk score factor is assigned by evaluating a neighborhood’s proximity to business clusters, size of the neighborhood, and its relative distance from the San Marcos central area. Ranks for the zoning code are assigned according to the count of the different zoning codes within a neighborhood boundary. A rank value increases by one for every additional pair of zone codes in the boundary. The zoning factor is then given an overall weight of “3.” For the public comments factor, the number of comments within each neighborhood were summed to assign a rank to each parcel in the neighborhood. Starting from the minimum value of zero, a rank value increased by one for every 15 comments received in the neighborhood. Overall, the public comments factor was then given a weight of “2.”

The study results indicate that in seven of the 32 CONA neighborhoods a substantial area of the neighborhood is susceptible to change. The most susceptible neighborhoods are Blanco Gardens, East Guadalupe, Hunters Hill, Dunbar, Sunset Acres, and Victory Gardens, and Sessom Creek. The results also indicate that nine of the 32 neighborhoods have an equal amount of area that falls into all three classes of low probability, potential exists, and high probability of change. The 16 remaining neighborhoods consist of majority areas with a low probability of change.

## 2.4 REDEVELOPMENT OPPORTUNITIES

An analysis of appraised land value compared to the improvement value of parcels in the Study Area reveals that neighborhoods in and around the Study Area may be considered worthy candidates for redevelopment.<sup>2</sup> If a parcel has an appraised land value which is higher than the value of any improvements on the parcel it is considered to have potential for redevelopment. Map 2.4, *Redevelopment Areas*, depicts the redevelopment potential of parcels in and

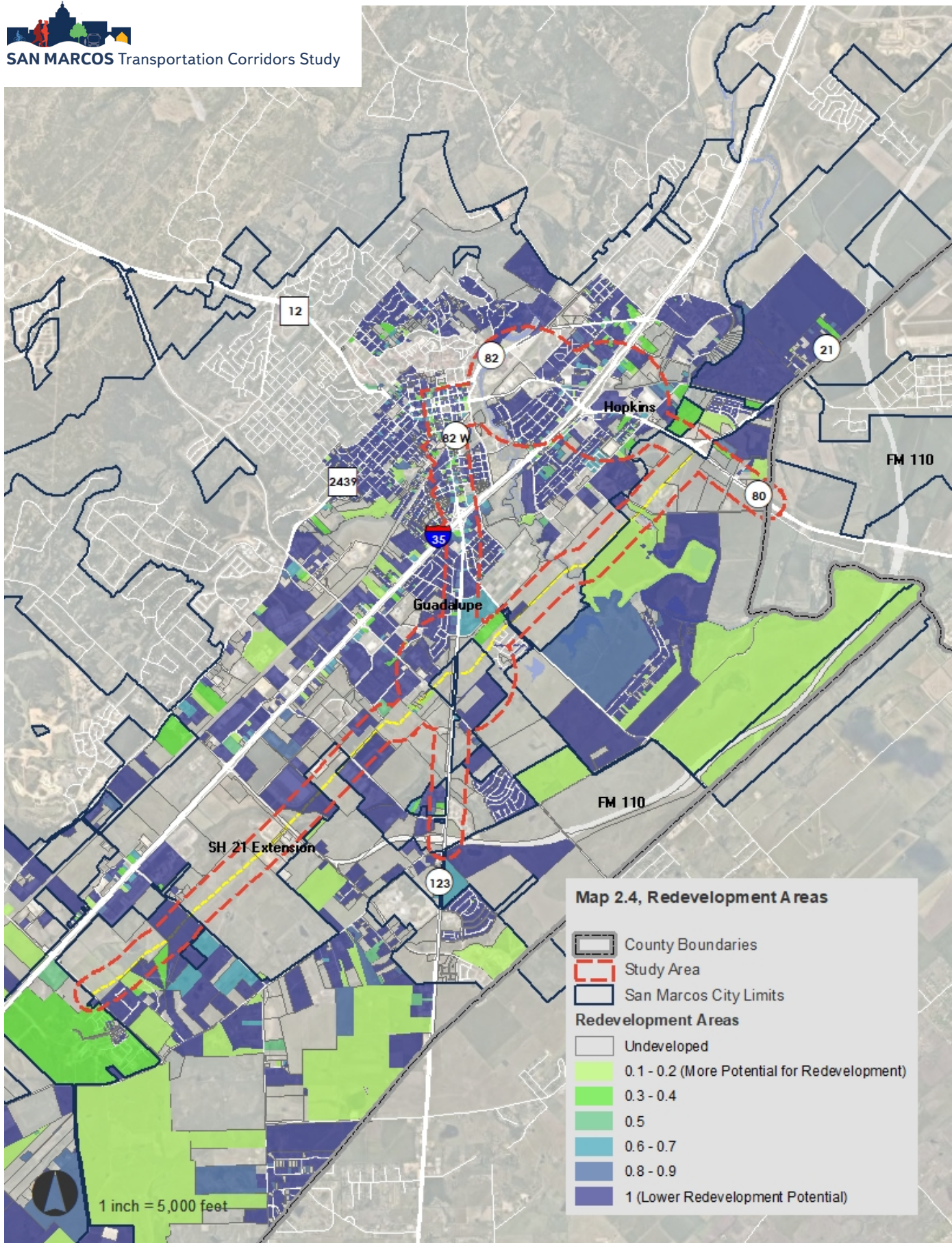
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<sup>2</sup> Appraised land values obtained from the Hays County Appraisal District



around the Study Area. A light shaded parcel has a land value that is higher than the value of improvements on it, and, therefore, has potential for redevelopment. The darker the parcel the higher the value of improvements on it and the lower its redevelopment potential.









Based on this criterion, and as illustrated in Map 2.5, *Future Development*, there are very few parcels along the Guadalupe Street corridor that have potential for redevelopment. Similarly, the Midtown Center and Medical Center areas have limited room for redevelopment. The vacant properties to the north of Wonder Wild Drive in the Sunset Acres and Mockingbird Hills neighborhoods are platted for commercial development. However, there are considerable opportunities for development along the future north-south corridor west of Staples Road (outside of the 100-year floodplain) and along the Hopkins Street corridor southeast of the Midtown Center.

While most parcels in the area east of the Sanmar Plaza adjacent to Hopkins Street are fully developed, there is an opportunity for redevelopment around the River Road and Hopkins Street intersection. A seven-acre undeveloped parcel at the northeast corner of the intersection and a smaller undeveloped parcel at the southwest corner present viable development opportunities.

The redevelopment potential of the City Government Complex is constrained by the maximum 30 percent impervious coverage requirement for the San Marcos River Corridor, as laid out in the San Marcos Development Code. As referenced in Technical Memorandum 8.0, a City Hall Master Plan study has revealed that an additional eight acres of developable City-owned land is available near the current City Hall site to expand the City Government Complex without acquiring additional residential and church property in the southwest of the Complex.

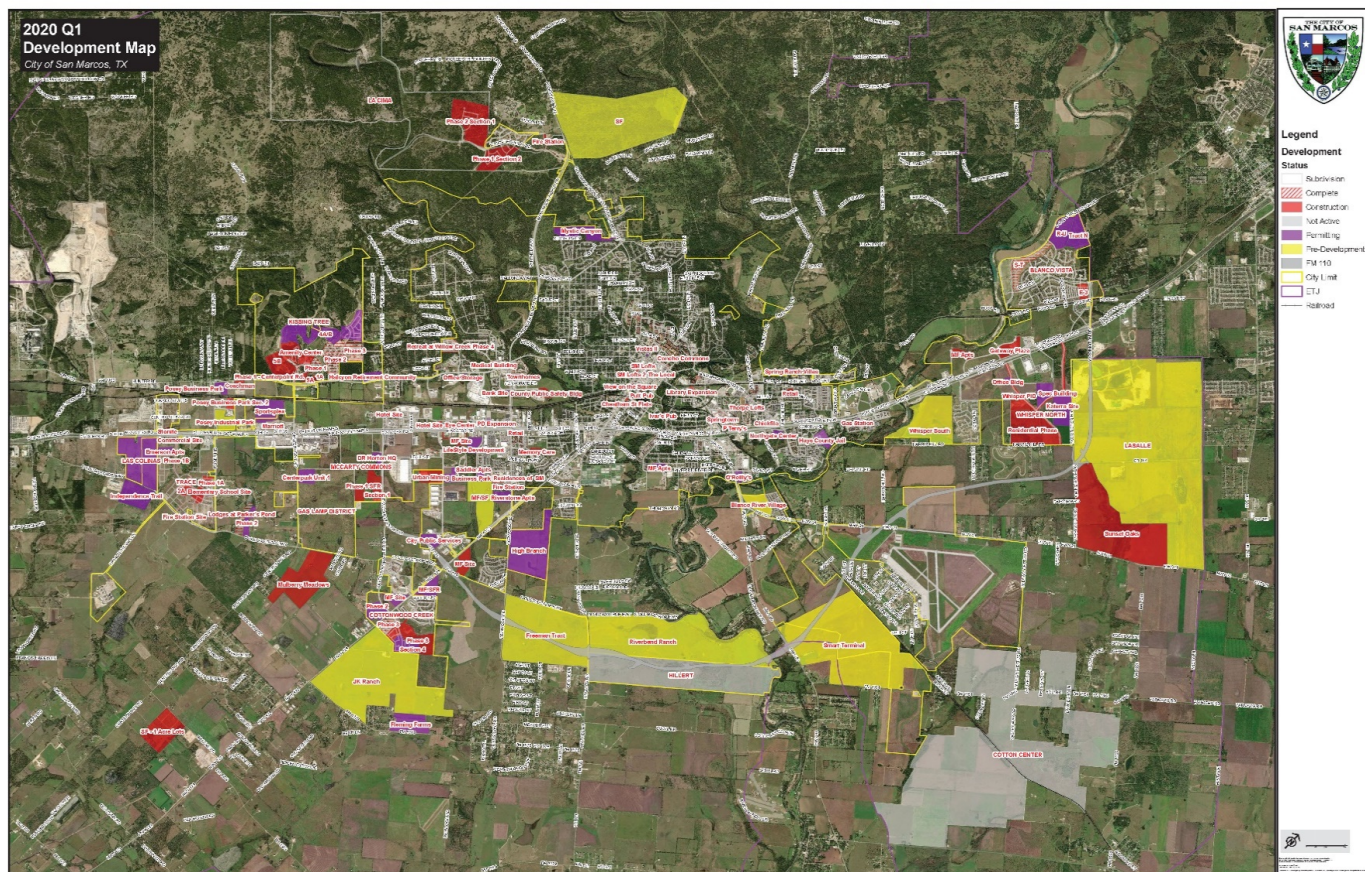
## **2.5 FUTURE DEVELOPMENT PROGRAM**

While there are large-scale housing subdivisions in the pre-development phase outside the city limits to the northeast, southeast and west of San Marcos, there are several small-scale housing and commercial development types under construction in the Study Area and in the Hunter's Hill neighborhood south of Wonder Wild Drive (Map 2.5, *Future Development*). Specifically, within the Study Area, there are several multi-family developments (between an acre and two acres in size) that are either under construction or in the permitting phase in the Downtown district and along Guadalupe Street corridor. These multi-family developments include fourplexes and loft apartments. Alongside the multi-family development is retail development, such as bars and restaurants, which are under construction in the Downtown area. The area within and just northeast of the proposed Midtown Center also has restaurants and loft apartments that are currently under construction.

Permitted developments in the Medical Center area include a business park, fire station, and apartment buildings. To the south of the Medical Center adjacent to Redwood Drive are two master planned housing developments that are in the pre-planning and permitting phases. The Cottonwood Creek subdivision on State Highway 123 south of the Old Bastrop Highway also has single family and multi-family sites that are in the permitting and construction phases. Overall, the majority of development which is either planned, permitted, or under construction in the Study Area are multi-family residential.



**Map 2.5, Future Development**



DRAFT 08.14.2020

Technical Memorandum 2.0 p. 27



## 2.6 PRELIMINARY FINDINGS

The data analysis presented within this technical memorandum will be considered in conjunction with additional research, field observation, stakeholder interviews and public input to prepare future development scenarios for Study Area corridors and centers and to prepare a corresponding needs assessment report. Initial observations of note which may influence subsequent Study Area development and redevelopment scenarios include:

- The Guadalupe Street corridor north of Interstate 35 is conducive to mixed-use residential and walkable commercial/retail development. Guadalupe Street is flanked by small-scale commercial buildings with single family residential development and open space and recreational amenities immediately behind. Contextually designed, mixed-use, residential development along the corridor can integrate with the scale and pedestrian orientation of existing commercial, office, and residential development in Downtown District.
- The mixed-use development in the Millview West neighborhood adjacent to Springtown Way, which is in the heart of the proposed Midtown Center, showcases a mixed-use storefront building that is situated amidst auto-oriented commercial development. There is potential for mixed-use development of a similar scale and intensity south of the Sanmar Plaza along the Hopkins Street corridor, specifically on undeveloped and underdeveloped parcels close to the intersection of Hopkins Street and River Road. Since land around this intersection has potential for redevelopment, it may be catalytic in creating mixed-use commercial or mixed-use residential buildings.
- The character of the Guadalupe Street corridor south of Interstate 35 is dominated by auto-centric, single-use land uses – commercial, general residential, and public / institutional. To achieve a high degree of pedestrianization within this section of the corridor, new development will require infrastructure for multi-modal travel.
- As commercial development increases along the Interstate 35 corridor segment close to the San Marcos Premium Outlets, and in and proximate to the Medical Center, there is an opportunity to develop multi-modal infrastructure and transit service that increases connectivity between commercial and office development in the Center and the multi-family residential development along the Wonder World Drive corridor.
- Developing multi-modal, active transportation connectivity in the proposed centers and Study Area corridors will benefit the business parks located in the southern portion of the city, close to the Medical Center; and at the intersection of Guadalupe Street corridor with State Highway 110.
- There are sites of heavy industrial development in the proposed north-south corridor southwest of Wonder World Drive and in the proposed Midtown Center at the intersection of River Road and Bugg Lane, which may inhibit the development of mixed-use or general residential development nearby.
- Development along the future North-South corridor within the Study Area may be constrained due to additional regulatory and design requirements due to the risk of flooding, as significant portions of the corridor (near the corridors intersection with East McCarty Lane to the south of the Medical Center and in the portion of the corridor east of Blanco Gardens neighborhood) is within the 100-year FEMA Effective Floodplains.
- The clayey texture and composition of soil in the Study Area poses challenges to new development due to the high shrink-swell characteristics of the clays, slow permeability, and potential to corrode untreated steel.
- While only a few parcels along the Guadalupe Street corridor have potential for redevelopment, there are considerable opportunities for new development along the future North-South corridor west of Staples Road, which is outside the 100-year floodplain, and along the Hopkins Street corridor southeast of the Midtown Center.
- The increase of new residential developments in the Study Area, especially in the South Guadalupe Street corridor, will likely cause a change in the rural undeveloped landscape.



# Technical Memorandum 3.0

## Mobility Analysis

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## 3.1 EXISTING CONDITIONS

Existing conditions analysis for the project area primarily consists of an analysis of the two primary corridors, SH 123 (Guadalupe Street) and SH 80 (Hopkins Street) (Figure 3.1) along with the existing/planned roadway network, which consists of existing and future boulevards (SH 123 and SH 80), avenues (Old Bastrop Highway), parkways (FM 110), and streets. The City of San Marcos completed its thoroughfare plan in 2018 including the identification of future corridors in the project area, which will provide better connectivity in the developing areas, such as the Hills of Hays. Future corridors, such as the extension of SH 21 were identified.

Focus group meetings were held in the preliminary phases of the project and it was apparent that the majority of the stakeholders desire a more complete transportation system with preference given to all modes of travel, such as bicycle/pedestrian accommodations and the potential for establishing new transit options. A multi-modal analysis was performed along the major corridors and within the project area.

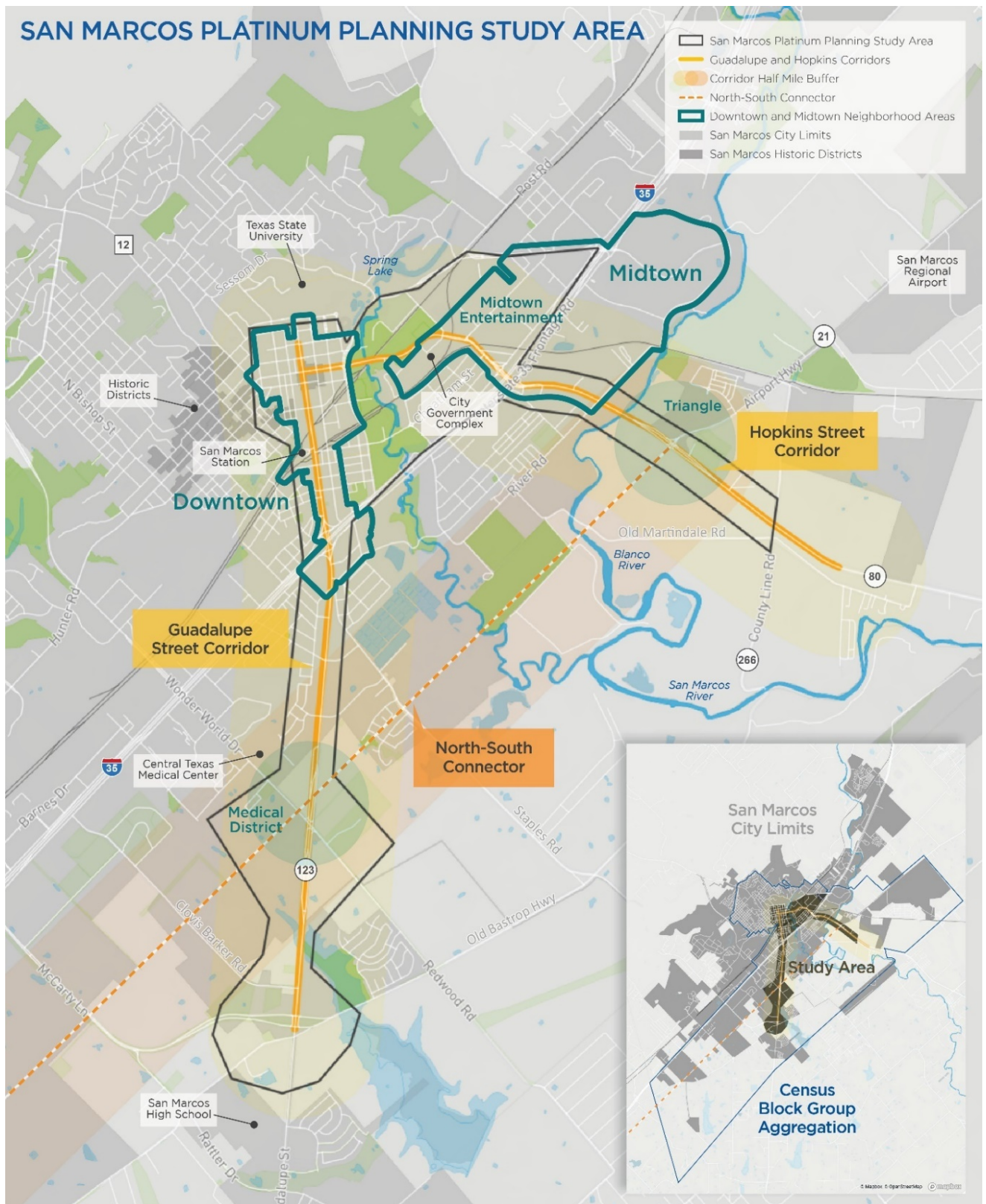
Both study corridors SH 80 and SH 123 are four-lane highways with posted speeds varying from 60 mph, near the project limits farthest away from the City to 30 mph near downtown. SH 123 is functionally classified by TxDOT as an Other Principal Arterial with a posted speed limit of 60 mph north of Old Bastrop Road, 55 mph north of Wonder World Drive, and 40 mph approaching De Zavala Drive, until approaching the one way pair of Guadalupe Street in downtown, where it changes to 30 mph. Per CAMPO's regional functional classification map, SH 123 is a Major Arterial Divided.

SH 80/E Hopkins Street from Guadalupe Street to I-35 is functionally classified by TxDOT as a Minor Arterial while CAMPO describes it as a Major Arterial Undivided. It has a posted speed limit of 35 – 40 mph between downtown San Marcos and I-35. The speed limit transitions to 40 mph east of I-35 until Military Drive, east of SH 21.

East of Military Drive, SH 80 is classified as a Minor Arterial by TxDOT or a Major Arterial Undivided by CAMPO and the speed limit increases to 60 mph.



Figure 3.1, Study Area Map





## 3.2 CORRIDOR ANALYSIS

Due to COVID-19 pandemic starting in March 2020, the study team was unable to obtain AM and PM peak hour turning movement traffic counts at some key intersections in downtown and university areas. For some intersections, previous count data from 2015 was used and a 2% growth rate was applied to estimate year 2018 turning movement counts. 2018 peak hour turning movement count data for IH 35 intersections was obtained from TxDOT's previous planning projects. Other intersections south and east of IH 35 were counted by the study team in June 2020.

Peak hour data was summarized, and traffic operational analysis was conducted at the following intersections. Original count year is specified in the list below.

### Hopkins Corridor

- Hopkins St and N Guadalupe St (2015)
- Hopkins St and N LBJ St (2015)
- SH 80 and IH 35 NB Frontage Rd (2020)
- SH 80 and IH 35 SB Frontage Rd (2020)
- SH 80 and River Rd (2020)
- SH 80 and SH 21 (2020)
- SH 80 and Old Bastrop Hwy (2020)

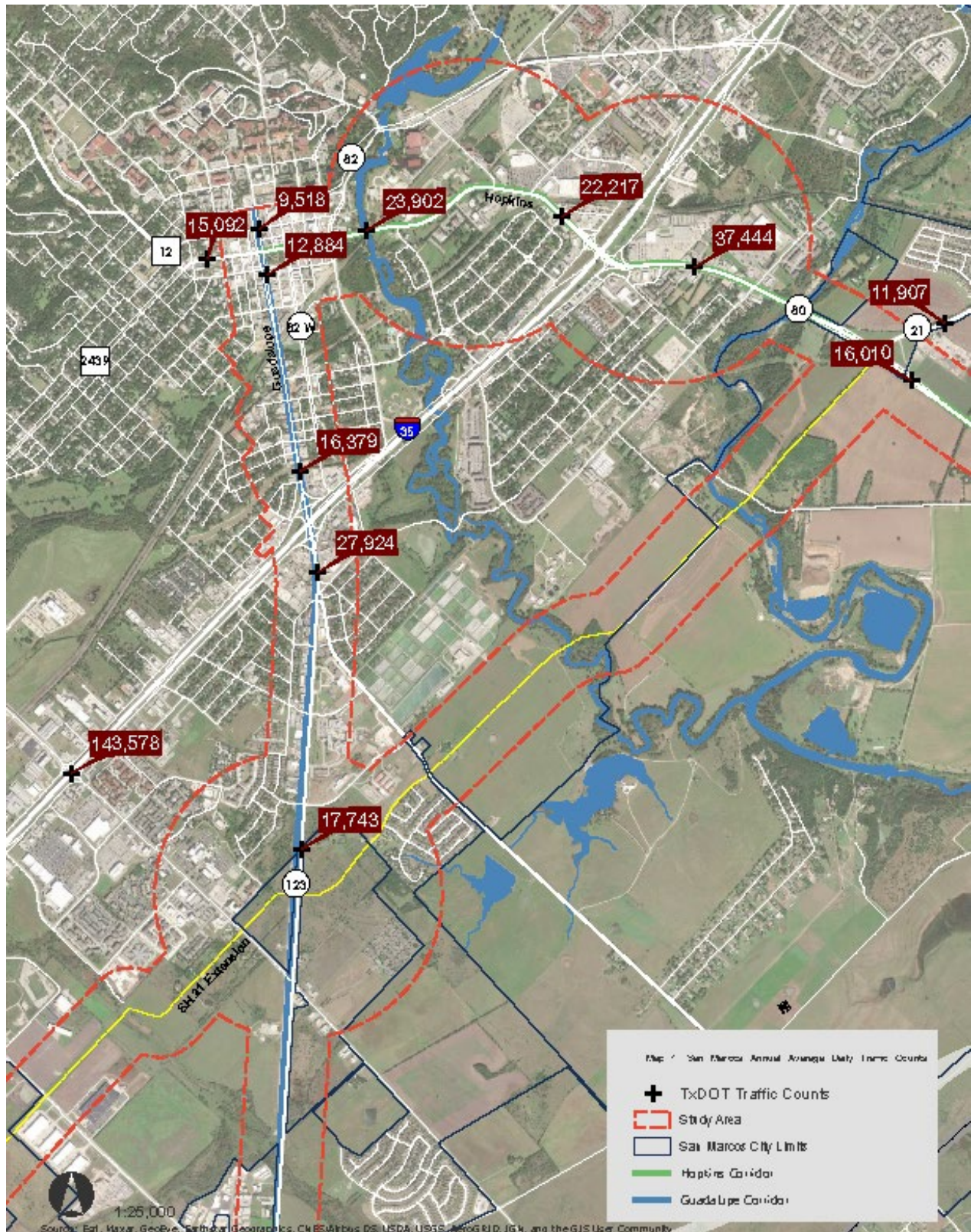
### Guadalupe Corridor

- SH 123 and IH 35 EB Frontage Rd (2018)
- SH 123 and IH 35 WB Frontage Rd (2018)
- SH 123 and Broadway St (2015)
- SH 123 and Staples Rd (2015)
- SH 123 Southbound and Wonder World Dr (2020)
- SH 123 Northbound and Wonder World Dr (2020)
- SH 123 and FM 269 (2015)
- SH 123 and FM 110 EB (2020)
- SH 123 and FM 110 WB (2020)
- SH 123 and Old Bastrop Rd (2020)

**Appendix A** includes detailed traffic counts used for the corridor analysis. Traffic data indicated that weekday peak hours were observed from 7:00 to 9:00 AM and 4:00 to 6:00 PM. Figure 3.2 shows the Average Annual Daily Traffic (AADT) obtained from TxDOT Traffic Count maps. Crash statistics were obtained in March 2020 from the Crash Records Information System (CRIS) database for the years 2015 through 2019.



*Figure 3.2, Corridor Annual Average Daily Traffic Counts*





Traffic operational analysis and crash analysis was conducted to understand existing conditions along the study corridors and at key intersections using the following procedures.

Traffic operational analysis at the study intersections was conducted based on the methodologies outlined in the Highway Capacity Manual, 6th Edition, published by the Transportation Research Board. The operating conditions at an intersection are graded by the “level of service” experienced by drivers. Level of service (LOS) describes the quality of traffic operating conditions and is rated from “A” to “F”. LOS A represents the most desirable condition with free-flow movement of traffic with minimal delays. LOS F generally indicates severely congested conditions with Volume-to-Capacity ratio ( $V/C$ ) greater than one and excessive delays to motorists. Intermediate grades of B, C, D, and E reflect incremental increases in the average delay per stopped vehicle. Delay is measured in seconds per vehicle. Table 3.1 shows the upper limit of delay associated with each level of service for signalized and unsignalized intersections.

**Table 3.1, Intersection Delay Thresholds**

| Unsignalized and Signalized Intersection<br>Level of Service Delay Thresholds |                           |                         |
|---|---------------------------|-------------------------|
| Level of Service (LOS)  | Unsignalized Intersection | Signalized Intersection |
| A   | < 10 Seconds              | < 10 Seconds            |
| B   | < 15 Seconds              | < 20 Seconds            |
| C   | < 25 Seconds              | < 35 Seconds            |
| D   | < 35 Seconds              | < 55 Seconds            |
| E   | < 50 Seconds              | < 80 Seconds            |
| F   | ≥ 50 Seconds              | ≥ 80 Seconds            |

Pedestrian LOS at the study intersections was also conducted based on the methodologies outlined in the [Highway Capacity Manual](#), 6th Edition. **Table 3.2** shows the limit of PLOS score associated with each level of service for pedestrians.

**Table 3.2, Pedestrian Level of Service Thresholds**

| Pedestrian Level of Service Thresholds |               |
|--|---------------|
| Level of Service (LOS)                 | PLOS Score    |
| A                                      | ≤ 1.50        |
| B                                      | > 1.50 – 2.50 |
| C                                      | > 2.50 – 3.50 |
| D                                      | > 3.50 – 4.50 |
| E                                      | > 4.50 – 5.50 |
| F                                      | > 5.50        |





Crash data was analyzed to determine the crash density and common crash types for the entire project corridor. Both non-intersection and intersection crashes were included in the analysis. Crashes occurring during the five-year period from 2015 to 2019 were analyzed. The raw crash data along with AADT information was used to develop crash rates. AADT data was obtained from TxDOT statewide planning maps.

Maps illustrating crash severity, Figure 3.3, and crash density, Figure 3.4, were created by plotting the number of crashes per mile using GIS software (ArcGIS Pro). This data helps determine which locations have a higher number of crashes relative to all other locations along the project corridor.

Crash frequency alone is often inadequate when comparing multiple intersections or prioritizing locations for improvement. Crash rates can be an effective tool to measure the relative safety at a particular segment or intersection. The ratio of crash frequency (crashes per year) to number of vehicles traveling the segment results in a crash rate. The formula used in this study to determine the intersection crash rate is shown below:

$$R = \frac{100,000,000 \times C}{365 \times N \times V \times L}$$

Where:

R = Roadway Departure crash rate for the road segment expressed as crashes per 100 million vehicle-miles of travel,

C = Total number of roadway departure crashes in the study period

V = Traffic volumes using Average Annual Daily Traffic (AADT) volumes

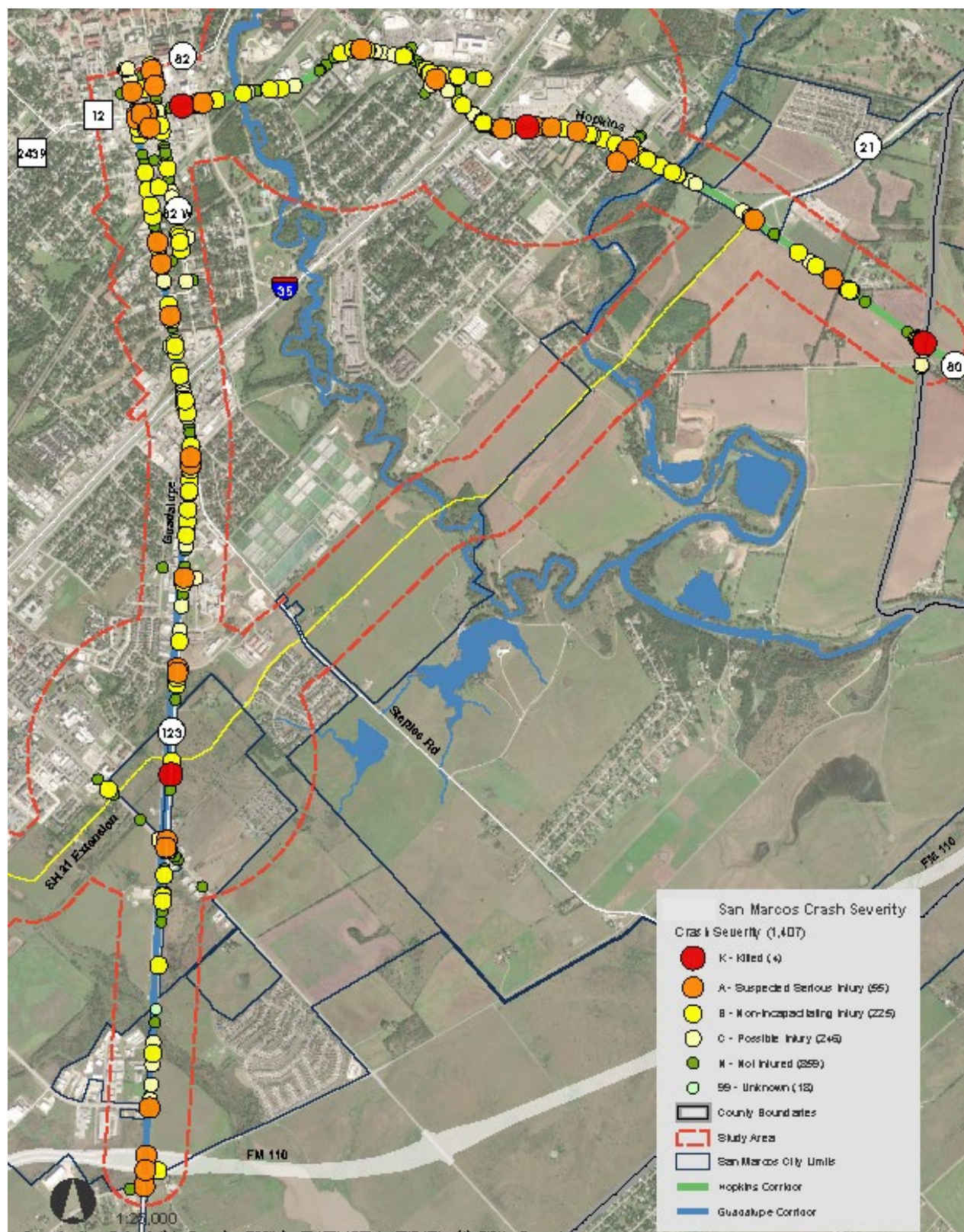
N = Number of years of data

L = Length of the roadway segment in miles

For both corridors, SH 80 and SH 123, the average crash rate for five years is less than the statewide average rate for similar facilities in urban areas.

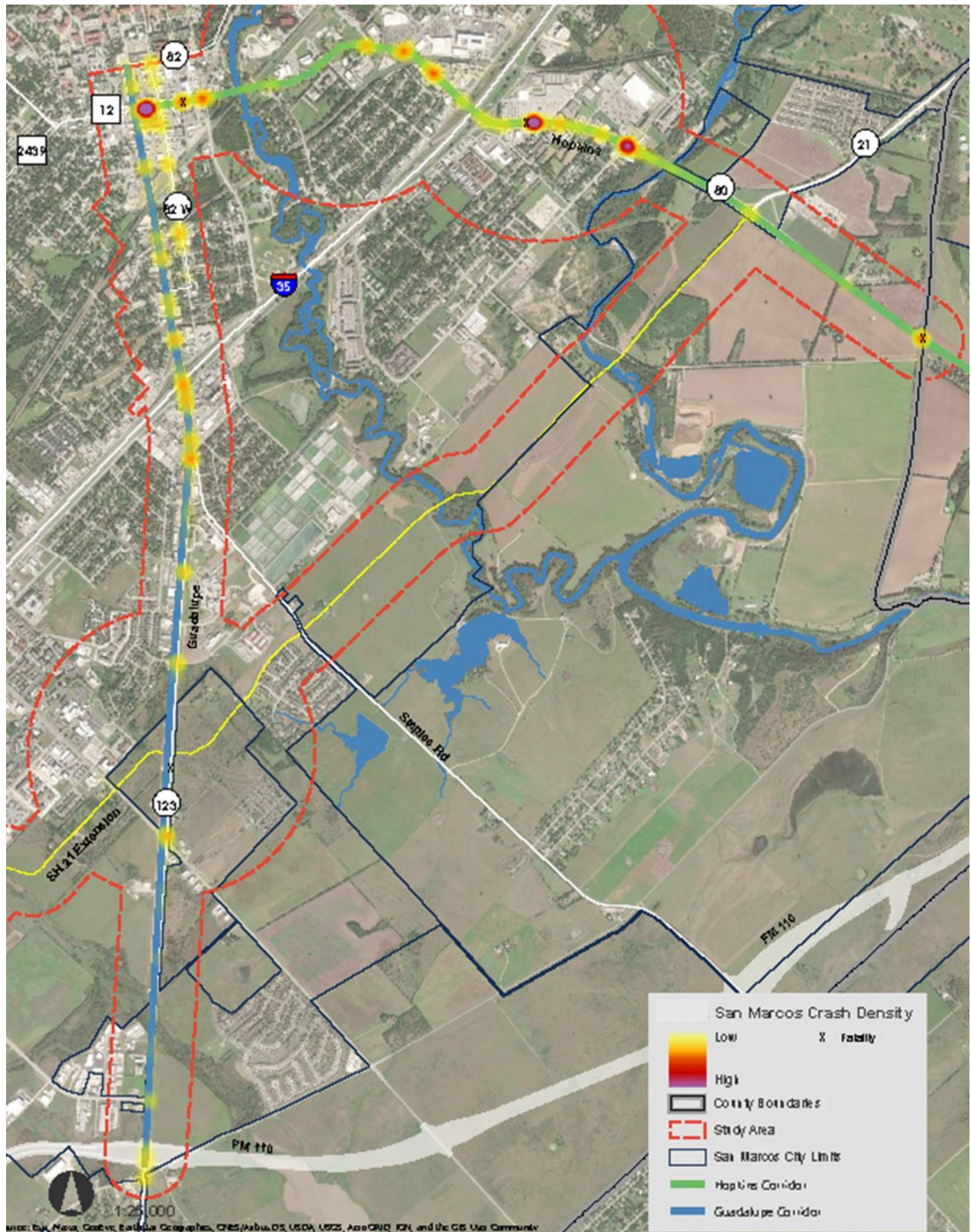


Figure 3.3, Crash Severity





*Figure 3.4, Crash Density Map*

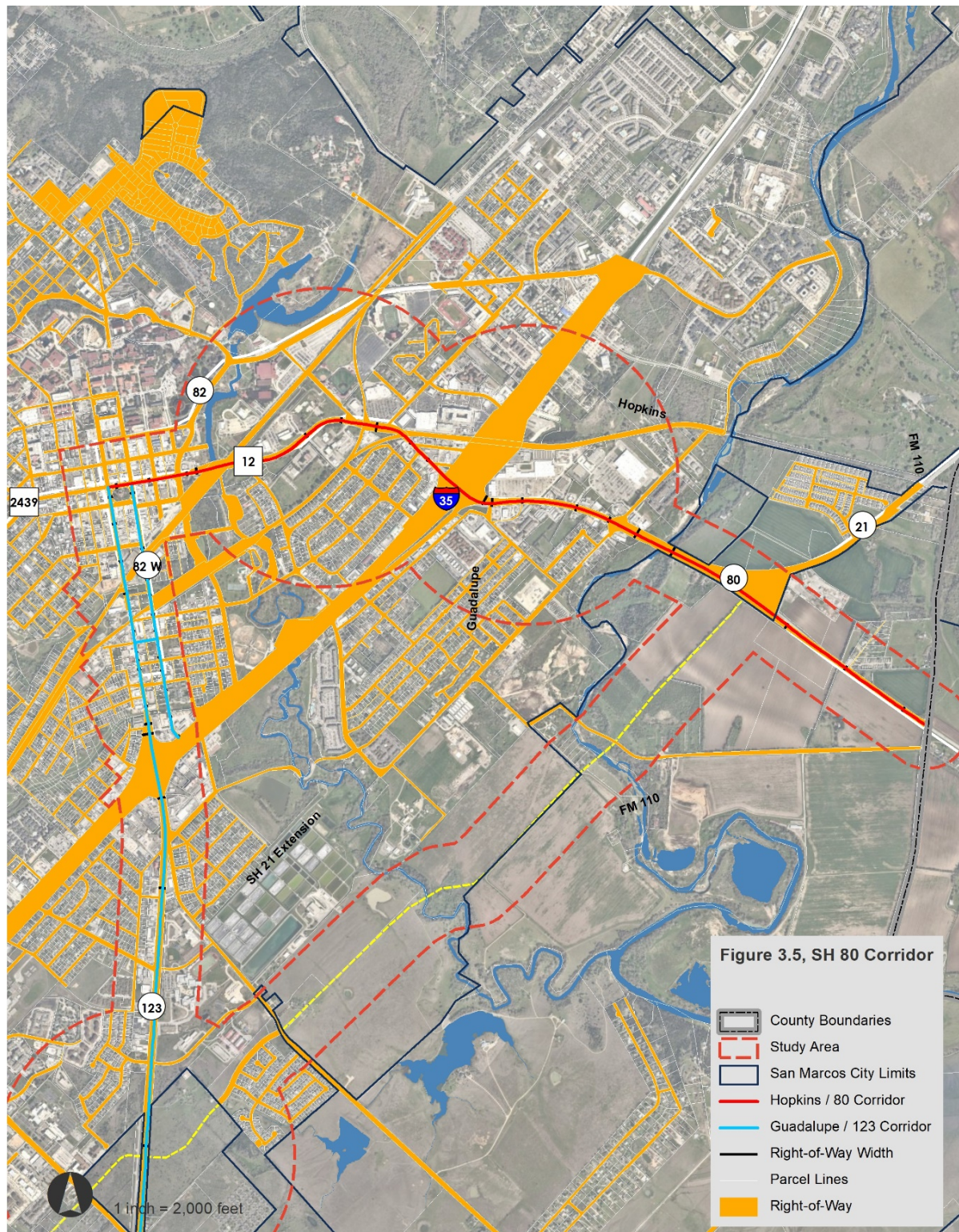






### 3.2.1 SH 80 Corridor

Figure 3.5, SH 80 Corridor

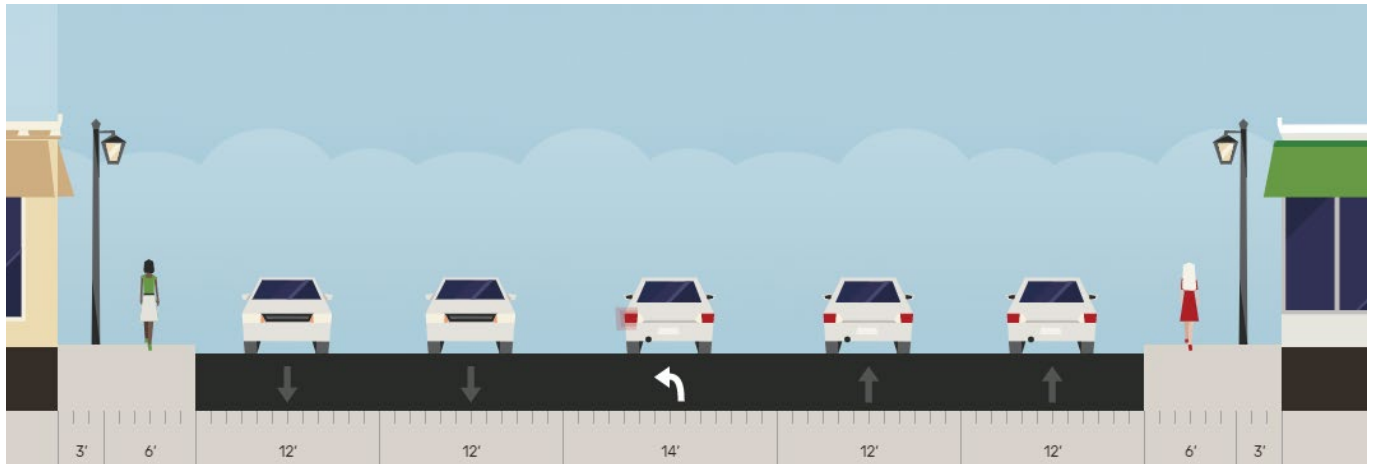




## Existing Typical Sections

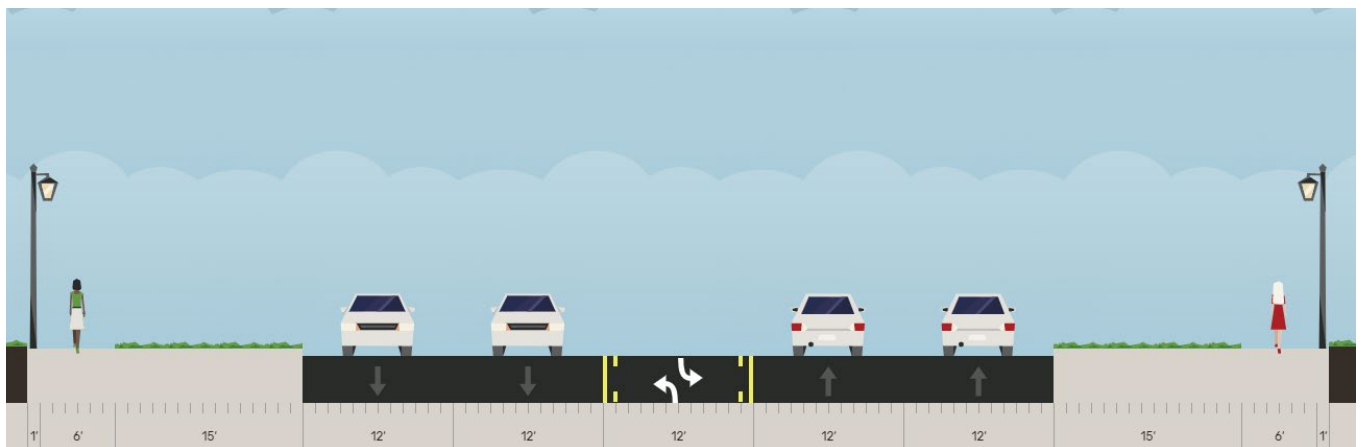
SH 80 is generally a four-lane undivided primary arterial from SH 123 to Old Bastrop Road. Figure 3.6 represents the typical section for SH 80 east of Guadalupe Street, which has approximately 80 feet of right-of-way.

*Figure 3.6, SH 80 East of Guadalupe Street*



Traveling east, Hopkins Street east of the San Marcos River and the rail crossing has approximately 105 feet of existing right-of-way and a two-way-left-turn-lane (TWLTL) in the center, as depicted on Figure 3.7.

*Figure 3.7, SH 80 East of the San Marcos River*

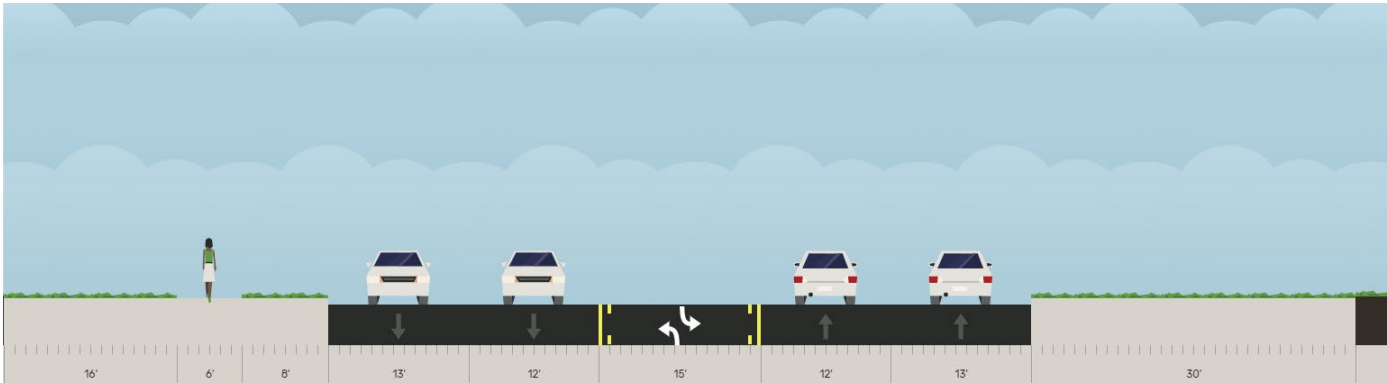






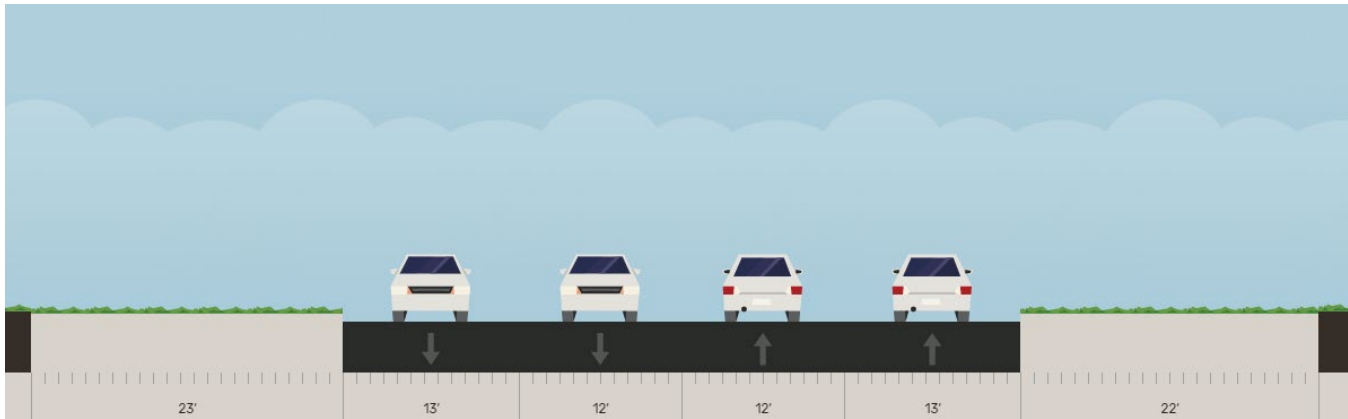
East of I-35 and west of River Road on SH 80, the right-of-way widens to 125 feet and has a more suburban character. An example is displayed in Figure 3.8.

Figure 3.8, SH 80 West of River Road



Further east along the corridor, beyond SH 21, SH 80 becomes more rural in nature and the right-of-way is approximately 95 feet. This section of SH 80 is undivided. Figure 3.9 illustrates this cross section.

Figure 3.9, SH 80 East of SH 21





## Corridor Traffic Analysis

Utilizing the existing traffic volumes, AM and PM weekday peak hour Synchro models were developed to evaluate traffic operations and congestion issues all along SH 80. The existing AM and PM peak hour LOS at the study intersections are summarized in Table 3.3, while detailed traffic volumes and Synchro LOS reports can be found in Appendix A of this report.

**Table 3.3, SH 80 Intersection Delays and LOS**

| <b>Table 4. SH 80 Intersection LOS and Delay</b> |                                  |                     |                        |             |                     |                        |             |
|--|----------------------------------|---------------------|------------------------|-------------|---------------------|------------------------|-------------|
| <b>Intersection</b>                              | <b>Intersection Control Type</b> | <b>AM Peak Hour</b> |                        |             | <b>PM Peak Hour</b> |                        |             |
|  |                                  | <b>LOS</b>          | <b>Delay (veh/sec)</b> | <b>V/C</b>  | <b>LOS</b>          | <b>Delay (veh/sec)</b> | <b>V/C</b>  |
| Hopkins St and N Guadalupe St                    | Signalized                       | C                   | 28.2                   | 0.45        | E                   | 60.4                   | 0.95        |
| Hopkins St and N LBJ St                          | Signalized                       | C                   | 24.5                   | 0.30        | C                   | 20.7                   | 0.48        |
| SH 80 and WB Left Turn to IH 35                  | Signalized                       | <b>F</b>            | <b>&gt;100.0</b>       | <b>0.37</b> | <b>F</b>            | <b>&gt;100.0</b>       | <b>0.69</b> |
| SH 80 and IH 35 NB Frontage Rd                   | Signalized                       | B                   | 17.4                   | 0.34        | D                   | 54.9                   | 0.72        |
| SH 80 and IH 35 SB Frontage Rd                   | Signalized                       | C                   | 32.0                   | 0.32        | E                   | 73.5                   | 0.71        |
| SH 80 and EB Left Turn to IH 35                  | Signalized                       | <b>F</b>            | <b>&gt;100.0</b>       | <b>0.22</b> | <b>F</b>            | <b>&gt;100.0</b>       | <b>0.41</b> |
| SH 80 and River Rd                               | Signalized                       | B                   | 13.7                   | 0.32        | C                   | 25.3                   | 0.58        |
| SH 80 and SH 21                                  | All-Way Stop Controlled          | B                   | 11.2                   | 0.62        | B                   | 11.6                   | 0.65        |
| SH 80 and Old Bastrop Hwy                        | Signalized                       | C                   | 21.6                   | 0.27        | B                   | 19.5                   | 0.42        |



## Key Intersections Operational Analysis

The operations of key intersections were analyzed throughout the corridor. For the SH 80 section of the corridor, these key intersections consisted of South CM Allen Parkway, the I-35 Frontage Roads, and SH 21.

### Guadalupe Street (SH 123)

Guadalupe Street and Hopkins Street is a 4-legged intersection with southbound one-way operations, located in the San Marcos downtown. Intersection lane configuration is one eastbound lane, two westbound lanes, and three southbound lanes. Traffic volumes were observed to be higher during PM peak hour. Several on-street parking spaces and transit stops are located closer to this intersection. From Synchro intersection operational analysis, LOS C and LOS E were reported for AM and PM peak hours respectively. Major delays were observed for the westbound approach during the PM peak hour. During PM peak, for eastbound through movement, long queues were observed with 95th-percentile queue lengths of approximately 850 ft. Based on V/C, the overall congestion is low during AM peak and high during PM peak hour.

### I-35 Frontage Roads

SH 80 and I-35 Frontage Road is a signalized intersection located south-east from San Marcos downtown. Intersection is operating with 2 lanes in each direction with a Displaced Left-turn design. From the operational analysis, northbound frontage road intersection has LOS D (AM peak) and LOS C (PM peak) and southbound frontage road intersection were observed to be LOS C (AM peak) and LOS D (PM peak). Higher delays on northbound and southbound frontage road approaches were observed during AM Peak. Also, the eastbound left-turn signal on SH 80 is experiencing major delays during PM peak hour with a failing **LOS F**. Synchro results do not indicate major queueing issues. Based on V/C, the overall congestion is light during the AM peak and medium during the PM peak hour.

### SH 21

SH 80 and SH 21 intersection is a 3-legged all-way stop controlled intersection operating with 2 lanes in each direction. Results from operational analysis indicate LOS A during both peak hours and major delays or queueing were NOT observed. Based on V/C, the overall congestion is light.

## Safety Analysis – SH 80

During the five-year analysis hour from 2015 to 2019, a total of 764 crashes occurred along the SH 80 corridor. Figure 3.10 summarizes crash analysis and documents crash trends along the SH 80 corridor.

Crash records specific to the above key intersections along the corridor were also analyzed to determine any significant crash patterns. Figure 3.11 shows the crash data available at SH 80 key intersections and their most significant crash patterns including ped and bike crashes.

Of the 764 crashes, there were three (3) fatal crashes and the top three crash types for this corridor are Opposite/Straight-left, Straight/stopped and Angle/Straight categories.

A significantly redesigned interchange was constructed at SH 80 and I-35 frontage roads with displaced left-turns. To compare the pros and cons of the new interchange, crash data from pre and post construction (2015 and 2019) was evaluated. Figure 3.12 summarizes this comparison and provides highlights of the crash trends.

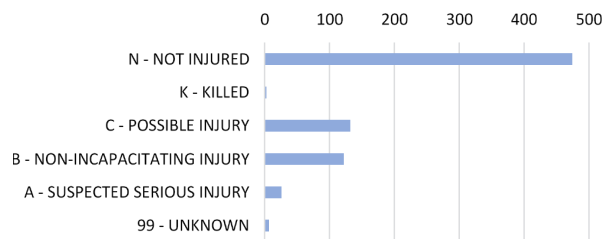


Figure 3.10, SH 80 Crash Summary

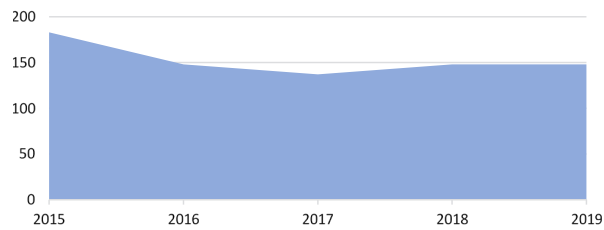
#### HIGHLIGHTS

- There is three (3) fatal crash and 19% suspected serious/non-incapacitating injuries in this corridor.
- Crash rate for the corridor decreased between 2015 and 2017, but slightly increased after 2017.
- 55% of the crashes are intersection/intersection related and majority of the suspected serious injury crashes happened at intersections or intersection related crashes.
- The top three crash types for this segment are Opposite/Straight-left, Straight/stopped Angle/Straight which account for 23%, 21% and 12%, respectively.

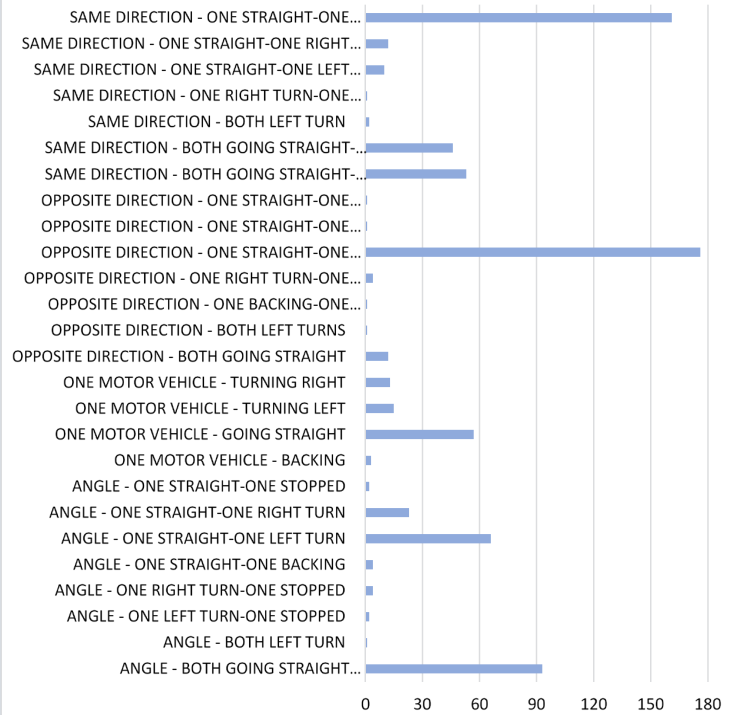
#### Crash Severity



#### Crashes by Year



#### Crash Type

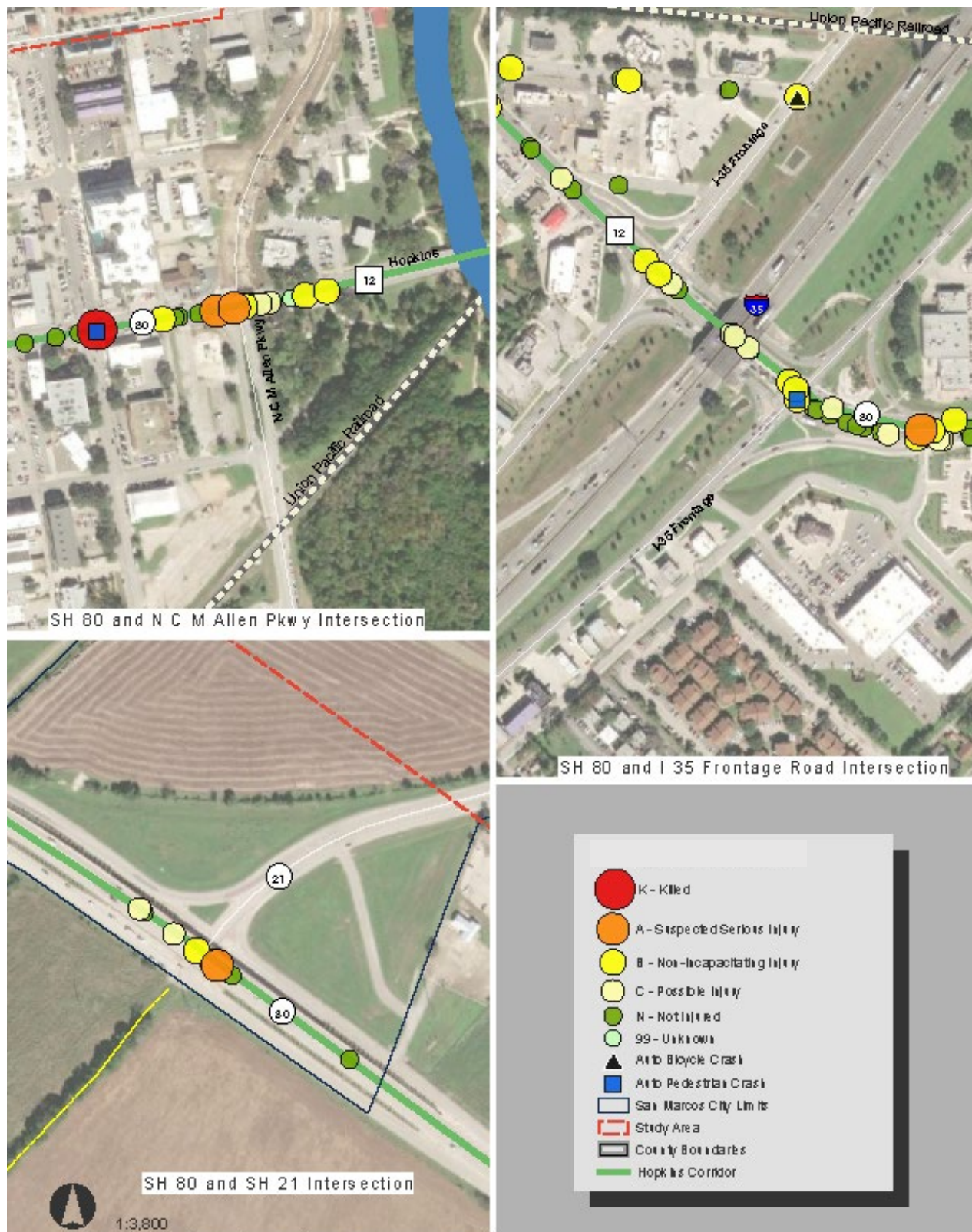


| Year                     | 2015   | 2016   | 2017   | 2018   | 2019 |
|--------------------------|--------|--------|--------|--------|------|
| SH 80 Segment Crash Rate | 42.52  | 30.82  | 30.90  | 34.23  | *    |
| Statewide Avg. (Urban)   | 221.57 | 224.89 | 218.24 | 217.69 | *    |

\* 2019 data Unavailable

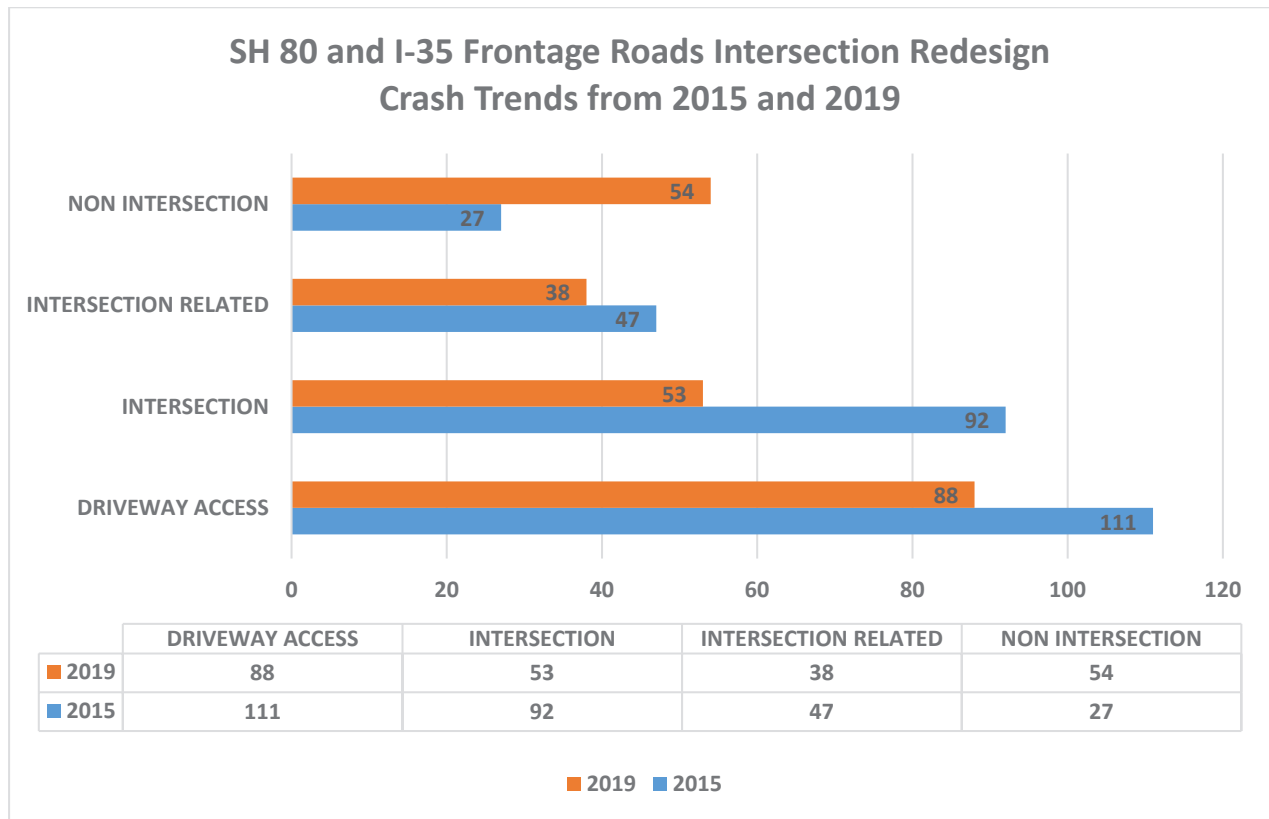


Figure 3.11, Crash Analysis at Key Intersections along SH 80





*Figure 3.12, SH 80 and I-35 Frontage Roads Crash Trends*



**Highlights of the Crash Summary:**

- Driver inattention crashes reduced significantly
- Rear-end and sideswipe crashes increased and were attributed to non-intersection related in the crash data. However, the intersection footprint has increased with the new design and these could be considered as intersection related.
- Two pedestrian crashes occurred in 2019 as compared to none in 2015
- Left-turn crashed decreased significantly
- Other (unexplained) contributing factors for crashes increased in 2019
- Serious injury and non-capacitating injuries decreased

**Railroad Crossings**

In San Marcos, frequent commercial rail volume occurs. Based on Federal Railroad Administration (FRA) data, there are around 30 trains per day moving with speeds of 25 mph to 39 mph moving through San Marcos on a typical day. From Texas Railroad Information Management System (TRIMS), there were 2 rail related crashes, which occurred within the last five years at crossings in San Marcos.

A total of 19 public railroad crossings are in San Marcos, of which three (3) crossings are on SH 80 (Hopkins Street) between CM Allen Parkway and I-35. As per TRIMS the average daily traffic (ADT) at these railroad crossings is higher than 10,000 vehicles. Figure 3.13 identifies the vehicular crashes that occurred on SH 80 near the railroad crossings.



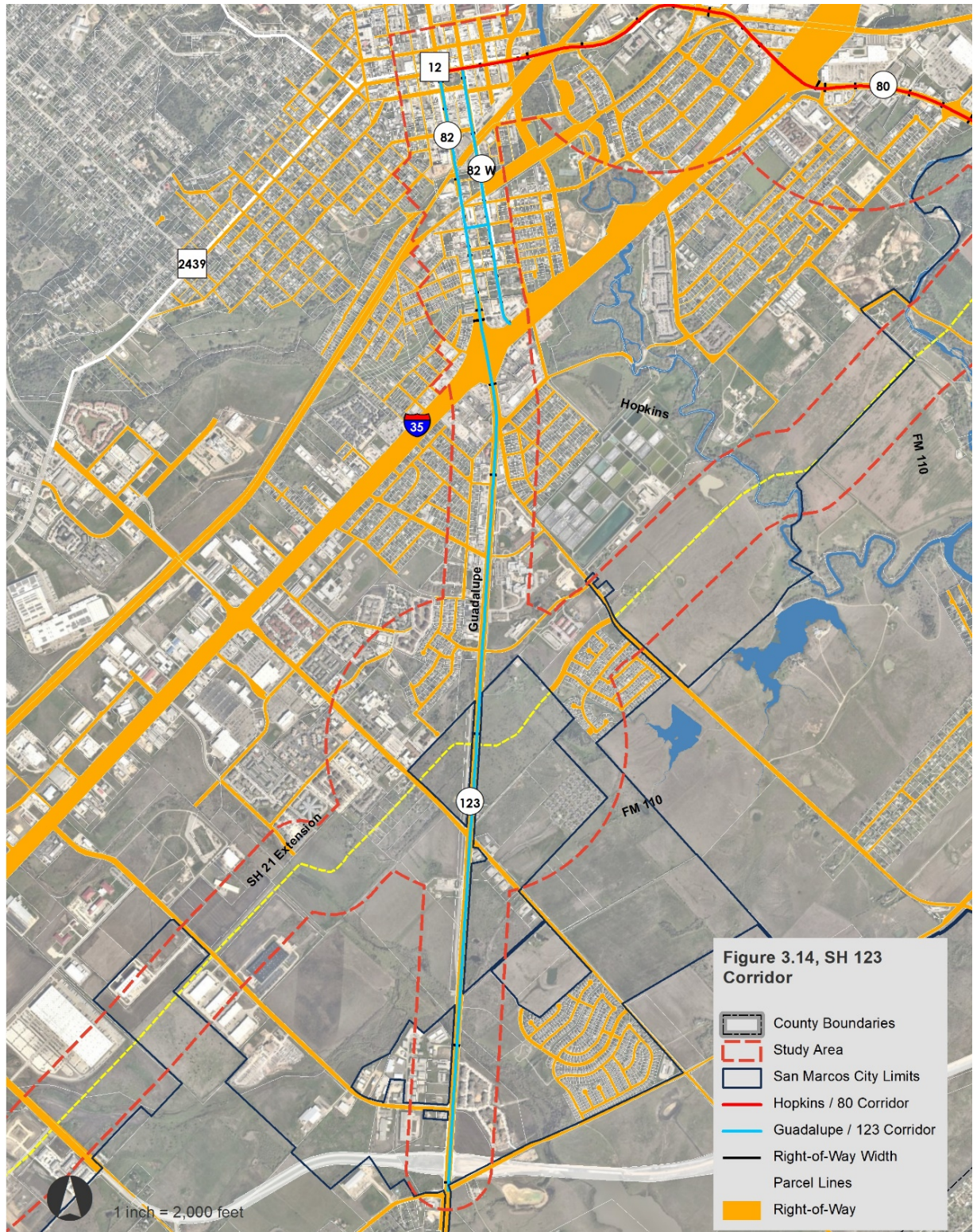
Figure 3.13, Crashes at SH 80 and Railroad Intersections





## 3.2.2 SH 123 Corridor

*Figure 3.14, SH 123 Corridor*

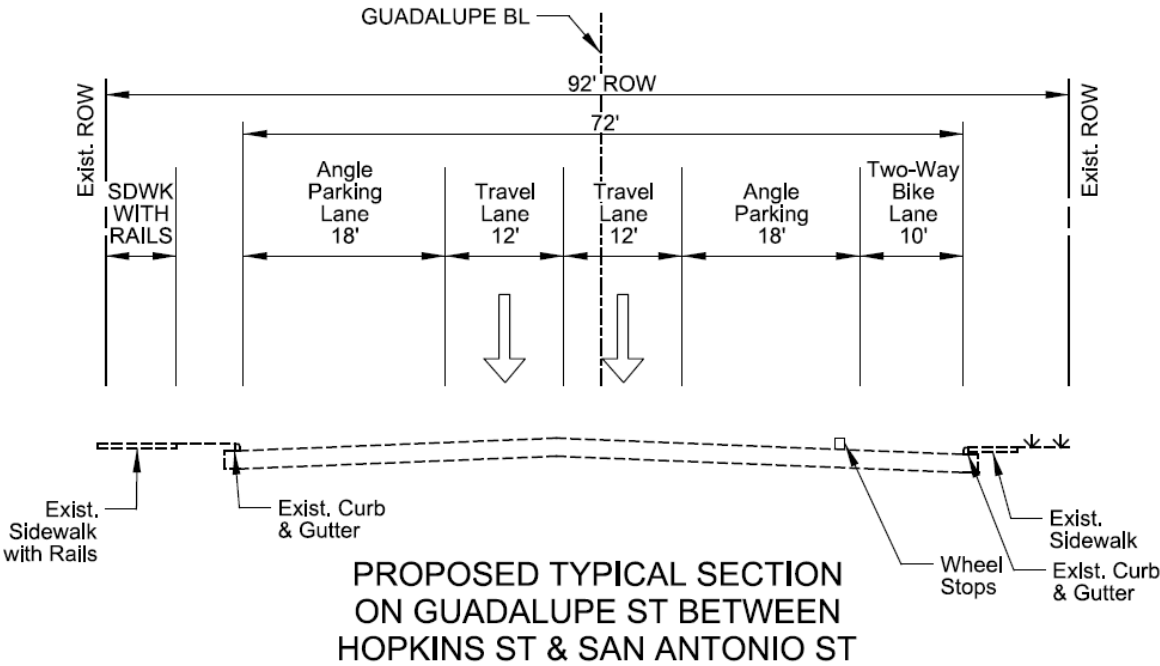




Existing Typical Sections

There is currently a project under construction on southbound Guadalupe Street that is focused on bicycle and pedestrian improvements. The proposed typical section between Hopkins Street and San Antonio Street is in Figure 3.15. In this section, there will still be angled parking on both sides of the road, but an additional 10-foot bicycle lane will be added to the east side of the road.

Figure 3.15, Proposed Typical Section on Guadalupe between Hopkins and San Antonio Streets

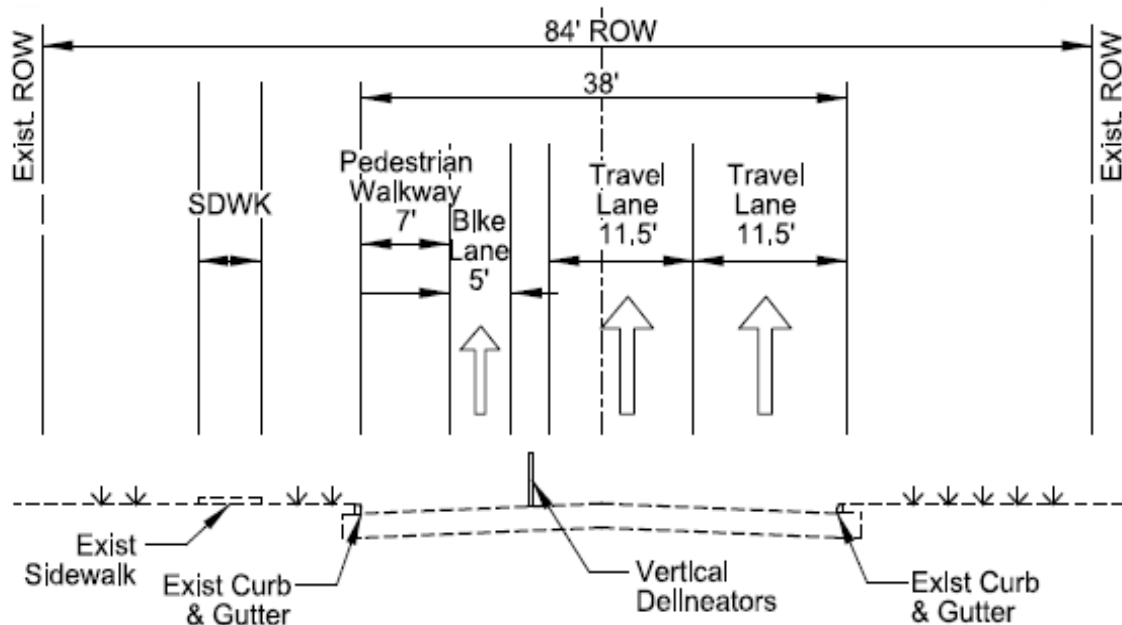






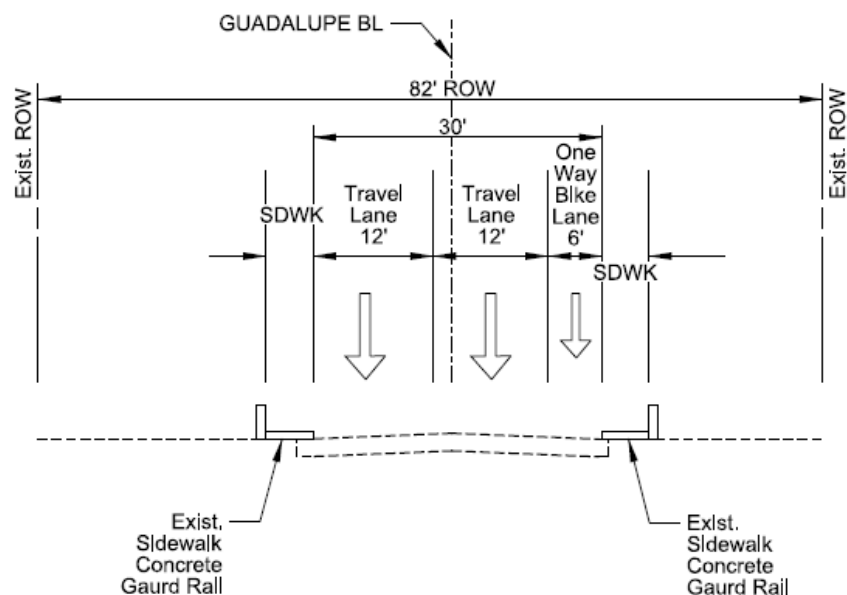
Smaller lane widths and parallel parking from San Antonio Street to Martin Luther King Drive allow for a similar 10-foot two-way bicycle lane on the east side of the road. Between Martin Luther King Drive and Cheatham Street, the bicycle lane becomes a 6-foot one-way bicycle lane as seen in Figure 3.16.

*Figure 3.16, Proposed Typical Section on SLBJ Drive between Railroad Tracks*



A similar typical section on the northbound section of the one-way pair and can be seen below in Figure 3.17.

*Figure 3.17, Proposed Typical Section on Guadalupe Street between Martin Luther King Drive and Cheatham Street*







The newly constructed one-way pair (southbound on S. Guadalupe Drive and northbound on S. LBJ Drive) section of Guadalupe Street will terminate at E. Grove Street, which is where the one-way pair becomes the four-lane Guadalupe Street for the remainder of the corridor. The proposed typical section of Guadalupe Street between Cheatham Street and Grove Street can be seen in Figure 3.18.

Figure 3.18, Proposed Typical Section on Guadalupe Street between Cheatham Street and Grove Street

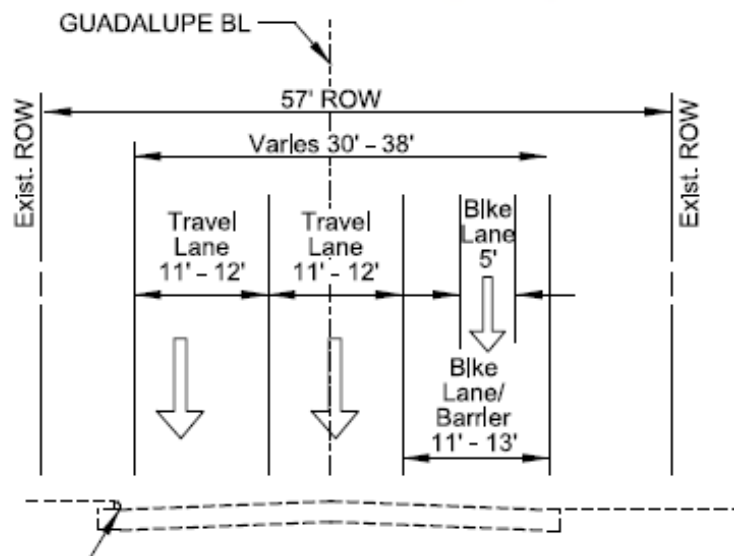
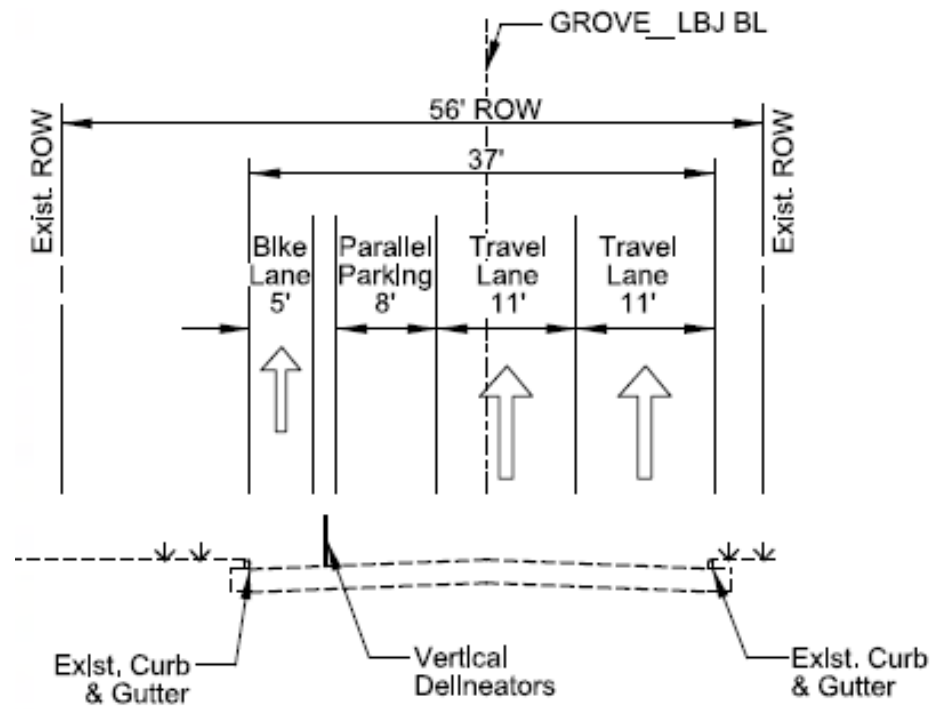


Figure 3.19, Proposed Typical Section on S. LBJ Drive between Grove Street and Railroad Tracks





Traveling further south along Guadalupe Street (SH 123), the corridor is a four-lane facility with center turn lanes in various locations, and striped medians in other areas. The right-of way varies between 125 feet just east of I-35, to as much as 140 feet, and then tapers back down to 120 feet near the currently under construction new FM 110 overpass at Guadalupe Street.

## Corridor Traffic Analysis

Utilizing the existing traffic volumes, AM and PM weekday peak hour Synchro models were developed to evaluate traffic operations and congestion issues along SH 123. The existing AM and PM peak hour LOS at the study intersections along SH 123 are summarized in Table 3.4, while detailed traffic volumes and Synchro LOS reports can be found in Appendix A of this report.

**Table 3.4, SH 123 Intersection LOS and Delay**

| Table 3.3. SH 123 Intersection LOS and Delay |                           |              |                  |             |              |                  |             |
|--|---------------------------|--------------|------------------|-------------|--------------|------------------|-------------|
| Intersection                                 | Intersection Control Type | AM Peak Hour |                  |             | PM Peak Hour |                  |             |
|  |                           | LOS          | Delay (veh/sec)  | V/C         | LOS          | Delay (veh/sec)  | V/C         |
| SH 123 and FM 110 EB                         | Signalized                | A            | 7.2              | 0.43        | A            | 8.6              | 0.42        |
| SH 123 and FM 110 WB                         | Signalized                | A            | 4.5              | 0.42        | A            | 7.2              | 0.46        |
| SH 123 and FM 269                            | One-Way Stop Controlled   | C            | 17.9             | 0.20        | C            | 19.2             | 0.21        |
| SH 123 SB and Redwood Dr                     | Signalized                | C            | 30.8             | 0.15        | C            | 24.8             | 0.23        |
| SH 123 NB and Wonder World Dr                | Signalized                | C            | 29.4             | 0.15        | C            | 33.4             | 0.28        |
| SH 123 and Old Bastrop Rd                    | Signalized                | C            | 30.5             | 0.67        | C            | 31.8             | 0.66        |
| SH 123 and Broadway St                       | Signalized                | D            | 39.0             | 0.87        | C            | 32.2             | 0.59        |
| SH 123 and Staples Rd                        | Signalized                | B            | 17.9             | 0.50        | B            | 18.5             | 0.74        |
| SH 123 and IH 35 EB Frontage Rd              | Signalized                | <b>F</b>     | <b>&gt;100.0</b> | <b>0.84</b> | <b>F</b>     | <b>&gt;100.0</b> | <b>0.92</b> |
| SH 123 and IH 35 WB Frontage Rd              | Signalized                | D            | 41.4             | 0.64        | <b>F</b>     | <b>88.8</b>      | <b>0.90</b> |



## Key Intersections on SH 123 Corridor

### I-35

The SH 123 intersection with I-35 frontage roads are located south of the San Marcos downtown and is currently operating with two lanes in each direction to connect to interstate IH 35 ramps. Synchro operational analysis results indicate that Eastbound Frontage Road intersection operates at failing **LOS F** during both AM and PM peak hours. Congestion in the PM peak hour can be attributed to heavy traffic volumes causing significant delays for some movements. 95<sup>th</sup>-percentile queue lengths reported for eastbound and southbound left-turn queues are approximately 450 ft and 350 ft, during AM peak hour. The analysis indicates that the southbound left-turn storage length is insufficient to meet the left-turn traffic volumes.

LOS results for Westbound Frontage Road intersection were reported to be acceptable LOS D during AM peak and failing **LOS F** during PM peak hour. All major approaches were observed to be experiencing higher delays on frontage road during PM Peak hour due to heavier traffic volumes. Based on the V/C, the overall congestion is high during AM and PM peak hour.

### Wonder World Drive / Redwood Road

SH 123 and Wonder World Dr (FM 232) is a 4-legged signalized intersection operating with two lanes in each direction. This intersection is operating with LOS C during both AM peak PM peak hours with no major delays or queues. Based on V/C, the overall congestion is low during the peak hours.

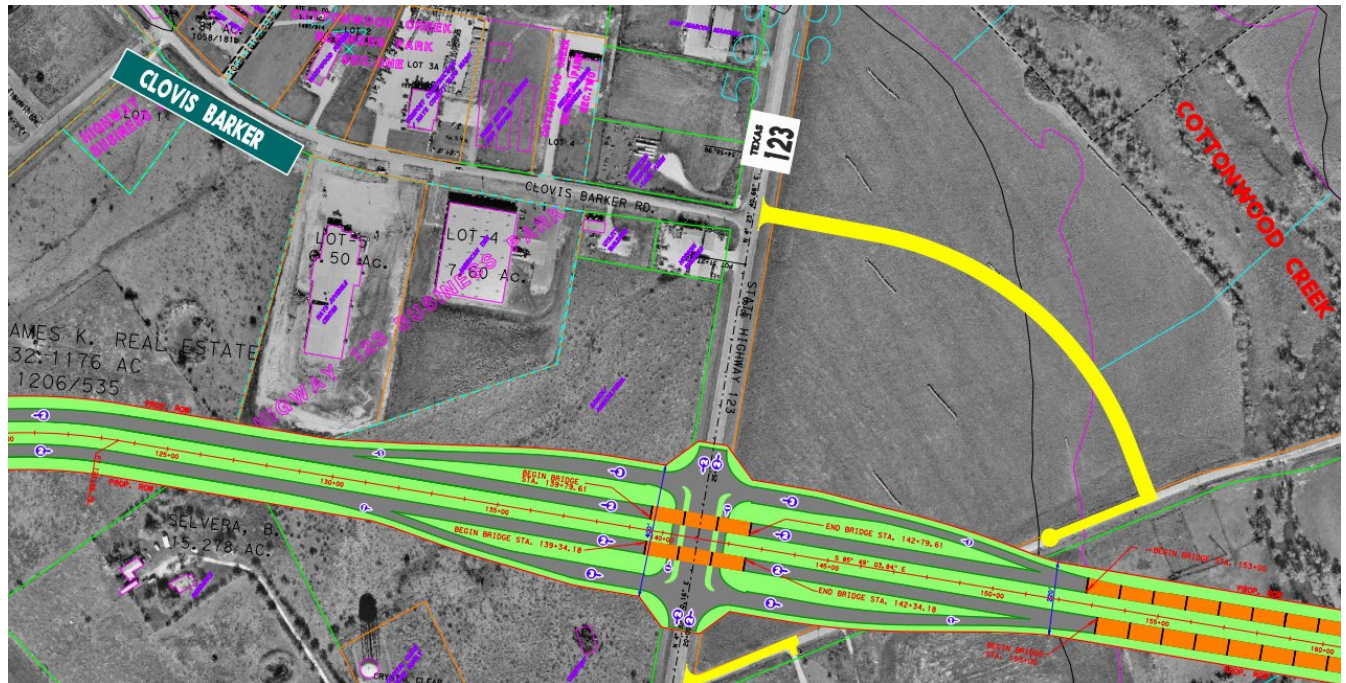
### Old Bastrop/FM 110

SH 123 at FM 110 is a 4-legged intersection operating with two lanes each in northbound and southbound approaches as well as one lane each in eastbound and westbound directions. Operational analysis results indicate LOS A for both eastbound and westbound approaches during AM and PM peak hours. No major delays or queues were observed at this intersection. Based on calculated V/C, the overall congestion is low for both AM and PM peak hours.

Overall, other locations such as, SH 123 and FM 269, Staples Street, and Broadway Street are operating at LOS D or better during AM and PM peak hours. No significant queue lengths were observed. Based on V/C, the overall congestion is low during AM and PM peak hours at these intersections.

This intersection is currently under construction and the proposed reconfiguration, which includes an overpass of FM 110 over SH 123 is shown in Figure 3.20. As can be seen in the yellow in Figure 3.20, Old Bastrop Road is planned for realignment with Clovis Barker Road (FM 269). FM 110 should provide additional north-south capacity once it is complete. Additionally, it will provide another access point to I-35. Although a direct interchange with I-35 is not provided, it will provide easier access to the I-35 frontage road system, outside of downtown San Marcos.

*Figure 3.20, FM 110 and SH 123*



### Safety Analysis – SH 123 Corridor

During the five-year analysis period from 2015 to 2019, a total of 543 crashes occurred along the SH 123 corridor. Figure 3.21 summarizes crash analysis and documents crash trends along the SH 123 corridor including the Central Business District.

Crash records specific to the above key intersections along the corridor were also analyzed to determine any significant crash patterns. Figure 3.22 summarizes the crash data available at SH 123 key intersections and their most significant crash patterns including pedestrian and bicycle crashes.

Of the 543 crashes, there was one (1) fatal crash and the top three crash types for this corridor are Angle/Straight, Straight/stopped, and Same direction categories.





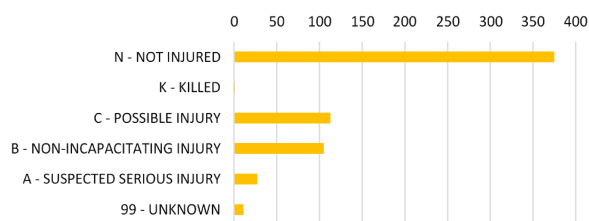
Figure 3.21, SH 123 Crash Analysis

Figure 3. San Marcos – SH 123 Corridor (3.9 mi)

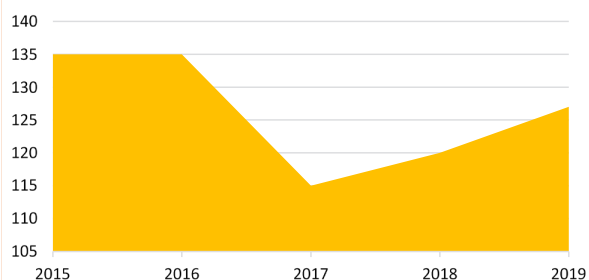
#### HIGHLIGHTS

- There is one (1) fatal crash and 21% suspected serious/non-incapacitating injury crashes in this corridor from 2015 to 2019.
- Crash rate for the corridor decreased in 2017 and slightly increased since then.
- 54% of the crashes are at intersection or intersection related and majority of the suspected serious injury crashes happened at the intersections.
- The top three crash types are Angle/Straight, Straight/stopped Single/Straight which account for 20%, 16% and 12%, respectively.

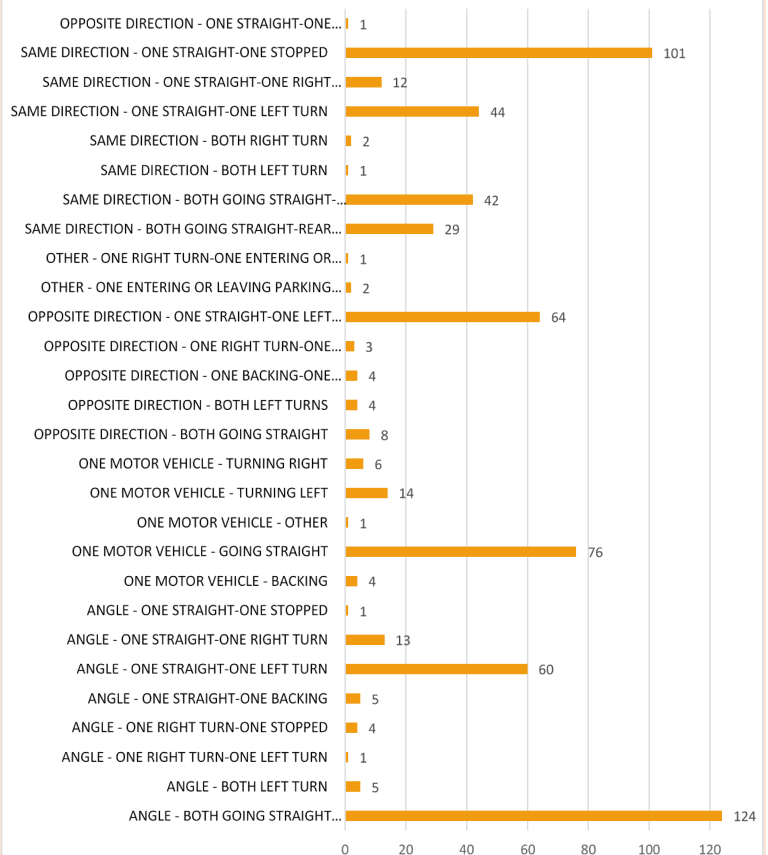
#### Crash Severity



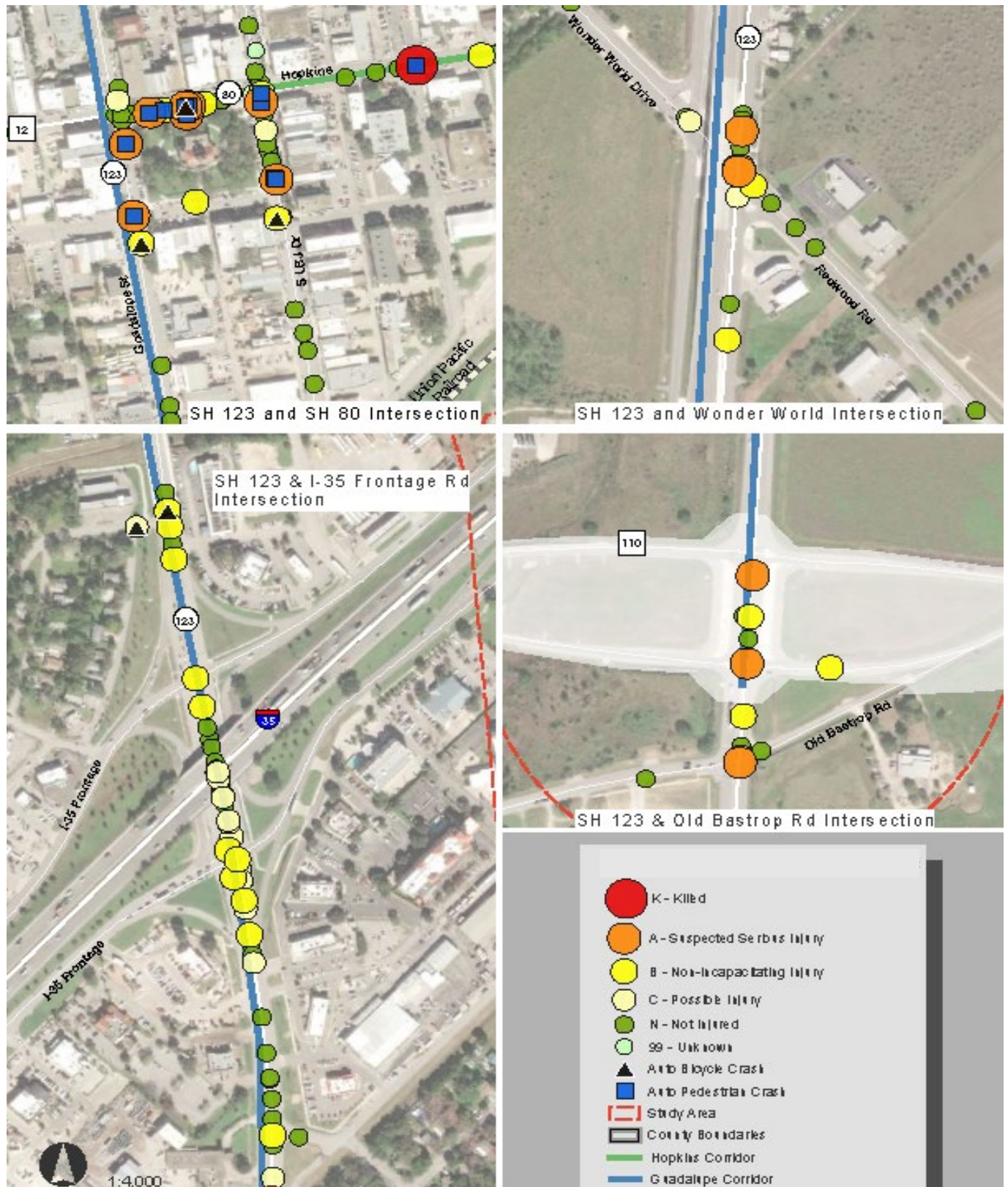
#### Crashes by Year



#### Type of Crash



*Figure 3.22, Crash Analysis at Key Intersections along SH 123*





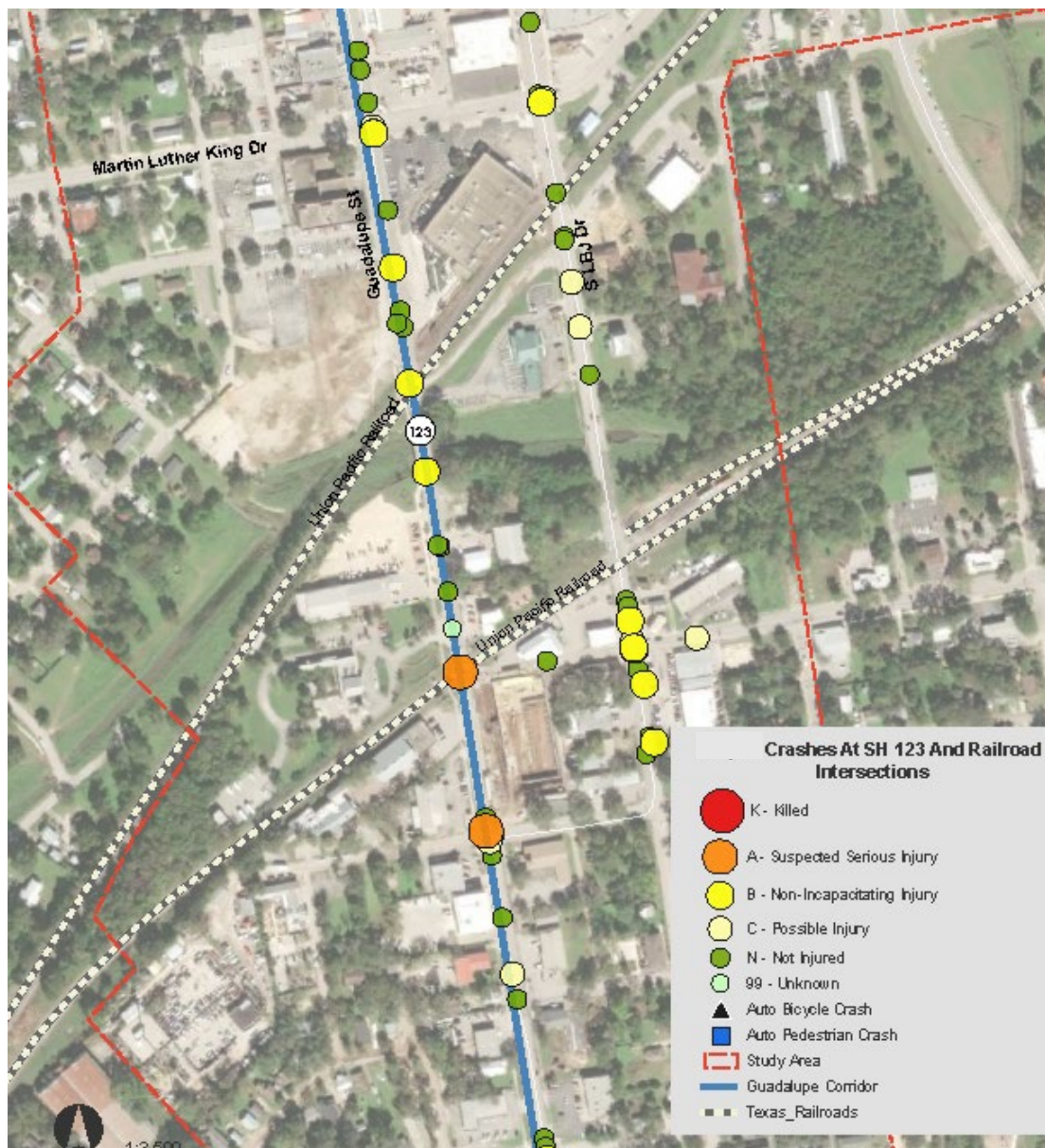


## Railroad Crossings on SH 123

In San Marcos frequent commercial rail volume is associated with substantial rail shipments between South Texas/Mexico and the Dallas/Fort Worth area. Based on Federal Railroad Administration (FRA) data, there are around 30 trains per day moving at 25 to 39 mph speeds through San Marcos. From Texas Railroad Information Management System (TRIMS) reports, there were 2 crashes during the last five years at the crossings in San Marcos.

Out of the 19 public railroad crossings, two (2) crossings are on SH 123 (Guadalupe Street) between Martin Luther King Dr and E Grove St. As per TRIMS the average daily traffic (ADT) at these railroad crossings is higher than 10,000 vehicles. Figure 3.23 shows the vehicular crashes that occurred on SH 123 near the railroad crossing intersections.

*Figure 3.23, Vehicular Crashes near the Railroad on SH 80*









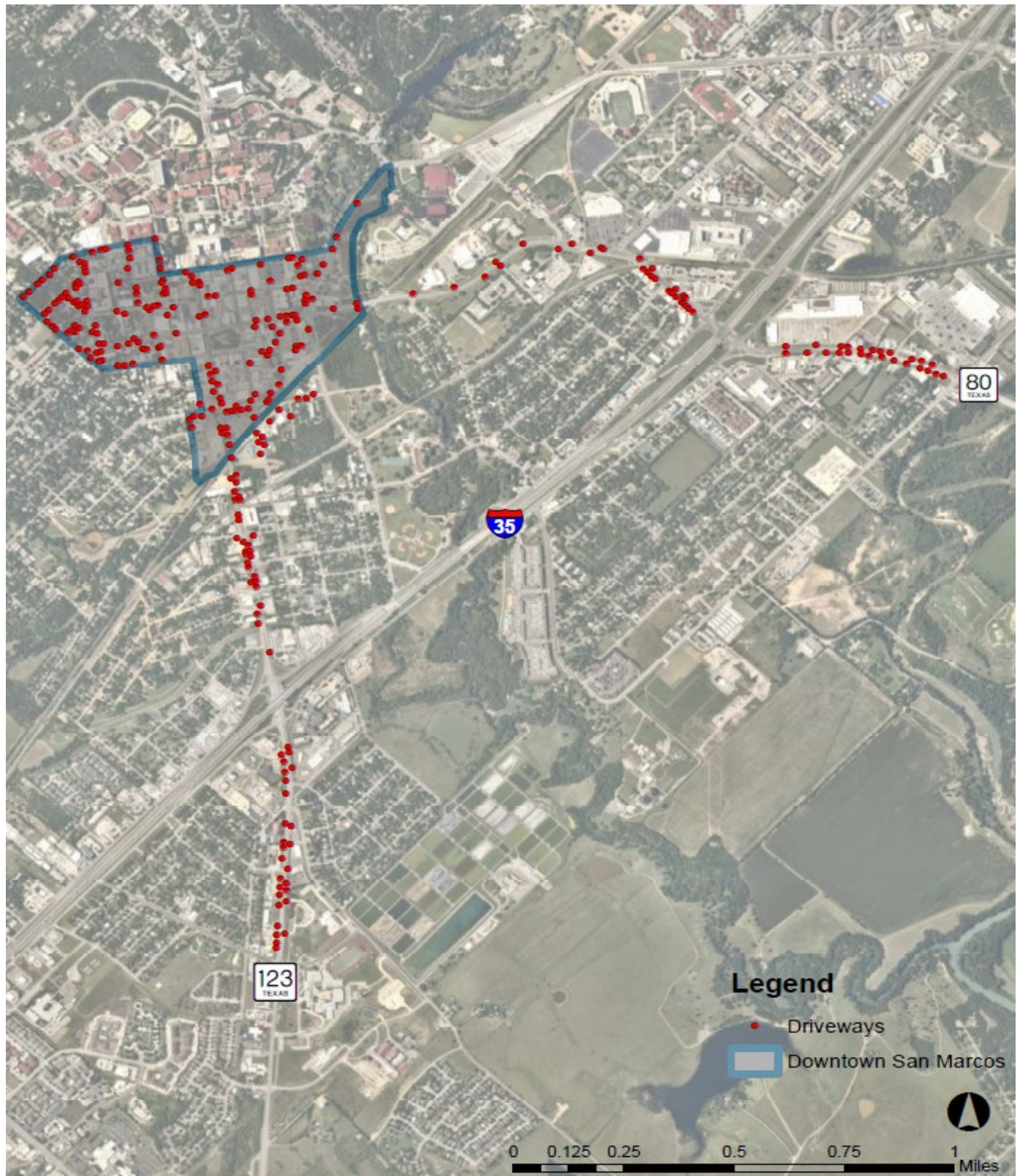
## 3.3 ACCESS MANAGEMENT

There are small sections of the corridor that have raised medians and other access management strategies in place. These sections are primarily near I-35. On the east side of I-35, SH 80 has a two-way-left-turn lane (TWLTL) for a small section SH 80 until SH 21. Beyond SH 21, SH 80 transitions to a two-lane undivided roadway.

SH 123 has a TWLTL traveling west from FM 110 and as it approaches the intersection with Wonder World Drive, there is a divided grass median as Guadalupe Street goes over Wonder World Drive. North of Wonder World Drive, SH 123 has varying widths of a striped median, with most of it being only a couple of feet wide. As SH 123 goes west of Broadway Street, it becomes a four-lane undivided facility until I-35, where it is median-divided. West of I-35 and traveling toward the one-way pairs in downtown San Marcos, there is no access management.

Based on feedback from key stakeholders, one of the concerns in the corridor was the number of driveways, specifically in the downtown area. Figure 3.24 shows the locations of those driveways.

*Figure 3.24, Driveways in Downtown San Marcos and along SH 80 and SH 123*





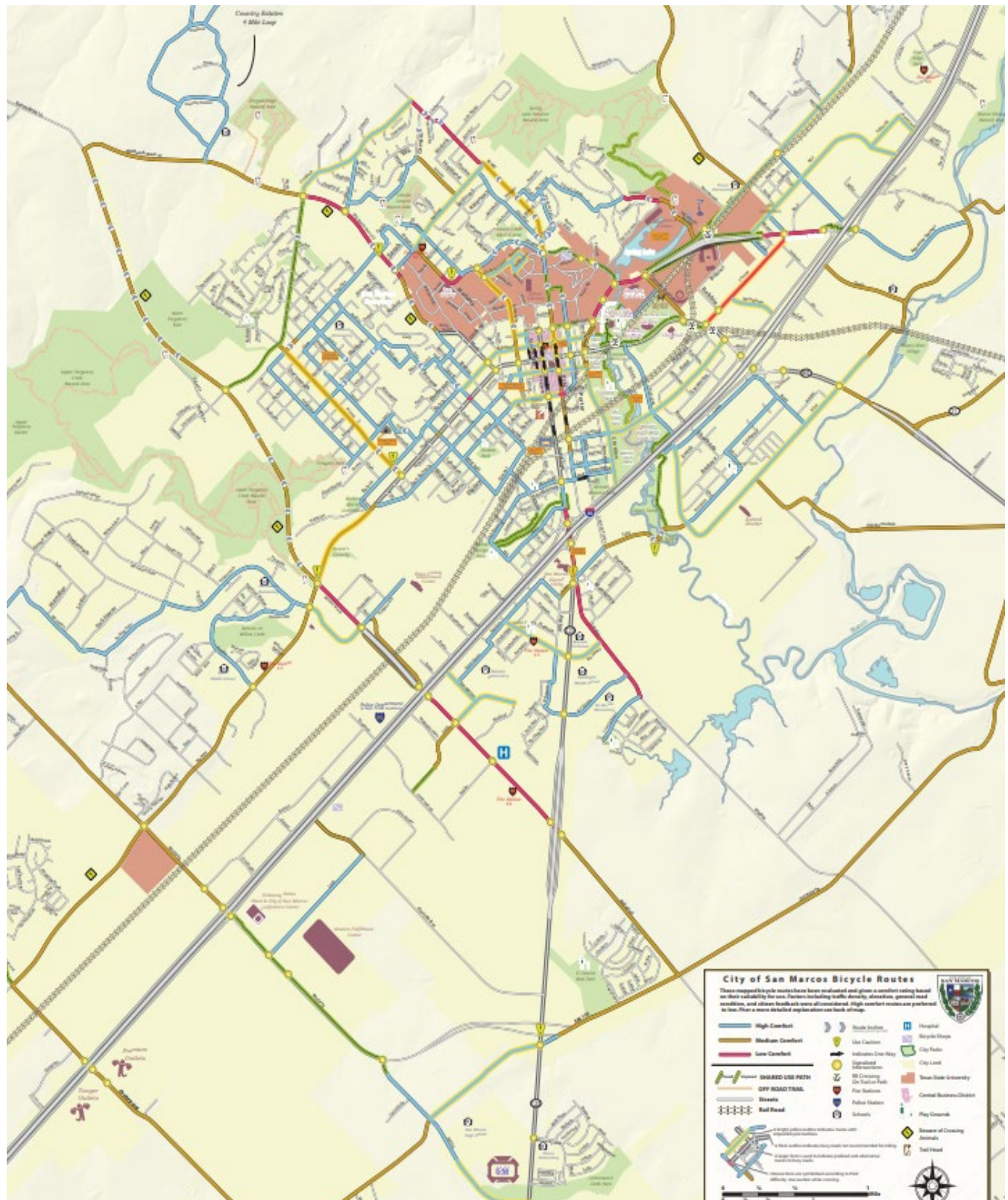
## 3.4 BICYCLE/PEDESTRIAN ANALYSIS

### Bicycle Amenities

Figure 3.25 displays the City’s bicycle map. It is arranged in a color scheme signifying high comfort (blue), medium comfort (yellow), and low comfort (red). Shared use paths, existing and future, are displayed in green. As can be seen on the map, the shared use paths and high comfort areas are centered around the downtown and San Marcos River areas. A couple of notable exceptions on the map are current projects to accommodate bicyclists within the City along Guadalupe Street (project currently under construction), and the shared us path along SH 80, which travels south along SH 80 from Charles Anthony Drive to River Road, east of I-35.



*Figure 3.25, San Marcos Bicycle Route Map*







## Gaps in Sidewalks

The study team conducted detailed sidewalk gap analyses along our study corridors as summarized in Figure 3.27.

As shown, continuous sidewalks are available along SH 123 between Hopkins Street and I-35 interchange except for a few blocks between San Antonio Street and MLK Drive. Accessible sidewalks are provided on LBJ Drive and maintained along both sides of streets in the CBD area, particularly connecting The Square, university buildings and bus stops, where there is frequent pedestrian activity.

In the southern half of the study corridor from I-35 intersection to Hays Road, there are continuous sidewalks on both sides of SH 123. South of Hays Road/Staples Rd intersection, a narrow, intermittent sidewalk is available on the southbound side of the road but is not up to ADA design standards. Sidewalks or shared paths were not observed near De Zavala Drive and continuous sidewalks were missing that could connect the De Zavala Elementary School with surrounding neighborhoods.

There are accessible sidewalks along SH 80 from the Downtown area to the I-35 interchange. East of the frontage road intersections, sidewalks are intermittent or nonexistent.

The National Walkability Index provides a walkability score based on a formula that ranks selected indicators for the Smart Location Database that have been demonstrated to affect the propensity of walk trips. The Index was developed by the EPA and was applied to the study area. More information regarding the walkability index can be found on EPA's website at <https://www.epa.gov/smartgrowth/smart-location-mapping>. Results of this index applied to the corridor can be seen in Figure 3.28.

## Pedestrian and Bicycle Safety

Pedestrian and bicyclist safety analysis was conducted using FHWA recommended methodologies and AASHTO's Highway Safety Manual recommended network screening procedures. Using CRIS database of crashes in the last five years from 2015 to 2019, ped and bike crashes were summarized and analyzed for crash frequency, severity, and density. In these five years, there were a total of 41 pedestrian and 16 bicycle crashes along the study corridors. 38 of these crashes occurred in the CBD area, 8 occurred on SH 123 and 10 occurred on SH 80.

Table 3.5 shows several crash characteristics summarized by surface condition, light conditions, major crash types and contributing factors. Three major crash types observed are — One Motor Vehicle - Going Straight, One Motor Vehicle — Turning Left, and One Motor Vehicle — Turning Right. Three major contributing factors are — Driver Inattention, Failure to yield right of way to pedestrian, and, Failure to yield right of way to bicyclist

Figure 3.26 also shows the locations of ped/bike crashes within the CBD area, highlighting the safety issues such as midblock crossing and roadway features contributing to driver inattention.



*Table 3.5. Auto Pedestrian/Bicycle Crashes in San Marcos from 2015 - 2019*

| Manner of Collision or<br>Crash Type<br>(Count) | Number of<br>Crashes<br>Ped/Bicycle<br>(Count) | Surface<br>Condition<br>Ped/Bicycle<br>(Count) |     | Light Conditions<br>Ped/Bicycle<br>(Count) |                         |                  | Contributing Factors<br>(Count)                    |
|---|--|--|-----|--|-------------------------|------------------|--|
|   |  | Dry  | Wet | Day<br>Light                               | Dark,<br>Not<br>Lighted | Dark,<br>Lighted |  |
| One Motor Vehicle -<br>Going Straight (27)      | 18/9   | 10/9   | 8/0 | 2/6  | 4/1                     | 12/2             | Driver Inattention (12)                            |
| One Motor Vehicle –<br>Turning Left (19)        | 16/3   | 10/3   | 6/0 | 7/0  | 0/1                     | 9/2              | Failed to yield right of way<br>to pedestrian (16) |
| One Motor Vehicle –<br>Turning Right (8)        | 4/4  | 4/2  | 0/2 | 2/4  | 2/0                     | 2/0              | Failed to yield right of way<br>to bicyclist (12)  |



Figure 3.26, Central Business District Pedestrian / Bicycle Crash Locations





*Figure 3.27, Sidewalk Inventory Map*

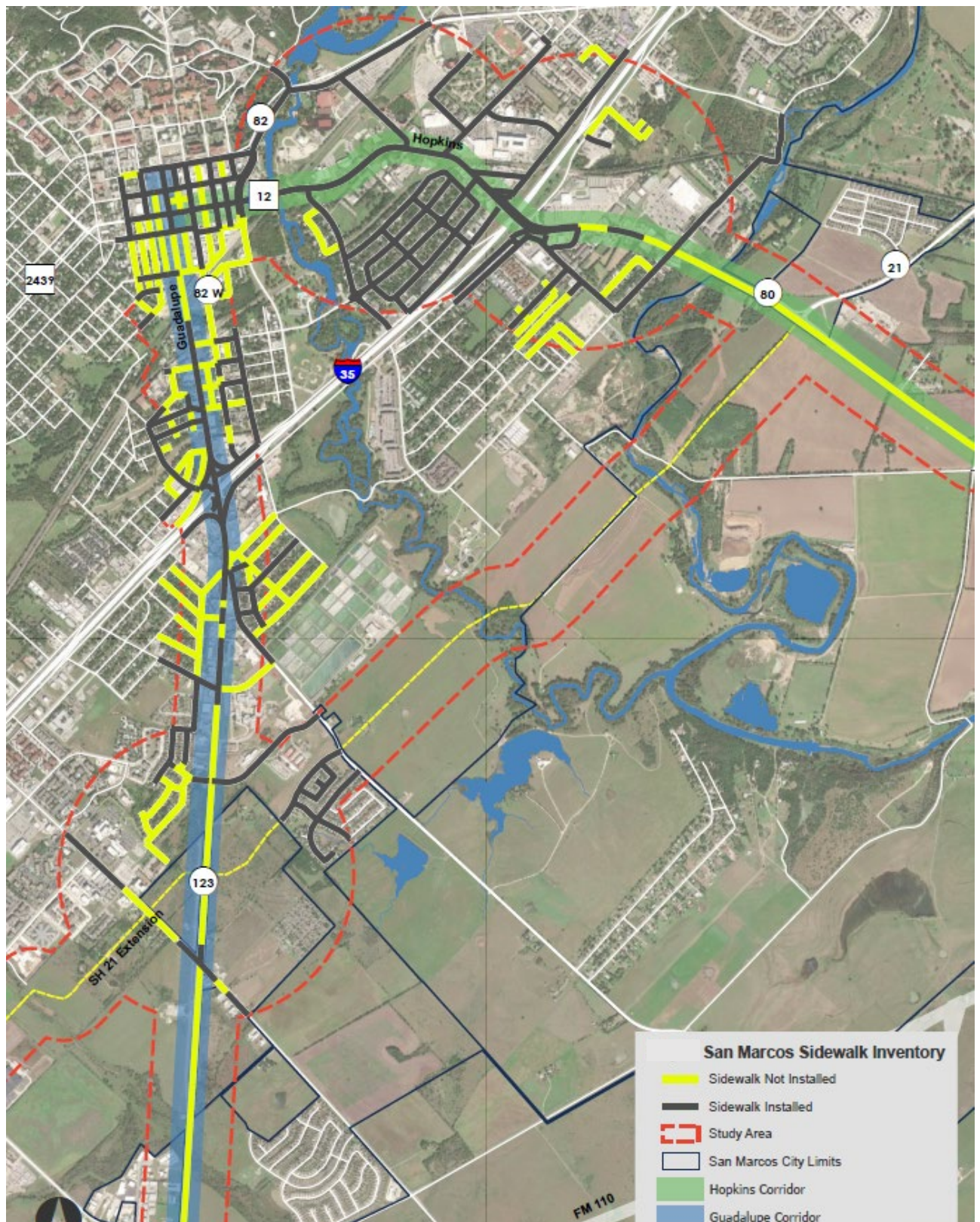
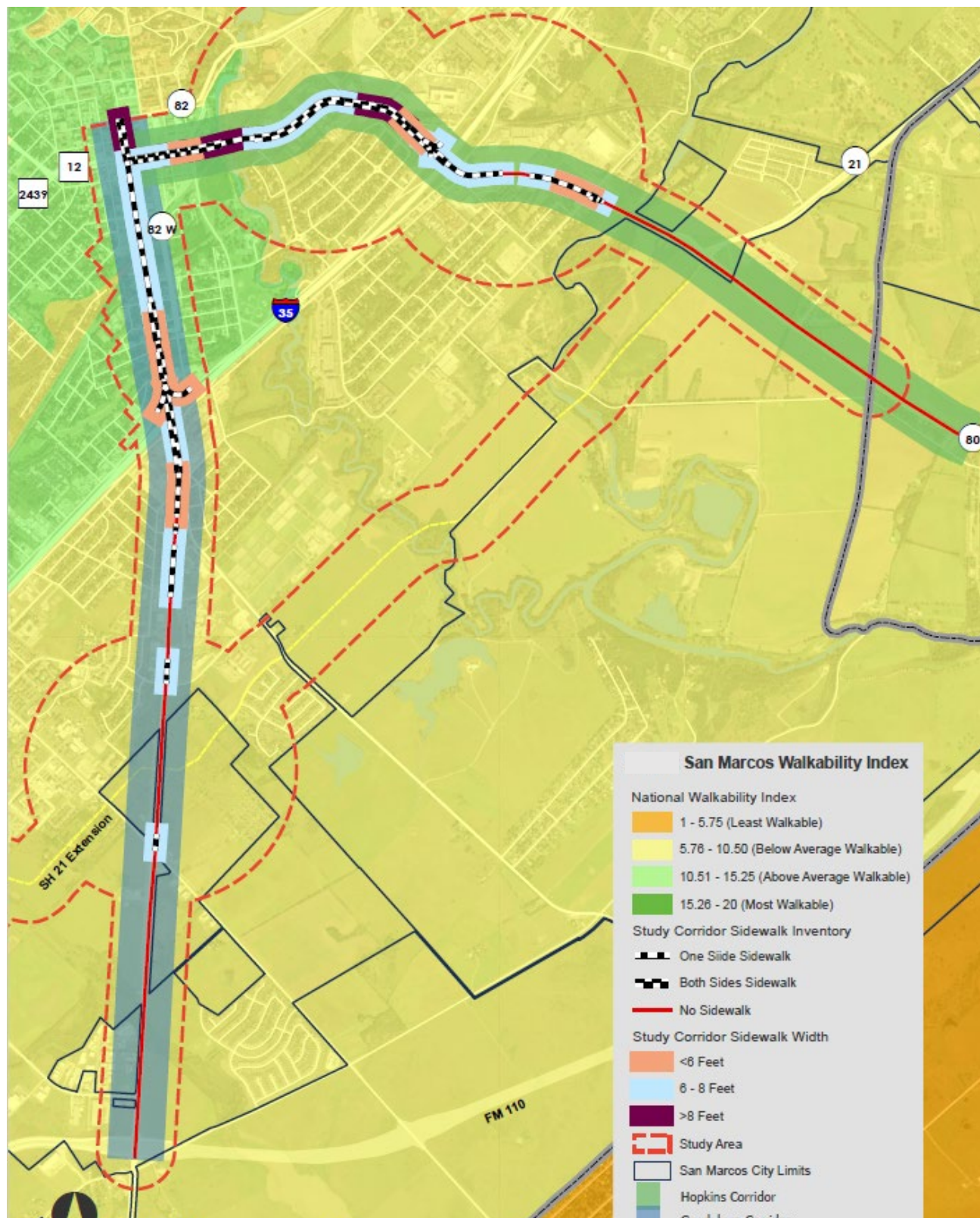






Figure 3.28, Sidewalk Walkability Index





## 3.4 CORRIDOR CONNECTIVITY

Connectivity, or accessibility, is the degree to which a transportation system provides access to essential services. A well-connected transportation network reduces the distances traveled, increases the options for travel, and can facilitate walking and bicycling. Well-connected, multimodal networks are characterized by seamless bicycle and pedestrian infrastructure, direct routing, accessibility and few physical barriers. Strategies that can be incorporated into the City of San Marcos to increase connectivity and improve pedestrian and bicycle connectivity include:

- Short block lengths
- A Complete Streets policy
- Prioritization of multimodal access to public transportation

San Marcos has prioritized a multi-modal transportation system within the City, and it has also been prioritized by the various stakeholder groups that the study team has met with over the course of the study. As mentioned previously, there are various ongoing/planned projects that will help to increase the connectivity of the multi-modal system within the City:

- Guadalupe Street Improvements — multimodal accommodations along SH 123 in downtown San Marcos
- San Marcos River Shared Use Pathway Project (Figure 3.29)
- SH 80 Shared Use Path from Charles Anthony Drive to River Road

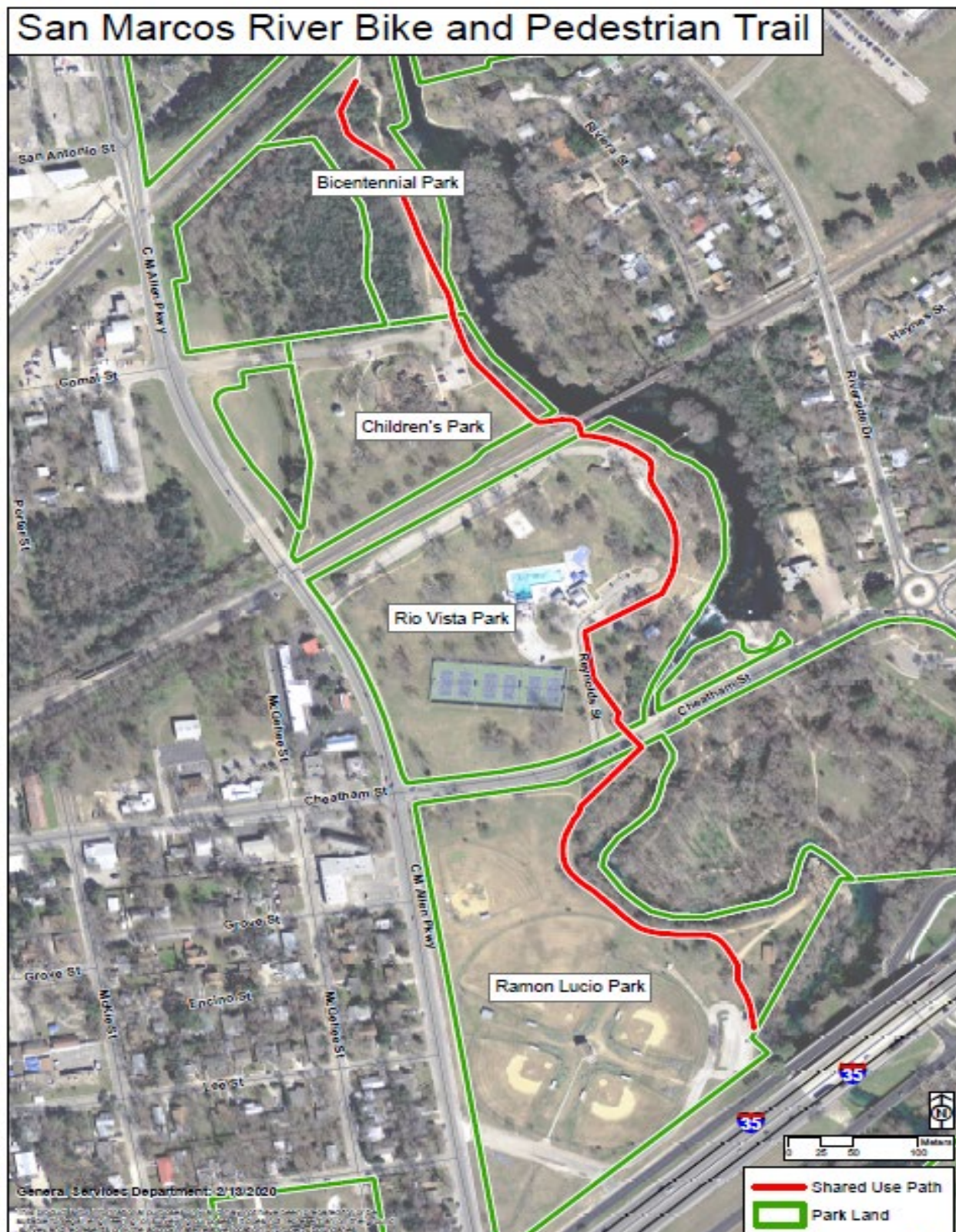
One of the most important multi-modal connections will be constructed as part of the I-35 improvements in the San Marcos area. As part of this project, Project number CSJ 0016-03-114, there will be a dedicated multi-modal underpass, where there is currently a vehicular underpass near the San Marcos river under I-35. This project will provide a much-needed safe multi-modal access across the I-35 corridor in downtown San Marcos.

The City of San Marcos' Thoroughfare Plan can be seen in Figure 3.30. The plan identifies key new connections that are needed throughout the City, such as the proposed facilities to the north and east of the Hills of Hays neighborhood and the proposed north-south extension of SH 21.





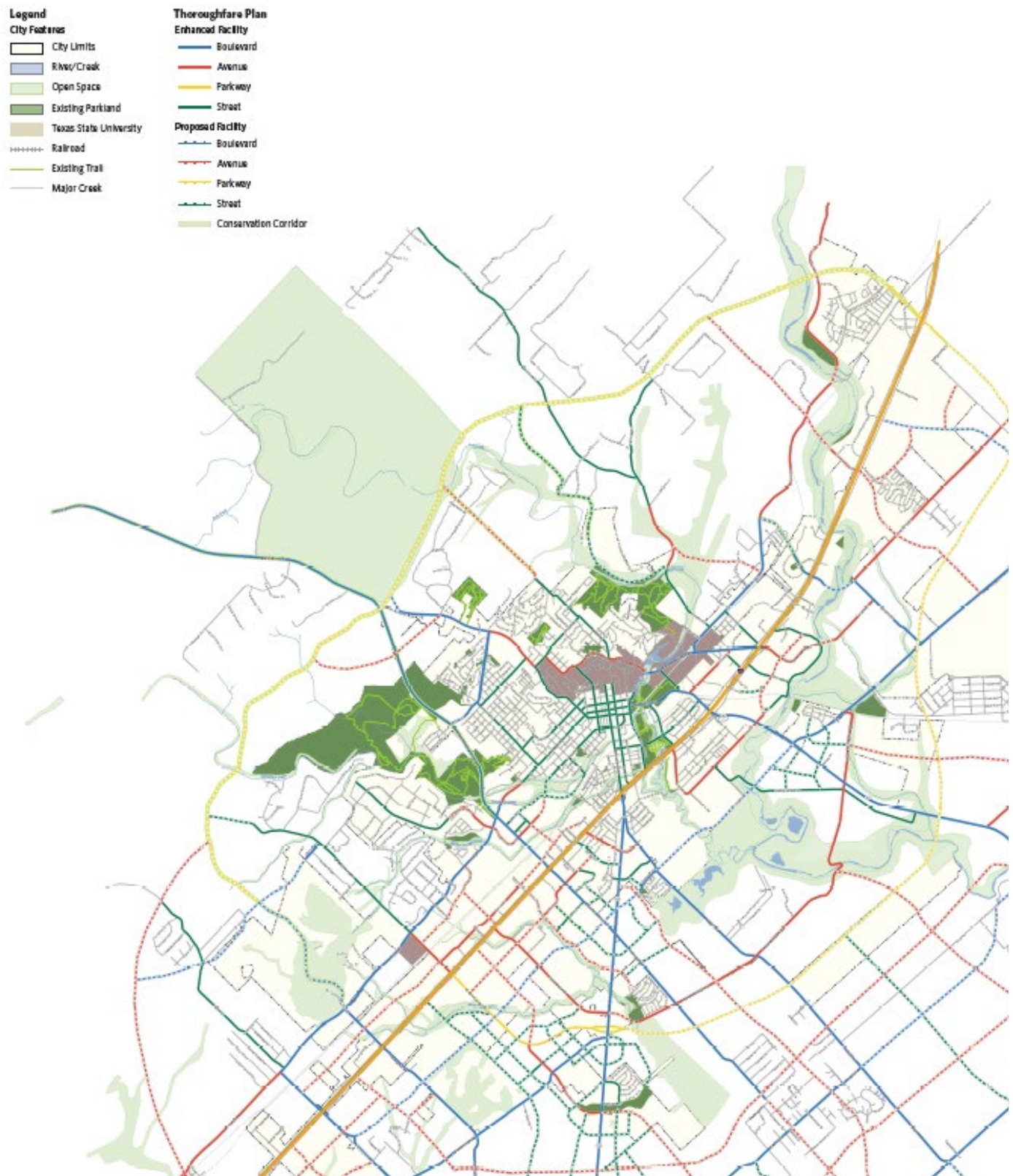
Figure 3.29, San Marcos River Shared Use Path Project







*Figure 3.30, City of San Marcos Thoroughfare Plan*







## 3.5 TURNBACK ANALYSIS

The voluntary TxDOT Turnback Program allows the transfer of control of state-owned roads to municipalities, at no cost to the municipality for the transfer of right-of-way. This program provides increased local control to communities, enhances opportunities for economic development, provides local control over speed limits, and provides local governments the ability to control driveway locations. It would provide flexibility to the City of San Marcos to provide various improvements to the project corridors that promote multi-modal transportation, including improved pedestrian connectivity, transit-oriented development and the addition of on-street parking.

Roadways eligible for Turnback are only those that lie within MPO boundaries and are located in communities with a population of >50,000. TxDOT will ensure that any roadway transferred to local government is in acceptable condition at the time of the transfer. The limits of TxDOT facilities under consideration for the TxDOT Turnback Program within the City of San Marcos include:

- SH 123 (Guadalupe St): from Loop 82 (University Dr) to FM 110
- SH 80 (Hopkins St): from N Guadalupe St to SH 21

Prior to implementation, TxDOT will complete any project currently in the State Transportation Improvement Plan and in its four-year pavement preservation plan. These projects include:

- Construction of sidewalks along SH 123 between IH 35 and De Zavala Dr.
- Construction of multi-use bike/ped facility along SH 80 (Hopkins St) from Thorpe Rd. to CM Allen Pkwy.

### SH 123 Corridor

#### Classification

TxDOT classifies this roadway as a Principal Arterial, which is indicative of high mobility and limited access. The City of San Marcos criteria would classify SH 123 as a Boulevard facility, which has raised medians, sidewalks, and protected bike facilities. General characteristics of the corridor include densely-spaced driveways, and parking lots that do not have defined curb cuts.

#### Roadway Dimensions

The typical section of SH 123 includes two 11-12' travel lanes in each direction with 0-2' shoulders, for a typical pavement width that varies between 44'-50'. ROW width varies from 60'-80' west of IH 35, and from 125'-140' east of IH 35. Sidewalks are only present west of IH 35.

#### Speed

Posted speed limits vary throughout the corridor as described below:

- Loop 82 to Lee St — 30 mph
- Lee St to De Zavala — 40 mph
- RM 12 to FM 110 — 60 mph

Signalized intersections are located at five intersections along the corridor and appear to be adequately spaced to maximize use for bicycles and pedestrians.



## **Pavement Condition**

TxDOT has performed pavement overlays on SH 123 west of IH 35, and the pavement generally appears to be under acceptable condition. East of SH 123, no pavement improvements have been performed. It is recommended that the City of San Marcos request TxDOT to perform an overlay of this corridor prior to Turnback.

## **SH 80 Corridor**

### **Roadway Dimensions**

The typical section of SH 123 includes two 12' travel lanes in each direction with no shoulders, plus a center two-way left-turn lane, for a typical pavement width of 60'. ROW width varies between 105'-200'. Continuous sidewalks are provided along this corridor.

### **Speed**

Posted speed limits vary throughout the corridor as described below:

- N Guadalupe St to Charles Austin Dr — 40 mph
- Charles Austin Dr to Clarewood Dr — 35 mph
- Clarewood Dr to SH 21 — 40 mph

The at-grade railroad crossing west of IH 35 significantly reduces mobility and travel-time reliability along the corridor. This also presents challenges for bicycles/pedestrians. On-street parking is provided along SH 80 from N Guadalupe St to N LBJ Dr.

## **Pavement Condition**

No significant pavement improvements have been performed on SH 80. It is recommended that the City of San Marcos request TxDOT to perform an overlay of this corridor prior to Turnback.

## **Classification**

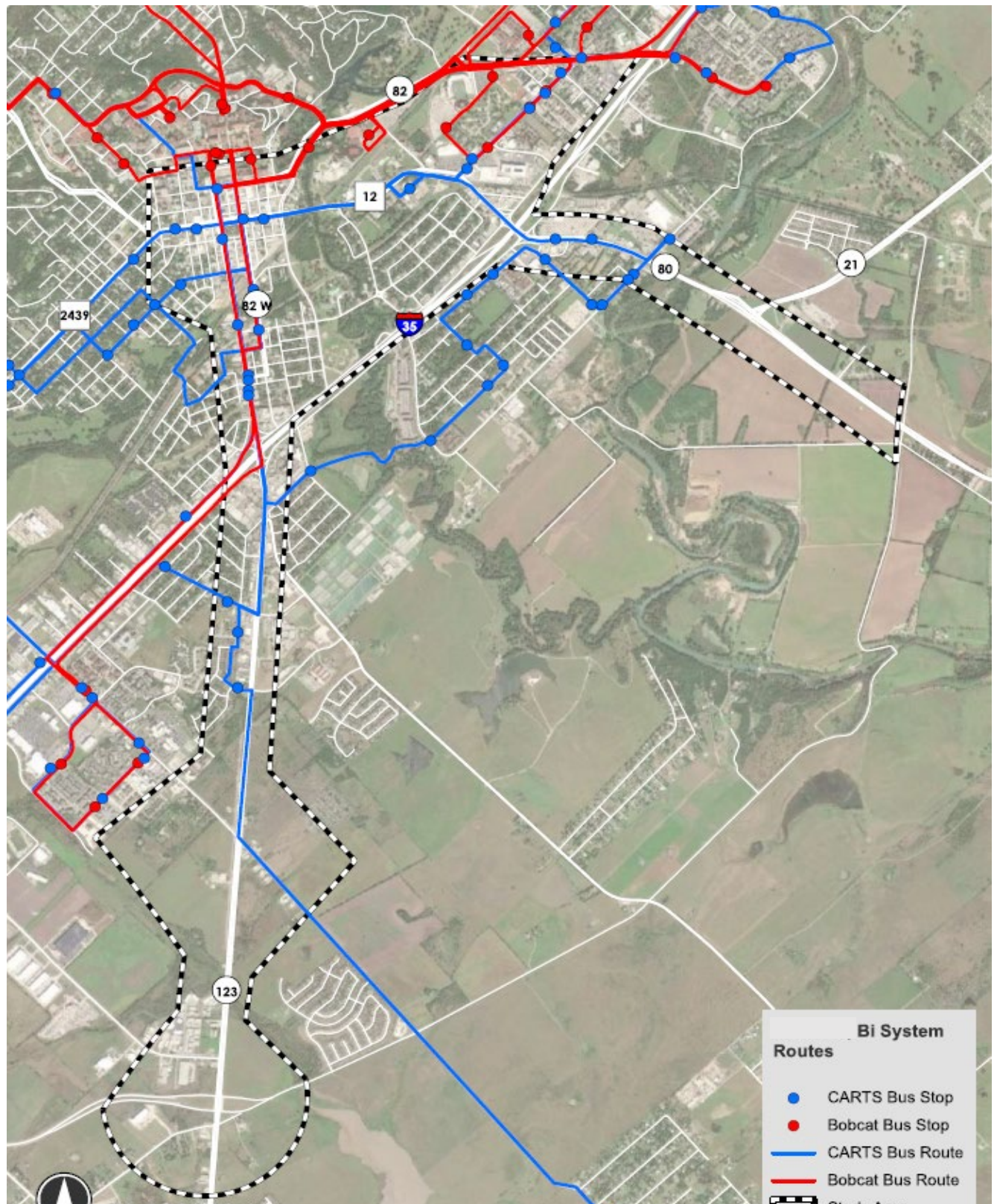
TxDOT classifies this roadway as a Minor Arterial, which provide moderate mobility and moderate access. City of San Marcos criteria would classify SH 123 as a Boulevard facility and their design standards would call for raised medians, sidewalks, and protected bike facilities.



## 3.6 TRANSIT ANALYSIS (BGE)

Transit analysis for the study consisted primarily of coverage analysis and an understanding of the bi-system nature of San Marcos. In the study area, there are two distinct, independent transit systems. The first is run jointly by the Capital Area Rural Transportation System (CARTS) and the City of San Marcos, branded as *The Bus*. The second is the bus run by Texas State, called the *Bobcat Shuttle*. These two overlapping systems are shown in Figure 3.31. Intersystem transfer is possible at various points across the study area, but only at roadside bus stop locations and seldom with transit rider amenities. There is a single transfer station dedicated building on the edge of the service area which serves the CARTS local, CARTS intercity, Greyhound intercity, and AMTRAK long distance passenger rail. Ridership information for both study systems was sought but was not readily available and due to COVID related system interruptions was not able to be collected.

*Figure 3.31, City of San Marcos Transit Systems*



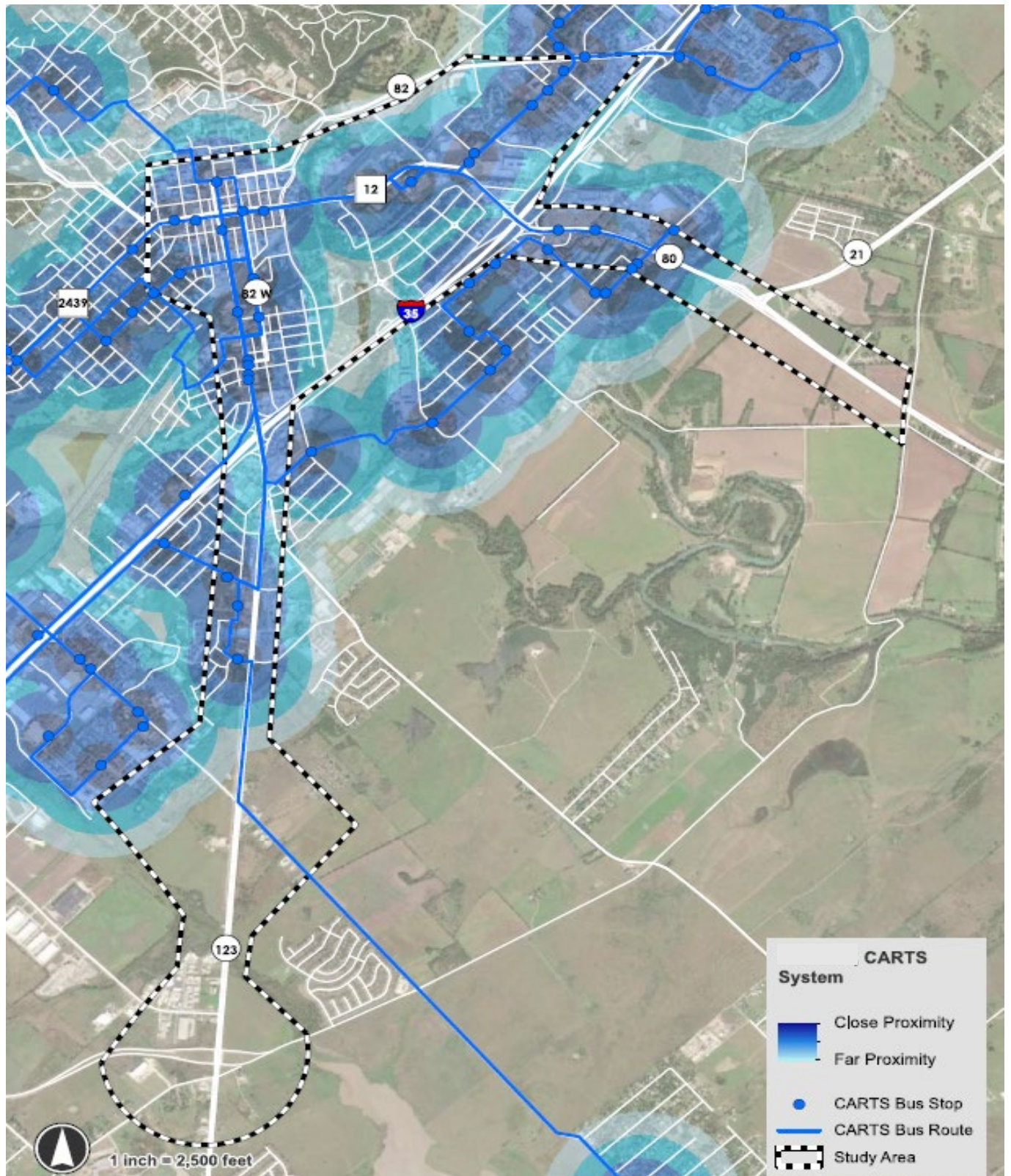




## **CARTS: The Bus**

As the municipal and rural bus system serving San Marcos, *The Bus*, has a transit profile focused on coverage and usability instead of capacity and travel time. A visualization of *The Bus* and its coverage area is shown in Figure 3.32. The system routing is based on moving from one activity center to another with small spurs into various residential areas, e.g. the route that serves the Medical Center, the Government Center, the downtown HEB, and the historic downtown. Within the study area, a large percentage of residential and commercial properties are within a one-mile radius of a stop for this transit system. Ridership costs are low with \$1 one-way fares and inexpensive multi-use passes. Frequency is low with routes running on either 30 minute or one-hour intervals between vehicles. **This system runs only on weekdays between 7:00am and 8:00pm.** The vehicle size is generally smaller, focusing on economical small sized vehicles where possible, but with the capacity for full size busses on busier routes. **The benefit of smaller buses is lower operational costs and the lack of a need of a large, central maintenance yard.** In general, due to the high coverage and low vehicular frequency, travel times are longer than other system configurations. As this system is designed to serve captive riders more than choice riders, the higher travel times are not a major factor in ridership.

*Figure 3.32, CARTS: The Bus System*



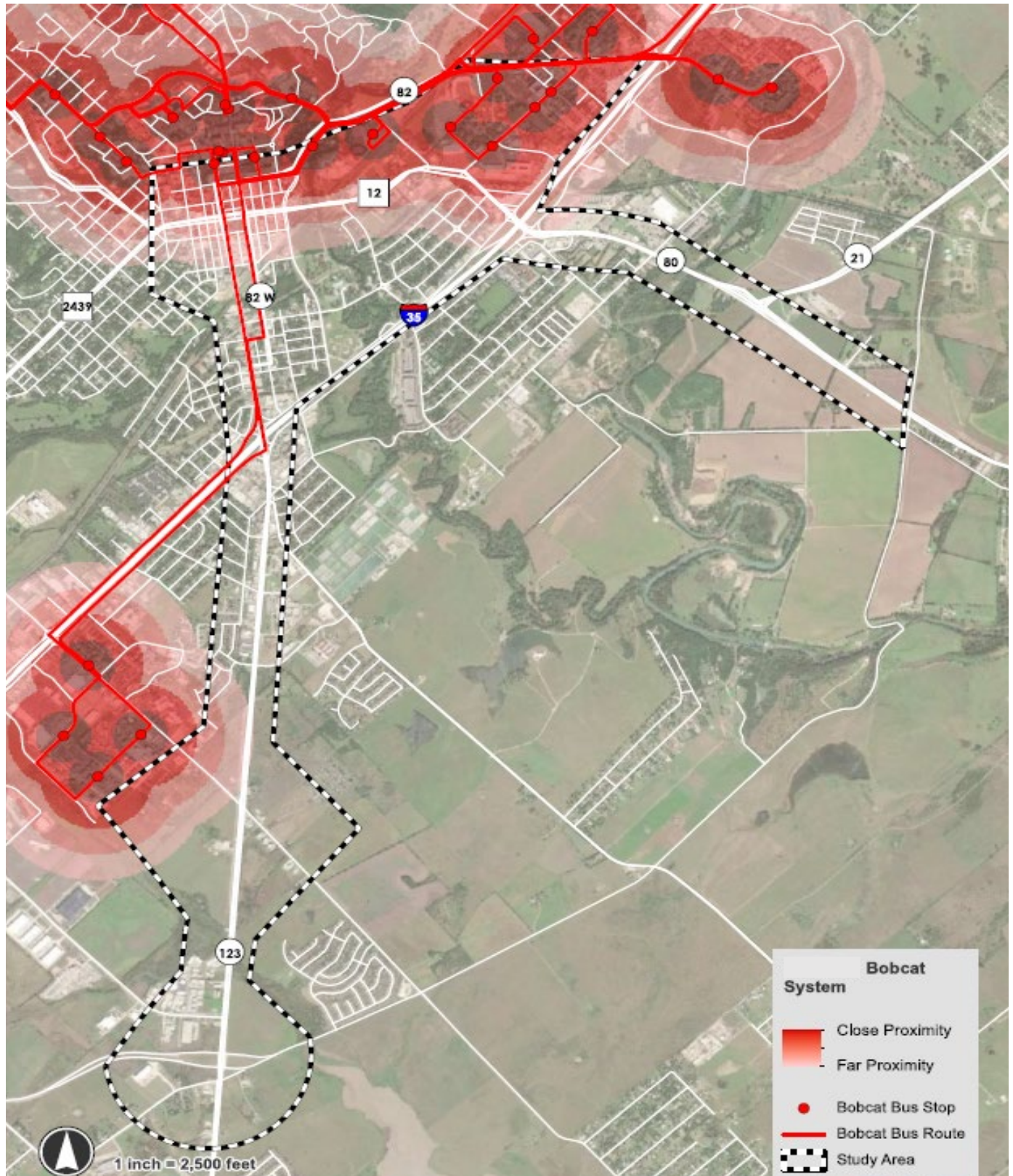


## Bobcat Shuttle

Serving Texas State University and named after its mascot, the *Bobcat Shuttle*, is a higher volume, lower coverage transit system focused on moving students to and around the campus core. Figure 3.33 shows the routes and distance to stops for the various routes in the study area. The system has three general categories of routes. The first moves students from off-campus residential areas to campus. Of note, three different routes traverse Aquarena Springs Dr to connect the campus core to the large amount of off-campus housing in the northern portion of the study area. The second category provides connectivity across the San Marcos River between the campus core on the west and the commuter lots and outskirt buildings on the east. These routes also provide students parked in off campus lots with connection to the various retail and commercial centers in the historic downtown area. The last category of routes is a campus circulator that transverses the periphery of the campus core and provides a route connecting large portions of the campus core with the historic downtown area. The cost of ridership is a once per semester fee tied to the university fee system. Vehicle size is larger and typical of large metro bus sizes, with a maintenance shop likely located somewhere on campus but outside of the study area. Route frequency is very high with some routes running on 10 minutes intervals. The hours of operation for this system vary relatively greatly in response to the University's class schedule. Reduced summer hours, evening routes, and nighttime weekend routes are all possible, but can vary greatly throughout the year. In all, the system moves a very large volume of riders between very specific locations with a focus on quick embarking and debarking.



*Figure 3.33, Bobcat Shuttle System*

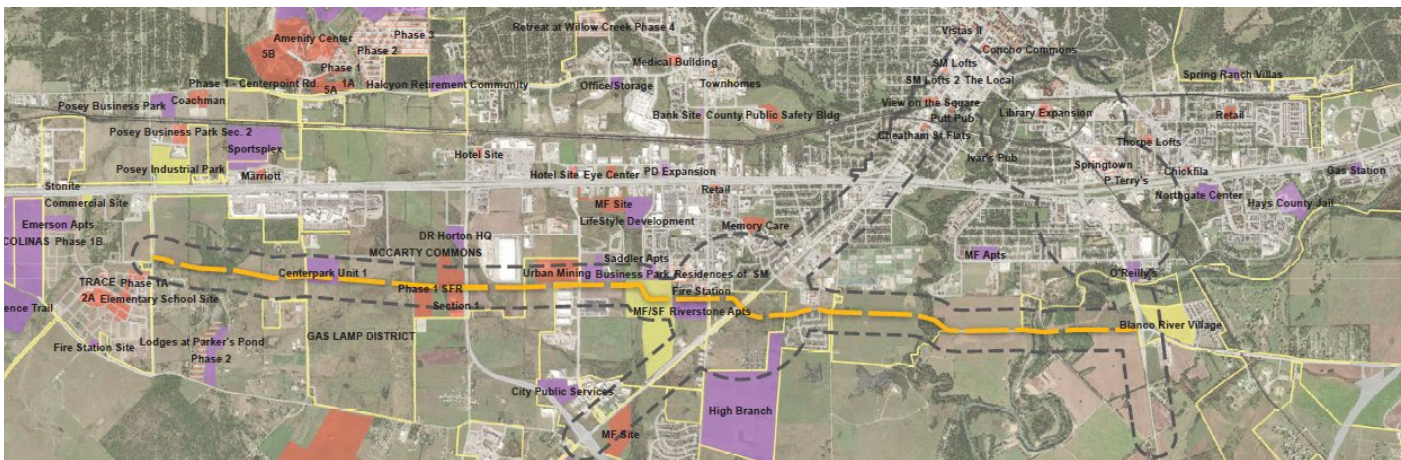




### 3.7 NORTH-SOUTH CORRIDOR

As part of the scope of services, the study team was tasked with investigating the feasibility of a new north-south corridor within the project area. The ideal location for a new corridor would be an extension of the SH 21 corridor, as was recommended in the San Marcos Master Transportation Plan, which was finalized in 2018. As part of this study, the dashed orange line in Figure 3.34 was the general alignment for the extension of SH 21. The proposal would extend SH 21 west further south across the San Marcos River and connect with Crystal River Parkway, just north of the Hills of Hays development. This proposed alignment would provide relief of the north-south movement through San Marcos that is currently occurring along the I-35 system near downtown San Marcos. However, as can be seen from Figure 3.34, as this proposed alignment extends further to the south, parallel with I-35, there are various new developments (red — construction phase, purple — permitting phase, and yellow — pre-development phase) that would need to be accounted for. For example, developments are underway along Wonder World Drive, south of SH 123. These developments may not allow for the current alignment of the SH 21 extension without significant impacts. The study team will continue to assess the potential to shift the alignment further east within the study corridor to avoid existing and planned developments.

*Figure 3.34, City of San Marcos 2020 Development Map*





### 3.8 PRELIMINARY FINDINGS

The data analysis presented within this technical memorandum will be considered in conjunction with additional research, field observation, stakeholder interviews and public input to prepare future development scenarios for Study Area corridors and centers and to prepare a corresponding needs assessment report. Initial observations of note which may influence subsequent Study Area development and redevelopment scenarios include:

- Focus group meetings were held in the preliminary phases of the project and it was apparent that most of the stakeholders desire a more complete transportation system with preference given to all modes of travel, such as bicycle/pedestrian accommodations and the potential for establishing new transit options.
- Many of the concerns relating to traffic issues in the corridor originate from the I-35 system (mainline and frontage roads), as this area of the projects experienced many comments from the study group in addition to the worst intersection levels of service in the study area. The addition of a north-south corridor in the project area will help with the congestion issues that center around I-35. Additionally, the extension of FM 110 corridor (including bridge over SH 123) should add additional relief to the SH 123 and SH 80 intersections at I-35.
- There are many current projects planned/under construction that will make the study area a more multi-modal area, specifically the improvements to bicycle/pedestrian accommodations within the area:
  - Guadalupe Street Improvements (University Drive to Grove Street) — San Marcos is currently constructing this project to promote multi-modal operations by providing a safe environment for bicycles and pedestrians.
  - San Marcos River Shared Use Pathway Project — Construction began on a new ADA-compliant bicycle and pedestrian trail in February. The new path will stretch 1.7 miles and will connect the City of San Marcos' Visitor's Center, several parks, downtown, Texas State University. The trail will tie into an existing trail east of Hopkins Street bridge and end just west of the southbound Interstate 35 access road.
  - As part of the future I-35 improvements, there will be a dedicated multi-modal underpass near the San Marcos River. This will provide a much need safe access for bicyclists and pedestrians across the I-35 system.
  - SH 80 Shared Use Path from Charles Anthony Drive to River Road — TxDOT, in coordination with San Marcos, is planning for a multi-use path along SH 80.
- Both the SH 123 corridor and the SH 80 corridor have minimal medians in place in addition to an excess of driveways in the downtown area. The safety of both corridors would likely improve with access management standards (medians and driveway access) applied throughout.
- There were concerns raised regarding the rail traffic in downtown San Marcos as each of the primary study corridors, SH 80 and SH 123, each have two crossings. There are about 30 trains a day that travel through this corridor.
- The City of San Marcos has identified various important future projects in its Thoroughfare Plan. These projects should continue to be pushed forward to bring more connectivity to the study area.
- The BUS, run by San Marcos and the Capital Area Rural Transportation System, and The Bobcat Shuttle, run by Texas State University make up the local public transportation network. The local stakeholders should continue coordination to identify opportunities to expand upon and improve this network.
- The North-South extension of SH 21, or a similar corridor in that area, is an important link for the region. The current alignment has conflicts with planned/permitted development and other corridors need to be explored by the study team.



# Technical Memorandum 4.0

## Regulatory Environment

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4.0 OVERVIEW

Technical Memorandum 4.0, Regulatory Environment, assesses development regulations and design standards administered by the City of San Marcos that may influence the mix, arrangement, character and form of future development within the San Marcos Platinum Planning Study Area. An understanding of the City’s current regulatory environment guides subsequent Study recommendations regarding regulatory amendments or modifications that must occur to facilitate preferred future development scenarios. The sources of data for the regulatory analysis include the City of San Marcos’ publicly available plans, design guides, and municipal codes.

4.1 COMPREHENSIVE PLANNING

*Vision San Marcos: A River Runs Through Us* was adopted in 2013 by the San Marcos City Council. The document created a unified vision for the future growth and development of San Marcos focusing on six principal elements:

- Economic Development

— Environment & Resource Protection

— Land Use
- Neighborhoods and Housing

— Parks, Public Spaces, and Facilities

— Transportation

Each element of the comprehensive plan is guided by an associated vision statement, and a set of goals. Rather than focus on specific programming, investments, and strategic adjustments to the City’s operational procedures, Vision San Marcos focuses more on articulating a preferred future development scenario for San Marcos described as a series of “development zones” (and most recently depicted by a *Preferred Scenario Map* adopted in 2018).

*Vision San Marcos’* six vision statements, and associated goal statements are listed in Table 4.1.

Table 4.1, 2013 Comprehensive Plan Vision Statements and Goals

|   |  |
|---|--|
| <b>ECONOMIC DEVELOPMENT VISION:</b> We envision San Marcos with economic, educational, and cultural opportunities that develop a stronger middle class and grow our local economy. We foresee a vibrant community that strategically leverages the University and all available community assets to support environmentally sustainable industry, technological excellence, local business development, and the arts. |  |
| Goal 1  | Abundant opportunities created by the ingenuity and intellectual capital of university, business, civic, and cultural leaders  |
| Goal 2  | Workforce and education excellence   |
| Goal 3  | Emerging markets and industry relationships that generate quality entrepreneurial and employment opportunities   |
| Goal 4  | An enhanced and diverse local economic environment that is prosperous, efficient an provides improved opportunities to residents   |
| Goal 5  | Fiscally responsible incentives for economic development   |
| Goal 6  | Promote and support the maximum potential of the San Marcos Municipal Airport  |
| Goal 7  | Sports tourism, eco-tourism, retail tourism and the community’s 13,000-year heritage as an economic generator  |
| <b>ENVIRONMENT AND RESOURCE PROTECTION VISION:</b> We envision San Marcos to be a community of outstanding stewards of our irreplaceable unique natural environment. We value our resource and energy efficiency and our community’s health, well-being and prosperity.   |  |
| Goal 1  | Public and private sectors working together to protect water quality and facilitating appropriate development in the San Marcos and Blanco Rivers watersheds, and over the Edwards Aquifer using measurable and scientific methods |



|   |  |
|---|--|
| <b>Goal 2</b>   | Natural resources necessary to our community's health, well-being, and prosperity secured for future development   |
| <b>Goal 3</b>   | Pro-active policies that encourage recycling and resource and energy efficiency  |
| <b>Goal 4</b>   | A population prepared for and resilient to man-made and natural disasters  |
| <b>LAND USE VISION:</b> We envision San Marcos as a community with balanced and diverse land uses that expand our lifestyle choices while protecting and enriching our historical, cultural and natural resources.  |  |
| <b>Goal 1</b>   | Direct growth, compatible with surrounding uses  |
| <b>Goal 2</b>   | High-density mixed-use development and infrastructure in the Activity Nodes and Intensity Zones, including the downtown area supporting walkability and integrated transit corridors |
| <b>Goal 3</b>   | Set appropriate density and impervious cover limitations in the environmentally sensitive areas to avoid adverse impacts on the water supply   |
| <b>HOUSING AND NEIGHBORHOODS VISION:</b> 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.  |  |
| <b>Goal 1</b>   | Neighborhoods that are protected and enhanced in order to maintain a high quality of life and stable property values   |
| <b>Goal 2</b>   | Housing opportunities for students of Texas State University in appropriate areas and create and implement a plan to accomplish this vision  |
| <b>Goal 3</b>   | Diversified housing options to serve citizens with varying needs and interests   |
| <b>Goal 4</b>   | Well maintained, stable neighborhoods protected from blight or the encroachment of incompatible land uses  |
| <b>PARKS, PUBLIC SPACES, AND FACILITIES VISION:</b> We envision San Marcos with safe and attractive parks, public spaces and facilities which provide a range of amenities and experiences. We envision a connected system of parks and natural areas that focus on our unique cultural and environmental heritage. |  |
| <b>Goal 1</b>   | Well-maintained public facilities that meet the needs of our community   |
| <b>Goal 2</b>   | A differentiated collection of connected and easily navigated parks and public spaces  |
| <b>Goal 3</b>   | A vibrant central arts district and robust arts and cultural educational opportunities for everyone  |
| <b>Goal 4</b>   | Funding and staffing to ensure quality public safety and community services  |
| <b>Goal 5</b>   | Effective social services delivered to those who can most benefit from them  |
| <b>TRANSPORTATION VISION:</b> We envision San Marcos to have a connected network of efficient, safe and convenient multimodal transportation options while protecting the environment.  |  |
| <b>Goal 1</b>   | A safe, well-coordinated transportation system implemented in an environmentally sensitive manner  |
| <b>Goal 2</b>   | A multimodal transportation network to improve accessibility and mobility, minimize congestion and reduce pollution  |

Source: Vision San Marcos: A River Runs Through Us (2013)





## Preferred Development Scenario

San Marcos' preferred future development scenario is a product of overlapping and inter-related planning initiatives commissioned by the City over the last several years. Although supported by substantial documentation, the "preferred scenario" is succinctly represented by two principal exhibits:

- **Preferred Scenario Map** (Vision San Marcos). Must recently updated in April 2018 in conjunction with the San Marcos Development Code, the preferred development map identifies and distinguishes between areas "Areas of Stability," "Growth Areas" and corresponding "Land Use Corridors." Elements of the **Preferred Scenario Map** are explained in more detail within **Vision San Marcos** and the San Marcos Design Manual.
- **Thoroughfare Plan** (San Marcos Transportation Master Plan). The **San Marcos Thoroughfare Plan** map is presented as Appendix E of the **San Marcos Transportation Master Plan**. Although the Thoroughfare Plan respects the functional hierarchy of street classifications and aligns with the CAMPO Regional Transportation Plan, it is distinct in that it categorizes thoroughfares by seven "enhanced" facility types (i.e. boulevards, avenues, etc.) intended to promote context sensitive roadway design and Complete Streets principles.

### Applying San Marcos' Future Development Vision

Since the 2013 adoption of **Vision San Marcos**, the City has taken steps to implement its preferred development vision by updating the its regulatory environment. A comprehensive update of the City's land development regulations was completed in April 2018. The resulting San Marcos Development Code and San Marcos Design Manual include many of the regulatory and advisory tools necessary to facilitate the application of the City's preferred development scenario. An overview of these tools is presented in Section 4.2, Development Code (p. 4.6) and Section 4.3, Design Manual (p. 4.18).

### Refining San Marcos' Future Development Vision

**The City of San Marcos has initiated an update to its comprehensive plan.** The update is estimated to take between 18-24 months and will include a series of center, corridor, and neighborhood plans which will be similar in nature to the San Marcos Platinum Planning Study. It is presumed that the City's new comprehensive plan will include a new city-wide vision for future development, but the degree to which it diverges from the City's current preferred development scenario is to be determined.

It has been suggested to the consultant team by some community stakeholders that since the adoption of **Vision San Marcos**, and subsequent adoption of the San Marcos Development Code and Design Guidelines, that the Preferred Scenario Map may no longer accurately represent the community's preferred development vision. Nonetheless, **Vision San Marcos** and the associated **Preferred Scenario Map** remain the City's official policy statements for future development patterns in San Marcos and will guide many of the land use and development recommendations of this Study. As with all planning guides however, application of the City's comprehensive plan to the Study Area will be calibrated to address site-specific considerations. Where new data and consistent public feedback advocates for an alternative development approach within portions of the Study Area such considerations will be presented to and vetted by project staff, the Steering Committee, and San Marcos City Council as necessary.



## 4.2 SAN MARCOS DEVELOPMENT CODE

The San Marcos Development Code combines the City's zoning and subdivision regulations. The document regulates the development and use of land within the city limits, while the subdivision regulations extend throughout the City's Extraterritorial Jurisdiction (ETJ). The Development Code and corresponding San Marcos Design Guidelines were adopted in April 2018.

Many aspects of the San Marcos Development Code mirror land development regulations found in cities throughout Texas and beyond. For instance, the Code provides clear (statutory) separations between subdivision and zoning regulations. It is also organized to provide distinctions between use, environmental, and supplementary design provisions. In contrast, the Development Code differs from many other municipal land development regulations in how zoning districts are structured. In addition to use-based zoning categories, the Development Code includes a series of character districts and overlay districts designed to implement the transect-based and context-based land development scenarios envisioned within *Vision San Marcos*.

Although many of the San Marcos Development Code's zoning districts have not actually been applied to land in San Marcos (or have been applied sparingly), they provide a broad set of tools which may be applied to Study Area Corridors and Centers as the Study tests the feasibility of various development scenarios. The following is a brief summary of standards within Chapter 4 (Zoning Regulations) of the San Marcos Development Code that will influence Study Area development proposals.

### Zoning Regulations (Chapter 4)

#### Article 1: Provisions and Procedures

Article 1 contains the zoning map, establishes the zoning districts, and establishes criteria for zoning upon annexation. There is a small portion of the Study Area that is located within the ETJ and would follow the process for voluntary annexation if the landowner desires to be in the city limits.

#### Article 2: Building Types

Article 2 establishes 15 building types to regulate the form of buildings within each zoning district. Certain types are encouraged or required in specific zoning districts, while some types are prohibited in others. The 15 building types are defined in the Article 2 and include the following:

- Accessory Dwelling Unit (ADU)
- House
- Cottage
- Cottage Court
- Duplex
- Zero Lot Line House
- Townhouse (syn: rowhouse)
- Small Multi-Family
- Courtyard Housing
- Apartment
- Live/Work
- Neighborhood Shopfront
- Mixed-Use Shopfront
- General Commercial
- Civic

#### Article 3: General to All

Article 3 contains five subsections that apply to all development in the City. This section ensures standard development practices across all development in the City in terms of how sites are laid out and how buildings are constructed.



- **Affordable Housing.** The City’s Affordable Housing Policy is intended to foster the preservation and production of permanently affordable housing units. It is implemented by the standards in this section of the zoning ordinance.
- **Measuring Sites and Lots.** Contains standards for site area/depth, lot area, density, and impervious cover.
- **Placement of Buildings.** Establishes lot layers, setbacks, building features, and the build-to zone.
- **Building Height.** Establishes height standards to protect adjacent uses and outlines how to measure building height.
- **Activation.** Activation and expression standards to avoid large spans of blank walls on buildings. Horizontal and vertical articulation is required in certain circumstances.

## Article 4: Zoning Classifications

Although zoning districts are established in Article 1 of the Development Code, Article 4 contains specific requirements for each zoning district, including permitted and prohibited uses. Article 4 establishes four zoning classifications as described in Table 4.2, *Zoning Classifications* which each contain multiple zoning districts.

**Table 4.2, Zoning Classifications**

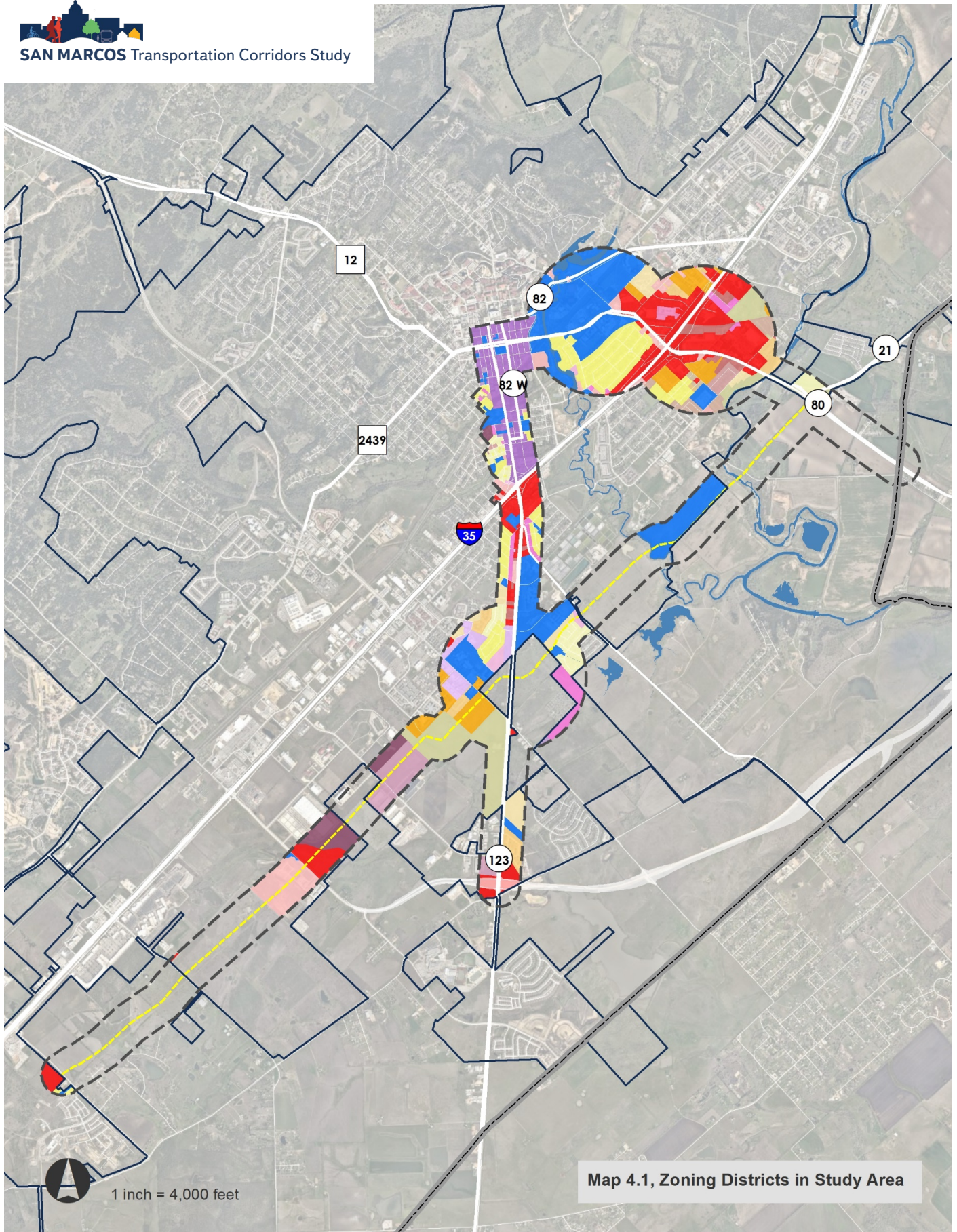
| District Classification                   | Description   |
|---|---|
| <b>Conventional Residential Districts</b> | These districts are intended for low density single-family residential development. The district should be applied in existing neighborhood areas that are dominated by single-family residential zoning.   |
| <b>Character Districts</b>                | These districts are intended for infill development and new development in both high and medium density zones on the Preferred Scenario Map. The districts provide for higher density residential and commercial uses in areas where utilities are designed to support intense development, in a walkable and mixed-use environment.        |
| <b>Special Districts</b>                  | These districts are intended for single-use regional commercial, industrial, and other large format or auto-oriented uses. The districts should be applied in areas where regional transportation facilities and infrastructure is available and where impacts to adjacent residential areas limited.                                       |
| <b>Legacy Districts</b>                   | These districts existed in the former Chapter 4 of the Land Development Code and have been re-established. They may eventually be replaced with a conventional residential, special, character, or neighborhood zoning district. No new legacy district may be added to the Official Zoning Map, nor may any existing boundary be expanded. |

Source: San Marcos Development Code

In addition to the zoning classifications described in Table 4.2, the City has established a series of overlay districts which are described in more detail on page 4.13. Furthermore, Chapter 9 of the Development Code authorizes the retention of 17 Legacy [Zoning] Districts which preceded the adoption of the San Marcos Development Code. Legacy Districts cannot be expanded or applied to new parcels but remain the most prominent zoning classification applied to property within San Marcos.

Map 4.1, *Zoning Districts in Study Area* (p. 4.8; legend, p. 4.9), depicts the zoning classifications of the land within the Study Area. Table 4.3, *Summary of Study Area Zoning Districts* (p. 4.9), describes the purpose of each zoning district and the number of acres in each district within the Study Area. Legacy Districts comprise the most prominent zoning classification applied to property throughout the Study Area.









## Map 4.1, Zoning Districts in Study Area

|                         |                                       |  |  |
|-------------------------|---------------------------------------|--|--|
|                         | County                                |  | Multiple Family Residential District (MF-12)               |
|                         | Study                                 |  | Multiple Family Residential District (MF-18)               |
|                         | San Marcos City                       |  | Multiple Family Residential District (MF-24)               |
| <b>Zoning Districts</b> |                                       |  | Manufactured Home District (MH)                            |
|                         | Community Commercial (CC)             |  | Manufactured Home and Residential District (MR)            |
|                         | Character District 4 (CD-4)           |  | Mixed-Use (MU)   |
|                         | Character District 5 (CD-5)           |  | Neighborhood Commercial District (NC)                      |
|                         | Character District 5 Downtown (CD-5D) |  | Office Professional District (OP)                          |
|                         | Duplex (D)                            |  | Public / Institutional (P)                                 |
|                         | Future Development District (FD)      |  | Single Family District - minimum 4,500 sq ft lots (SF-4.5) |
|                         | General Commercial (GC)               |  | Single Family District - minimum 6,000 sq ft lots (SF-6)   |
|                         | Heavy Commercial (HC)                 |  | Rural Residential District (SF-R)                          |
|                         | Heavy Industrial (HI)                 |  | Townhouse Residential District (TH)                        |
|                         | Light Industrial (LI)                 |  | Vertical Mixed Use (VMU)                                   |

Table 4.3, Summary of Zoning Districts in the Study Area<sup>1</sup>

| Conventional Residential Districts (466.74 acres) |        |  |
|---|--------|--|
| Zoning District                                   | Acres  | District Description/Intent  |
| Future Development District (FD)                  | 200.57 | <i>FD is intended to serve as a temporary zoning district for properties that shall develop in the future but have been newly annexed and/or are not yet ready to be zoned for a particular use. Characterized by primarily agricultural use with woodlands and wetlands and scattered buildings.</i>                        |
| Single-Family District (SF-4.5)                   | 72.46  | <i>SF-4.5 is intended to accommodate single family detached houses with a minimum lot size of 4,500 square feet. Characterized by smaller landscaped areas with moderate setbacks and more frequent pedestrian use. Uses that would substantially interfere with the residential nature of the district are not allowed.</i> |
| Single-Family District (SF-6)                     | 193.71 | <i>SF-6 is intended to accommodate single family detached houses with a minimum lot size of 6,000 square feet. Characterized by smaller landscaped areas with moderate setbacks and more frequent pedestrian use. Uses that would substantially interfere with the residential nature of the district are not allowed.</i>   |
| Character Districts (167.64 acres)                |        |  |
| Zoning District                                   | Acres  | District Description/Intent  |



|  |              |  |
|--|--------------|--|
| <b>Character District 4 (CD-4)</b>           | 3.89 acres   | <i>CD-4 is intended to accommodate a variety of residential options including single-family, two-family and multifamily with limited commercial or mixed use on the corners.</i>   |
| <b>Character District 5 Downtown (CD-5D)</b> | 163.75 acres | <i>CD-5 is intended to provide for a variety of residential, retail, service and commercial uses. To promote walkability and compatibility, auto-oriented uses are restricted. CD-5 promotes mixed use and pedestrian-oriented activity.</i>   |
| <b>Special Districts (191.25 acres)</b>      |              |  |
| <b>Zoning District</b>                       | <b>Acres</b> | <b>District Description/Intent</b>   |
| <b>Heavy Commercial (HC)</b>                 | 35.73        | <i>HC is intended to accommodate auto oriented and other heavy commercial uses. Development should be operated in a relatively clean and quiet manner and should not be obnoxious to nearby residential or commercial uses.</i>  |
| <b>Heavy Industrial (HI)</b>                 | 59.33        | <i>HI is intended to accommodate a broad range of high impact manufacturing or industrial uses, that by their nature create a nuisance, and which are not properly associated with or are not compatible with nearby residential or commercial uses.</i>   |
| <b>Light Industrial (LI)</b>                 | 70.61        | <i>LI is intended to accommodate manufacturing and light industrial uses in order promote economic viability, encourage employment growth, and limit the encroachment of non-industrial development within established industrial areas. Development should be operated in a relatively clean and quiet manner and should not be obnoxious to nearby residential or commercial uses.</i> |
| <b>Manufactured Home District (MH)</b>       | 25.58        | <i>MH is intended to implement appropriate standards for manufactured housing developments.</i>  |
| <b>Legacy Districts (1,316.95 acres)</b>     |              |  |
| <b>Zoning District</b>                       | <b>Acres</b> | <b>District Description/Intent</b>   |
| <b>Community Commercial District (CC)</b>    | 114.81       | <i>CC is established to provide areas for quality larger general retail establishments and service facilities for the retail sale of goods and services. This district should generally consist of retail nodes located along or at the intersection of major collectors or thoroughfares to accommodate high traffic volumes generated by general retail uses.</i>                      |
| <b>Duplex Residential District (D)</b>       | 3.23         | <i>D is intended for development of single-family residences and associated uses as well as for development on larger parcels of land of low density two-family duplex units. The D Duplex Residential District is intended to replace existing DP zoned areas. D zoning is not to be applied to properties for new duplex development.</i>  |
| <b>General Commercial (GC)</b>               | 376.42       | <i>GC is intended to provide locations for limited (light) commercial and service-related establishments, such as wholesale product sales, automotive supply stores, veterinary services, and other similar limited commercial uses. The commercial uses within this district will have operation characteristics that are generally compatible with the CC District.</i>                |



|  |        |  |
|--|--------|--|
| <b>Manufactured Home and Residential District (MR)</b> | 15.80  | <i>MR is established to: 1. Recognize that certain areas of the City are suitable for a mixture of single-family dwelling units and HUD-Code manufactured homes, and to provide adequate space and site diversification for residential purposes designed to accommodate the peculiarities and design criteria of manufactured homes, along with single-family residences; 2. Protect against pollution, environmental hazards and other objectionable influences.; 3. Provide adequate provisions for vehicular and pedestrian circulation.; 4. Promote housing densities appropriate to and compatible with existing and proposed public support facilities.; 5. Promote the most desirable use of land and direction of building development; promote stability of development; protect the character of the district; conserve the value of land and buildings; and protect the City's tax base.</i> |
| <b>Mixed Use (MU)</b>                                  | 25.24  | <i>MU, when assigned to tracts of land generally greater than one acre, is intended to provide for a mixture of retail, office, and residential uses in close proximity to enable people to live, work, and purchase necessities in a single location. On tracts of one acre or less, the MU, Mixed Use District is intended to permit small-scale mixed-use buildings that have residential units above retail or office uses, especially on existing residential use properties. Bed-and-breakfast establishments could also be located in this district. Additionally, pedestrian walkways and open area are desired in order to promote a pedestrian-friendly environment. It is not the purpose of this zoning district to permit or encourage properties used for single-family residences to be converted to exclusively commercial or multi-family use.</i>                                      |
| <b>Multiple-Family Residential District (MF-12)</b>    | 59.10  | <i>MF-12 is intended for development of multiple-family, apartment residences at not more than 12 units per acre. This district should be located adjacent to a major thoroughfare and may serve as a buffer between low or medium density residential development and nonresidential development or high-traffic roadways.</i>  |
| <b>Multiple-Family Residential District (MF-18)</b>    | 56.09  | <i>MF-18 is intended for development of multiple-family, apartment residences at not more than 18 units per acre. This district should be located adjacent to a major thoroughfare and may serve as a buffer between low or medium density residential development and nonresidential development or high-traffic roadways.</i>  |
| <b>Multiple-Family Residential District (MF-24)</b>    | 104.40 | <i>MF-24 is intended for development of multiple-family, apartment residences at not more than 24 units per acre. This district should be located adjacent to a major thoroughfare and may serve as a buffer between low or medium density residential development and nonresidential development or high-traffic roadways.</i>  |
| <b>Neighborhood Commercial District (NC)</b>           | 14.39  | <i>NC is established to provide low intensity office, retail and service facilities for the local neighborhood area. These uses should be compatible with residential uses in the neighborhood. Hours of business operation should be limited during the week, and businesses should generally close by 10:00 p.m. on the weekends. Businesses shall use landscaping and other buffering techniques to minimize their impact on the adjacent community. Equipment such as dumpsters and storage units shall be located away from residential uses and be screened. NC, Neighborhood Commercial District areas should generally be located on collector streets at the intersection of collector or arterial roadways and act as buffer areas for residential uses from the arterial traffic.</i>   |
| <b>Office Professional District (OP)</b>               | 43.33  | <i>OP is established to provide areas primarily for low intensity, small scale office uses and service facilities. Office uses should be compatible with residential uses and should incorporate established landscape and buffering requirements.</i>   |



|   |              |   |
|---|--------------|---|
| <b>Public/Institutional (P)</b>           | 496.31       | <i>P is intended to accommodate uses of a governmental, civic, public service, or public institutional nature, including major public facilities, state colleges and universities. The review of the location for public facilities is intended to facilitate the coordination of community.</i>  |
| <b>Townhome Residential District (TH)</b> | 1.07         | <i>TH is intended for development of single-family residences and associated uses as well as for development on larger parcels of land of two-family townhouse units.</i>   |
| <b>Vertical Mixed Use District (VMU)</b>  | 6.76         | <i>VMU is intended to provide for a mixture of retail, office, and dense residential uses in close proximity to enable people to live, work, and purchase necessities in a single location. It is not the purpose of this zoning district to permit or encourage properties to be converted to exclusively commercial or multi-family use. The following are key concepts that should be acknowledged</i> |
| <b>Other Districts (118.09 acres)</b>     |              |   |
| <b>Zoning District</b>                    | <b>Acres</b> | <b>District Description/Intent</b>  |
| <b>Planned Development District (PDD)</b> | 118.09       | <i>PDD allows for integrated development of larger land areas through a flexible planning process that ensures the compatibility of land uses and tailored zoning regulations to meet the specific needs of the planned development.</i>  |

1. Zoning districts applied to the Study Area only. Not a comprehensive list of all City zoning districts.

Source: San Marcos Development Code





## Article 5: Overlay Districts

Article 5 of the San Marcos Development Code establishes a series of overlay district classifications which contain development standards for areas of special consideration. Overlay districts establish context-specific regulations that combine with the standard provisions of the underlying base district. The purpose of these provisions is to prohibit incompatible land uses, establish unique development conditions, and/or to authorize special uses. Overlay district classifications are described in Table 4.4.

**Table 4.4, Overlay District Classifications**

| District Classification   | Description   |
|---------------------------|---|
| <b>Historic Districts</b> | These districts promote the educational, cultural, and economic welfare of the public and the City by preserving, conserving, and protecting historic structures, street, and neighborhoods that serve as visible reminders of the history and cultural heritage of the City, the State and the United States. The purpose of the Historic district is also to strengthen the economy of the City by stabilizing and improving property values in historic areas and to encourage new buildings and developments that shall be compatible with the existing historic buildings and squares. |
| <b>Corridor Overlays</b>  | These districts ensure a consistent pattern of development, scenic gateways, and efficient access management along major transportation corridors.  |

Source: San Marcos Development Code

## Historic Districts

There are seven historic districts in the City, established by Chapter 4, Article 5 of the San Marcos Development Code. The seven historic districts are depicted in Map 4.2, *Overlay Districts* (p. 4.15). The study area contains one historic district, the Downtown Historic District. All other historic districts are located southwest of the downtown area, outside of the Study Area, and are primarily residential.

San Marcos Historic Districts include:

- Belvin Street, established 1974
- San Antonio Street, established 1982
- Downtown, established 1986 (within the Study Area)
- Dunbar, established 2003
- Lindsey-Rogers, established 2005
- Burleson Street, established 2005
- Hopkins Street, established 2008

Most development or redevelopment within the historic districts is subject to a Certificate of Appropriateness (COA), for approval by the Historic Preservation Commission (HPC). The Land Development Code gives guidance for what can be regulated on the front façade of structures within the historic districts. Additional historic guidelines can be found in Appendix C of the San Marcos Design Manual. Construction and repair standards in San Marcos' historic districts include the following provisions:

- **Height:** The height of a proposed building shall be visually compatible with adjacent buildings.
- **Proportion of Building's front Façade:** The relationship of the width of a building to the height of the front elevation shall be visually compatible to the other buildings to which it is visually related.
- **Proportion of openings within the facility:** The relationship of the width of the windows in a building shall be visually compatible with the other buildings to which it is visually related.



- **Rhythm of solids to voids in front Facades:** The relationship of solids to voids in the front facade of a building shall be visually compatible with the other buildings to which it is visually related.
- **Rhythm of spacing of Buildings on Streets:** The relationship of a building to the open area between it and adjoining buildings shall be visually compatible to the other buildings to which it is visually related.
- **Rhythm of entrance and/or porch projection:** The relationship of entrances and porch projections to sidewalks of a building shall be visually compatible to the other buildings to which it is visually related.
- **Relationship of materials, texture and color:** The relationship of the materials, and texture of the exterior of a building including its windows and doors, shall be visually compatible with the predominant materials used in the other buildings to which it is visually related.
- **Roof shapes:** The roof shape of a building shall be visually compatible with the other buildings to which it is visually related.

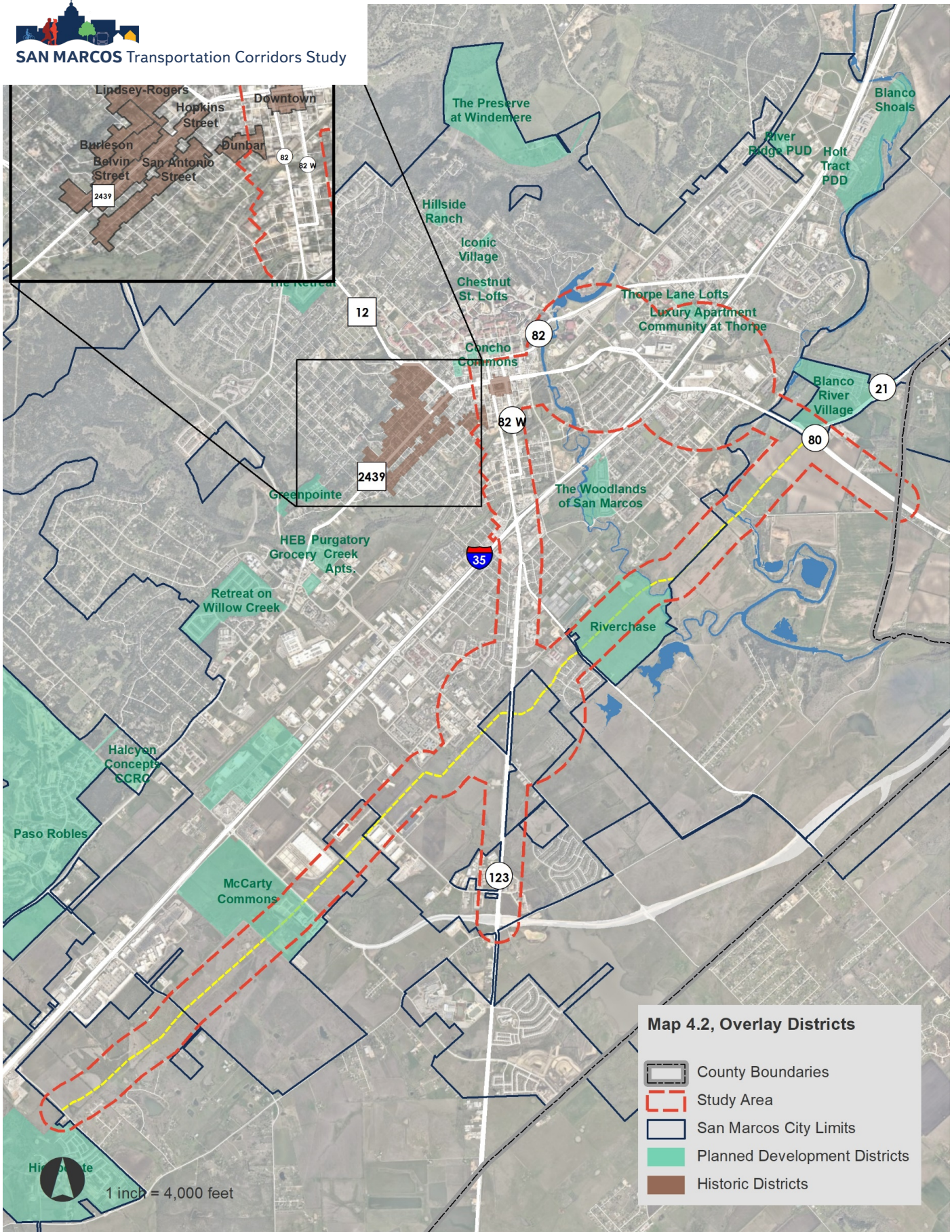
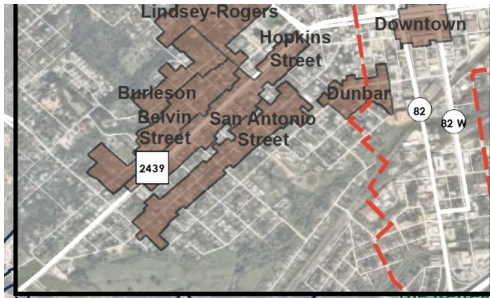
### **National Register of Historic Places**

The Department of the Interior maintains the National Register of Historic Places, which is the official list of the Nation's historic places worthy of preservation. The list is a mix of structures, districts, and landscapes. They are subject the Secretary of the Interior's Standards for the Treatment of Historic Properties, Section 106 of the National Historic Preservation Act, and are eligible for the Historic Preservation Tax Credit. The following historic districts in San Marcos are listed on the National Register of Places:

- Belvin Street Historic District
- Hays County Courthouse Historic District
- Cen-Tex Wool Mill Historic District

Only the Hays County Courthouse Historic District is located within the Study Area, but a handful of additional National Register properties are located from W. Grove Street north to the Hays County Courthouse Square and east along Hopkins Street to the San Marcos River.





**Map 4.2, Overlay Districts**

- County Boundaries
- Study Area
- San Marcos City Limits
- Planned Development Districts
- Historic Districts





## Corridor Overlays

San Marcos' Corridor Overlays include Highway Overlays and Conservation Corridor Overlays. Collectively, these overlays establish four roadway "frontage" types that establish a uniform spatial relationship between development on flanking private property adjacent to the public right-of-way. The City of San Marcos has not yet applied these Corridor Overlays to property within the City.

### Highway Overlay District

The Highway Overlay District is established in Chapter 4, Article 5, Division 3 of the San Marcos Development Code. The purpose of the Highway Overlay District is to *"maintain the attractiveness of these corridors and arterials enhancing the economic value of the community by encouraging tourism and trade"*. The District allows three frontage road types – parkway, green, or multi-way.

### Parkway Frontage

The parkway frontage type is intended to provide a heavily landscaped buffer between the roadway and adjacent development to ensure a continuous green corridor along the street right-of-way. This frontage type permits a maximum of 2 bays of on-site parking with a single drive aisle between the building and the street right-of-way. The following is a summary of additional standards for parkway frontages:

- Permitted building types: house, attached house, townhouse, general commercial, mixed use shopfront, and civic.
- The minimum primary street setback is 50 feet.
- A 10-foot wide pedestrian access way from the main sidewalk is required for each lot (300' max spacing).
- Ten (10) shade trees, six understory trees, and 32 shrubs are required for every 100 linear feet of frontage.

### Green Frontage

The green frontage is intended for areas where it is desirable to locate buildings close to the street, but where parking between the building and street is not permitted. Requires a landscaped area between the building and the street right-of-way. The following is a summary of additional standards for green frontages:

- Permitted building types: townhouse, apartment, live/work, general commercial, mixed use shopfront, and civic.
- The primary street build-to is 20 feet minimum and 50 feet maximum.
- The side street build-to is 10 feet minimum and 30 feet maximum.
- Parking must be set back at least 20 feet from the primary street.
- Primary street facing entrance is required.
- Three (3) understory trees and 15 shrubs are required for every 100 linear feet.

### Multi-Way Frontage

The multi-way frontage is intended for areas where access to buildings by automobile is desired but where some level of walkability is maintained. Permits a maximum of one bay of angled parking or parallel parking with a single one-way drive aisle between the building and the street right-of-way. Additional parking should be in the rear when required. The following is a summary of additional standards for multi-way frontages:

- Permitted building types: townhouse, apartment, live/work, general commercial, and mixed-use shopfront.
- The primary street build-to is 47 feet minimum and 65 feet maximum.
- The side street build-to is 10 feet minimum and 30 feet maximum.
- A maximum of 1 bay of angle parking or 1 bay of parallel parking with a single on-way drive aisle is permitted between the building and the street.
- Primary street facing entrance is required.





## SAN MARCOS Transportation Corridors Study

### Conservation Corridor Overlay District

The purpose of the Conservation Corridor Overlay District is to advance mobility options and providing looped connections around the City while managing development in these areas. No new driveways are permitted within this overlay district, unless one is needed for site access. The District only allows one frontage type – conservation.

### Conservation Frontage

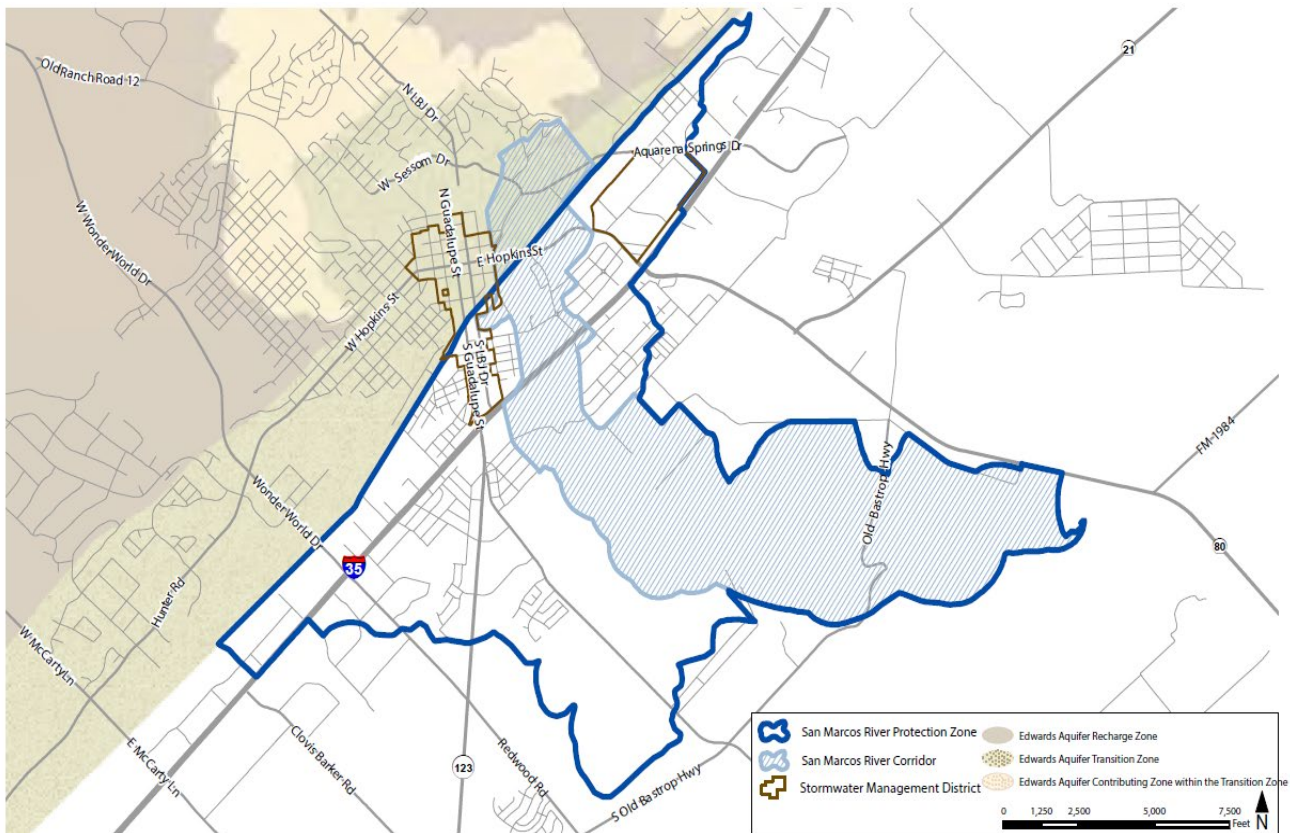
The intent of the conservation frontage is to manage development to ensure, to the maximum extent feasible, limited environmental impacts and the preservation of existing native vegetation.

- The allowed building types are house, general commercial, and civic.
- The minimum primary street setback is 350’.
- Existing landscaping and existing grades must be retained within the protective yard setback

### San Marcos River Corridor

In addition to the above-referenced overlay districts, Article 6 (Environmental Regulations) of the San Marcos Development Code establishes Enhanced Protection Zones to protect water quality and prevent flood damage on environmentally sensitive properties in the City and ETJ. The San Marcos River Corridor (SMRC) is an area inside of the San Marcos River Protection Zone, refer to Figure 4.1, *San Marcos River Corridor*. The SMRC permits a maximum impervious cover of 30 percent for development within the corridor boundaries. The impervious cover limit cannot be increased with mitigation.

**Figure 4.1, San Marcos River Corridor**





## 4.3 SAN MARCOS DESIGN MANUAL

In conjunction with the San Marcos Development Code, the City of San Marcos has approved a companion design manual. The San Marcos Design Manual provides more detailed guidance on how sites throughout the city and within the Study Area should develop or redevelop to ensure compliance Development Code regulations. The Design Manual is comprised of four sections:

- Appendix A: Design Guidelines
- Appendix B: Street Design Manual
- Appendix C: Historic District Guidelines
- Appendix D: Planting Guidelines

This memorandum provides an overview of applicable provisions of Appendix A and Appendix B.

### Appendix A: Design Guidelines

#### Character Districts

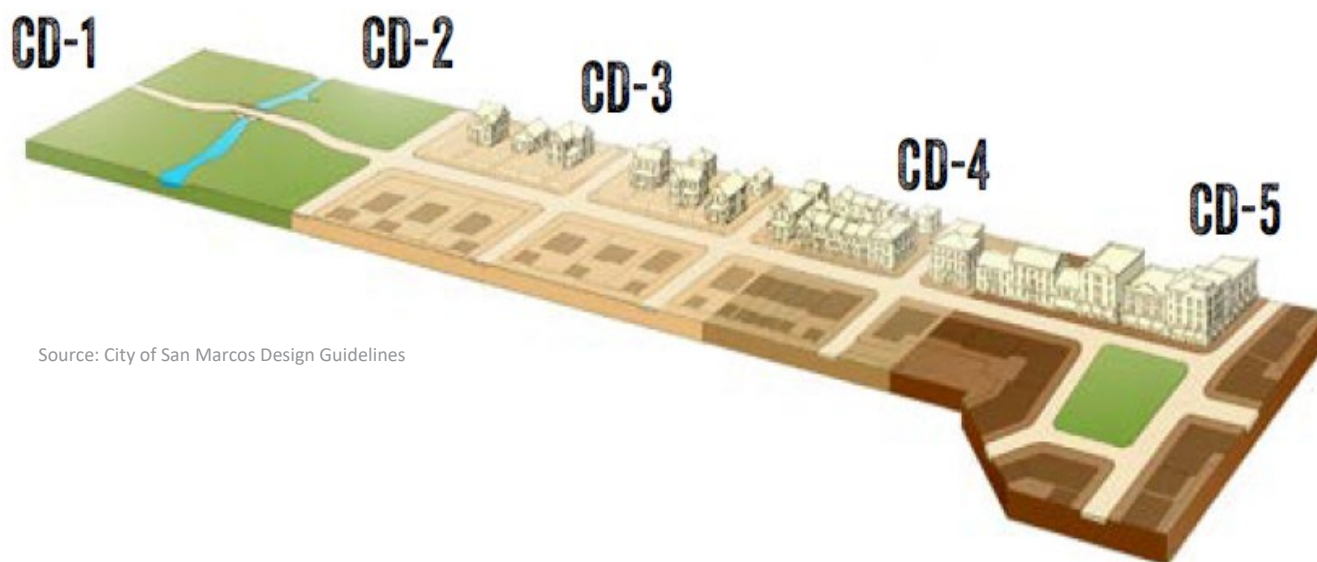
San Marcos' Character [Zoning] Districts are based "transect-based" based on the concept of the Rural-to-Urban Transect - a tool that classifies human habitats in a range from the most natural to the most urban. The Transect acknowledges the diverse characteristics of places a encourages new development in a predictable manner to respect its context within the plan and reinforces the intended quality of the place. Each Character District is defined by characteristics that correspond with the density and intensity of land use and urbanism. These characteristics include building placement, landscaping, and curb details, all of which influence the level of walkability and vibrancy in a place. The Character Districts can be used to guide development and redevelopment patterns within the study area.

San Marcos's Character Districts include:

- **CD-1 (Natural):** Consists of lands approximating or reverting to a wilderness condition, including lands unsuitable for settlement due to topography, hydrology or vegetation.
- **CD-2 (Rural):** Consists of sparsely settled lands in open or cultivated states. These include woodland, agricultural land, grassland and hill country. Typical buildings are farmhouses, agricultural buildings, cabins and villas.
- **CD-3 (Sub-Urban):** Consists of low density walkable residential areas and has the least activity. Buildings are detached and are typically one or two stories with some three-story buildings. Home occupations and outbuildings are allowed. Planting is naturalistic and setbacks are relatively deep. Blocks may be large and thoroughfares irregular to accommodate natural conditions but designed for slow movement.
- **CD-4 (General Urban):** Consists of a mixed use but primarily residential urban fabric. It may have a wide range of attached and detached building types including single-family, duplex, rowhouses, small multi-family, live/work, and small commercial. Buildings are typically two to three stories. Setbacks are shallow to medium and landscaping is variable. Streets with curbs and sidewalks define medium sized blocks.
- **CD-5 (Urban Center):** Consists of higher density mixed use buildings that accommodate the widest range of uses including retail, offices, rowhouses, apartments, day cares, post offices, libraries, small neighborhood retail, live-work spaces, and places of worship. Buildings are predominantly attached and typically range from two to five stories. It has a tight network of streets, with wide sidewalks, regularly spaced street tree planting and buildings set close to the sidewalks.
- **CD-5D (Urban Center Downtown):** CD-5D is similar in character to CD-5 except that it is found within the Downtown. This district consists of infill development area where block structure, thoroughfares and civic spaces have been established. Some metrics vary from CD-5 such as lot occupation and principal building heights.



*Figure 4.2, Character Districts (Transects)*



Source: City of San Marcos Design Guidelines

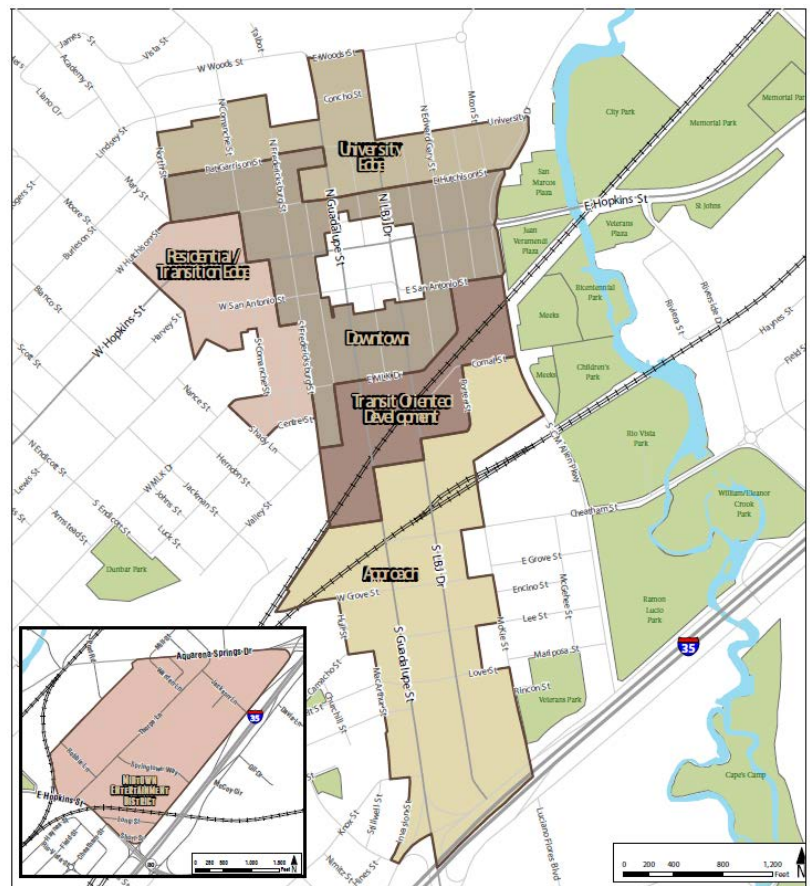


## Design Context

The Design Guidelines contains specific design context for the CD-5D (Downtown area) and CD-5 (Midtown area) Character Districts. The context divides the area into smaller geographic regions with context specific guidance to help achieve a gradual transition in density.

- **University Edge.** The University Edge context should create a safe, pedestrian-friendly transition between campus and CD-5D. New campus development in this context should be compatible in scale and respectful of the district's design traditions. In addition, within the University Edge there are key public views up to campus and down to the Courthouse Square. New development should preserve and enhance these views.
- **Downtown.** Within the Downtown context it is especially important to maintain compatibility with the Courthouse Square. Increased density is appropriate where it does not impact the character of the square.
- **Residential/Transition Edge.** For new development within the Residential/Transition Edge context it is important to minimize impacts from higher scale development on the character of the adjacent residential neighborhoods. New development should provide a transition in scale between the taller buildings in CD-5D and the existing residential neighborhoods.
- **Transit Oriented Development.** Projects within the Transit Oriented Development context should establish a strong pedestrian orientation. The street front character is especially important here to encourage pedestrian activity.
- **Approach.** The Approach context is the corridor between the highway and Downtown, providing an entry procession into the heart of Downtown. New development in this area should provide visual interest and not overwhelm the distinct character of the district.

Figure 4.3, Design Context Areas



Source: San Marcos Design Manual

The City of San Marcos is currently updating the Downtown Design Guidelines. At this time, there is no indication that updates to the guidelines would be accompanied by proposals to adjust the boundaries of one or more of the design context areas.





## Downtown Design Guidelines

In addition to design context, the Design Guidelines have specific development guidance for the CD-5D (Urban Center Downtown) and CD-5 (Urban Center) character districts. The guidance was developed through a series of community workshops. The Courthouse square area is not included in the CD-5D downtown area because it is a designated historic district with separate regulations. The list below is a summary of current guidelines (although updates to the Downtown Design Guidelines have been commissioned by the City, as previously noted):

- **Building Height.** New development should continue the tradition of height variation, expressing and supporting human scale and architectural diversity in the area. New buildings above three stories should set back upper floors to maintain a sense of human scale at the street and minimize impacts to lower scale historic structures in the district.
- **Upper Floor Massing.** This guidance is specific to CD-5D. Most buildings in CD-5D are typically three stories or less in height. In most cases a range of building heights occur across a single block face. As the desired density increase is incorporated, it is important that new, taller structures not dominate the street front. Taller buildings should vary upper floor massing to provide variety in building height as perceived from the street and to maintain a sense of pedestrian scale at the sidewalk.
- **Building Mass and Articulation.** This guidance is specific to CD-5D. Variations in massing and building articulation should be expressed throughout a new structure, resulting in a composition of building modules that relate to the scale of traditional buildings. This can be achieved in three ways:
  - Provide horizontal expression at lower floor heights to establish a sense of scale.
  - Provide vertical articulation in a larger building mass to establish a sense of scale.
  - Maintain established development patterns created by the repetition of similar building widths along the street.
- **Canopies and Awnings.** In CD-5D an awning or canopy should be in character with the building and streetscape. In general, the use of canopies and awnings is encouraged to provide shade on the sidewalk when shade trees are not utilized.
- **Window Design.** This guidance is specific to CD-5D. Window design and placement should help to establish a sense of scale and provide pedestrian interest. This can be achieved in the following ways:
  - Provide a high level of ground floor transparency on a building in an area traditionally defined by commercial storefronts.
  - The use of a contemporary storefront design is encouraged in commercial settings.
  - Arrange windows to reflect the traditional rhythm and general alignment of windows in the area.
- **Building Scale.** New buildings should convey a sense of human scale through design features.
- **Views.** This guidance is specific to CD-5D. Views from the public right-of-way to the University and Courthouse Square are important and should be retained. The location of the building on a site, in addition to its scale, height, and massing, can impact views from the adjacent public right of way, including streets, sidewalks, intersections, and public spaces.
- **Neighborhood Transitions.** Provide a compatible sense of scale along sensitive edges by using lower building heights for areas of a property adjacent to a sensitive site, conventional residential district, ND-3 or ND-3.5, or historic district.
- **Expression Tools.** The scale and proportion, visual rhythm, and pedestrian interest at the street front in existing buildings should be continued in new projects in both CD-5 and CD-5D. Buildings should express a sense of human scale and provide visual interest on a principal frontage. This can be achieved through vertical express and horizontal articulation:
  - Vertical Expression: The front of a new structure should have a variety of offsets, surface relief, and insets to reflect a more traditional rhythm and scale at the street front.
  - Horizontal Articulation: Building facades should have depth and visual interest.



## Signage

The Design Guidelines contain overarching sign guidelines for the CD-5 and CD-5D areas. The purpose of a sign is to attract attention and convey information. Signs should be in scale with their structure and integrated with surrounding buildings:

Consider a sign in the context of the overall building and site design.

- Design a sign to be in scale with its setting.
- Design a sign to highlight architectural features of the building.
- Design a sign to convey visual interest to pedestrians.
- Avoid damaging or obscuring architectural details or features when installing signs on historic structures.

## Specific Sign Types

The following sign types are allowed within the CD-5 and CD-5D areas with specific limitations:

- **Awning or Canopy Sign.** This sign type should be used in areas with high pedestrian traffic and where other sign types would obscure architectural details.
- **Projecting Sign.** The sign type should have a bracket that is designed to complement the sign and should be mounted in relation to the facade and entries.
- **Sandwich Board Sign.** This sign type should maintain a 4' clearance for pedestrian circulation on the sidewalk. It should be made of durable materials and have a stable base.
- **Wall Sign.** This sign type should be flat. It should integrate with the building and not obscure architectural details.
- **Directory Sign.** This sign type should be located at the street level entrance to upper-floor businesses.
- **Pole Sign.** This sign type can be used where it has been traditionally used and the building is setback from the roadway. A pole sign can be used on a historic property if it demonstrated that no other option is appropriate. The sign should be in character and proportionate with its structure and site.
- **Monument Sign.** This sign type should have sturdy supporting base that is at least 75% of the width of the sign face at its widest point. Appropriate base materials include, but are not limited to brick, stone, masonry and concrete. The sign should be in character and proportionate with its structure and site.

## Illustrative Plans

The San Marcos Design Guidelines contain a set of Illustrative Plans that establish the foundation and vision for identified Growth Areas in San Marcos. Specific Illustrative Plans apply to the Midtown District and the Medical District - both of which are located within the Study Area and have been identified as Study "Centers." For which conceptual development plans should be prepared. Illustrative Plans for the Midtown District and Medical District are discussed on pages 4.23 and 4.24, respectively.



## Midtown District

Article 4 of the Design Guidelines is Illustrative Plan: Midtown District. Midtown is generally the area between Aquarena Springs Drive, River Road, Hopkins, and the railroad tracks to the west. Due to the roadway network, five distinct areas within the district are naturally created. The Design Manual acknowledges that walkability in this area will be a challenge for development. This area is made up of Character Districts 3, 4, and 5. The future vision for the area is:

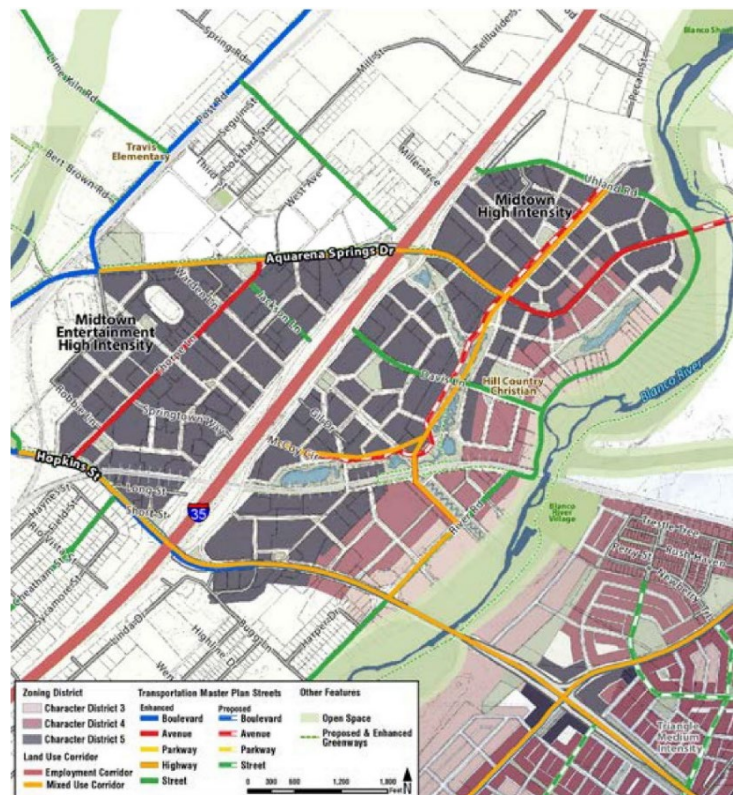
*“A high-density mixed-use area, possibly the densest area in San Marcos, with a network of interconnected streets making the area pedestrian and bike friendly. Midtown residents will have easy access to services, city facilities, the University, the San Marcos River, and future trails along the Blanco River. They will have the most diverse options for transportation, including transit connections to the university and the rest of the city. A variety of services will be within walking distance, along the multiple bicycle routes, and through vehicular access to major roads including I-35. The area will complement, not compete with, Downtown. Due to the lack of historically significant structures, more contemporary architecture will be appropriate. This architecture will differentiate Midtown from Downtown. To improve pedestrian and bicycle access as properties redevelop over time, property owners/developers may need to provide new streets or access ways that will connect to neighboring properties. The plan shows in the western portion of Midtown a greenway that can be used to handle storm water but looks like a park and provides a walking/biking trail through the neighborhood.”*

### Midtown District Guidelines

The following guidelines and recommendations the Midtown District were created within the Design Guidelines to help achieve the vision:

- Neighborhood Greens, for the use of residents, are recommended to offer a small open space and identify a sense of place for the neighborhood.
- Thorpe Lane should be thought of as the Main Street
- New mid-block lanes, for cars, or at a minimum for pedestrians and bicyclists, to take some vehicular traffic off the neighboring streets and provide addition routes for walking and biking.
- Railroad tracks pose a barrier to development, as there are multiple lines running through the district
- Existing (and new) water bodies could be incorporated into future designs and be a feature, some of which could become part of the Midtown Greenway – which is a neighborhood drainage network.
- Potential for connection of a river trail to the Midtown Greenway to increase the network of trails within the neighborhood.
- Leverage proximity to the Texas State University Soccer Stadium and Football Stadium and encourage pedestrian connections.

Figure 4.4, Midtown Illustrative Plan



Source: San Marcos Design Manual





## Medical District

Article 5 of the Design Guidelines is Illustrative Plan: Medical District. The Medical District is generally east of IH-35 past Highway 123, north of Cottonwood Creek. The center of Medical District is currently the Central Texas Medical Center, including many supporting medical buildings and clinics. Other existing developments and uses include the Red Oak Shopping Center and a mix of multi-family and single-family residential areas. This area is made up of Character Districts 3, 4, and 5. The future vision for the area is:

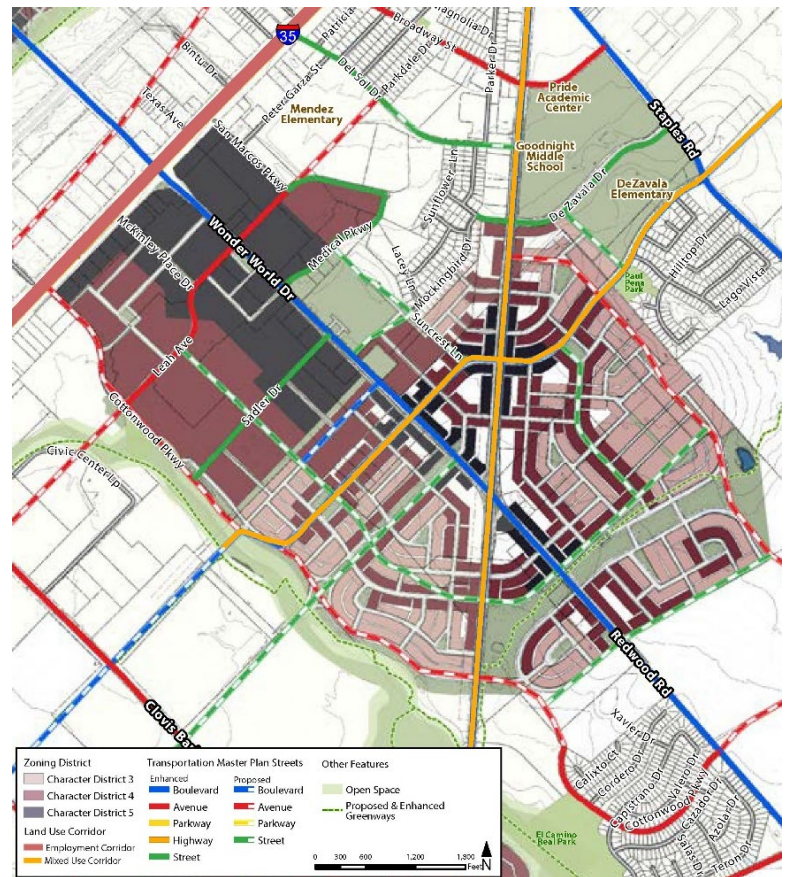
*“Central Texas Medical Center has the potential to become an economic hub and bring additional health care related employment to San Marcos. Mixed uses will allow residents to live, work, and do many day-to-day tasks within the district. The close proximity of these different uses along with connected sidewalks and bike paths will promote pedestrian activity.”*

### Medical District Guidelines

The following guidelines and recommendations for the Medical District were created within the Design Guidelines to help achieve the vision:

- Large portions of the Medical District are already developed with the hospital and doctors’ offices. These areas are unlikely to be redeveloped prior to other areas developing, however, a more complete street network should be identified.
- A greenway connection linking two parts of existing greenways should connect through the medical district and can become a central feature of this part of the City.
- An overpass is not conducive to a walkable environment so areas by the intersection can accommodate back of house type activities such as providing additional parking supply.
- Leverage proximity to Central Texas Medical Center, Dezavala Elementary School, and Owen Goodnight Middle School and encourage pedestrian connections
- Neighborhood greens should become a focus within new neighborhoods. Buildings should front onto these greens rather than turning their backs to them.
- Denser areas should be concentrated around common greens and along major thoroughfares.

Figure 4.5, Medical District Illustrative Plan



Source: San Marcos Design Manual





## Appendix B: Street Design Manual

Appendix B of the Design Manual is the Street Design Manual. It is comprised of five sections:

- Article 1: Parklets
- Article 2: Sidewalks Cafes
- Article 3: Neighborhood Gateway Features
- Article 4: Existing Streets
- Article 5: Midtown Streetscape

### Article 1: Parklets

Parklets are intended as enhancements to the streetscape and can incorporate seating, plantings, bike parking, and art. Parklets can be an economical solution to the need for increased public open space. The City of San Marcos has enacted a Pilot Parklet Program allowing 5 total parklets within a one-year period subject for review by the San Marcos City Council. The following are general guidelines established in this section:

- Allowed in parallel spaces or unused spaces in the right-of-way
- Should be at least one parking stall away from a corner or protected by a bollard, bulb out, or similar feature
- Should be located along streets with a speed limit of 30 MPH or less and a grade of 5% or less
- Should be a minimum of two feet from the nearest edge of a travel way
- Reflective tape, wheel stops, large planters, railings, or cables may be required depending on the location
- Not allowed in front of a fire hydrant
- Must be temporary in nature and designed for easy removal
- Must maintain a visual connection to the street and not block any line of sight for businesses or roadway signage

### Article 2: Sidewalks Cafes

Sidewalks cafes and restaurant seating encourage economic development and activate the space in the public right-of-way. Guidelines have been established to balance safety, aesthetics, accessibility, and commercial prosperity:

- Must be associated with a restaurant that is a permitted Food Service Establishment in good standing
- Must be located on the sidewalk abutting and within the span of the façade to the restaurant
- Must not interfere with line of sight at street corners
- Must be open air
- All equipment and furniture must be removable
- Must maintain a 6' sidewalk clearance
- No amplified music or cooking equipment are allowed



### Article 3: Neighborhood Gateway Features

This section establishes guidelines for architecture, materials, landscaping, and lighting of neighborhood gateway features to provide access to both pedestrians and vehicles. The purpose is to highlight the architectural and natural character of the area. Each gateway should be reflective of its unique surroundings and design intent. Gateways should include some or all the following:

- **Materials:** Durable materials, such as wood and brick should be incorporated into the design
- **Landscaping:** Distinctive and native plant species should be utilized. Vegetation should be used to frame the scenic view and provide textural interest.
- **Lighting:** Should be designed in a unique and effective way to light the gateway feature. All Lighting is required to conform to Dark Sky Requirements.

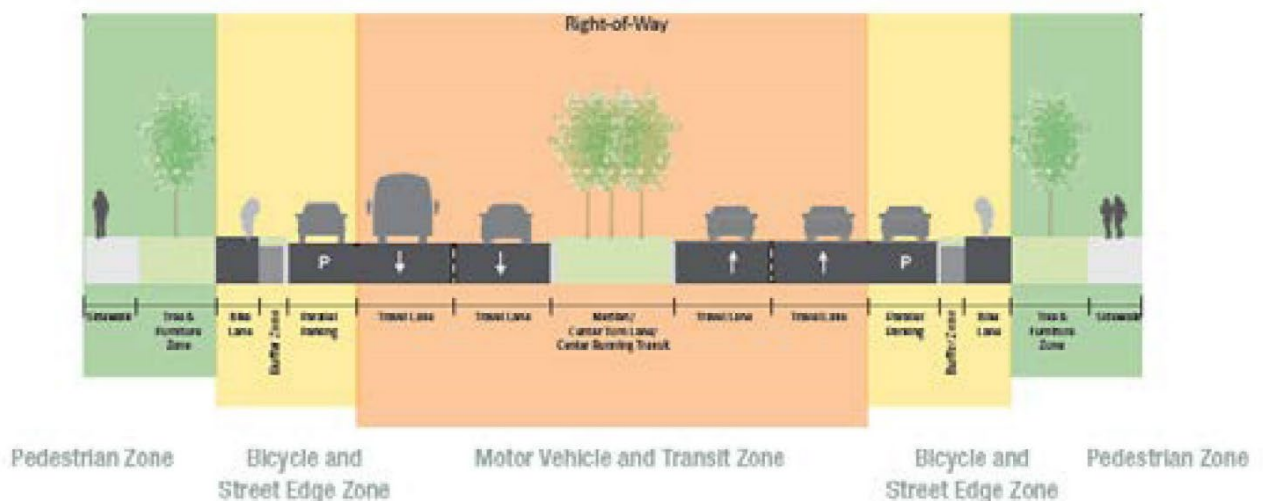
### Article 4: Existing Streets

The purpose of Article 4 of the Street Design Manual is to provide guidance on how “ideal” street cross-sections – which are typically provided in a development code for application to new streets – can be calibrated to fit constrained conditions which may exist on existing thoroughfares. This issue is particularly acute in built-out areas such as a downtown and center-city neighborhoods – as is the case with San Marcos.

#### Street Zones

Required streetscapes always contain the pedestrian zone and may contain the bicycle and street edge zone. The pedestrian zone contains sidewalks, tree planting areas, street furniture, and utilities. When constrained, the pedestrian zone may extend onto private property using pedestrian access or utility easements. The bicycle and street edge zones do not always exist as a street element. When bike or parking facilities are required by this development code or requested by the developer the configuration and construction of those facilities may be reviewed and approved.

**Figure 4.6, Street Zones**



Source: City of San Marcos Design Guidelines



### Downtown Cross-Sections

The purpose of the Downtown Cross-Sections section of the Street Design Manual is to provide guidance for the coordinated and incremental re-development of streetscapes that reflects the character and context of the area. The section has detailed cross-sections for Downtown streets. Table 4.5, *Downtown Cross-Section Summary*, provides a summary of recommended Downtown cross-sections (calibrated to reflect current right-of-way constraints).

**Table 4.5. Downtown Cross-Section Summary**

| Street Name  | ROW               | Speed  | Walkway                      | Bikeway                        | Parking                            | Pavement Width    | Number of Lanes      |
|--|-------------------|--------|------------------------------|--------------------------------|------------------------------------|-------------------|----------------------|
| Pat Garrison Street  | 46'               | 25 MPH | Sidewalk 6' min              | N/A                            | Parallel (north side)              | 33'               | 2                    |
| University Drive (CM Allen to Guadalupe Street)                              | 56'-58'           | 35 MPH | Sidewalk 6' min              | Shared Travel Lane             | Parallel (south side)              | 40' max           | 3 (middle turn lane) |
| San Antonio Street (CM Allen to Harvey Street)                               | 80'-94'           | 25 MPH | Sidewalk 6' min              | Shared Travel Lane             | Marked Angle (both sides)          | 54'-58' max       | 2 lanes              |
| MLK Drive  | 83'               | 30 MPH | Sidewalk 8' min              | Bike Lane                      | Parallel (both sides)              | 47'-50' max       | 2 lanes              |
| Cheatham Street (Guadalupe to LBJ)   | 42'-55'           | 20 MPH | Sidewalk 6' min              | Shared Travel Lane             | Parallel (south side)              | 30' max           | 2 lanes              |
| Cheatham Street (S LBJ to CM Allen)  | 60'               | 30 MPH | Sidewalk 6' min              | Bike Lane                      | Parallel (south side)              | 40'-44'           | 2 lanes              |
| Grove Street (Guadalupe to LBJ)  | 55'-63'           | 25 MPH | Sidewalk 6' min              | Bike Lane (two-way north side) | Parallel (south side)              | 30'-34'           | 2 lanes (one way)    |
| Grove Street (Hull to Guadalupe; LBJ to McKie)                               | 55'-56'           | 25 MPH | Sidewalk 6' max              | Shared Travel Lane             | Parallel (both sides)              | 34'-36'           | 2 lanes              |
| Lee Street (Guadalupe to McKie)  | 56'               | 25 MPH | Sidewalk 6' min              | N/A                            | Parallel (both sides)              | 36' max           | 2 lanes              |
| Love Street / Roosevelt Street   | 55'               | 30 MPH | Sidewalk 6' min              | Shared Travel Lane             | Parallel (both sides undesignated) | 28'               | 2 lanes              |
| North Street (Hutchison Street to Hopkins Street)                            | 56'               | 30 MPH | Sidewalk 6' min              | N/A                            | Parallel (both sides undesignated) | 32' max           | 2 lanes              |
| North Street (Hopkins Street to Harvey Street)                               | 46'               | 30 MPH | Sidewalk 6' min              | Shared Travel Lane             | Parallel (one side undesignated)   | 26'-29' max       | 2 lanes              |
| Comanche Street (North of Hutchison)   | 58'               | 30 MPH | Sidewalk 6' min              | Bike Lane                      | East side at 7' marked             | 25' min – 38' max | 2 lanes              |
| Fredericksburg Street (Lindsey to Hutchison Street; Hutchison Street to MLK) | 40'-42' / 21'-24' | 30 MPH | Sidewalk 6' min / shared ROW | Shared ROW                     | N/A / Alternating                  | 21'-24' max       | 2 lanes / shared ROW |
| Edward Gary Street (University to San Antonio)                               | 80'               | 25 MPH | Sidewalk 10' min             | Shared Travel Lane             | Angled (both sides)                | 52'-55' max       | 2 lanes              |
| Edward Gary Street (MLK to San Antonio)                                      | 83'-86'           | 25 MPH | Sidewalk 10' min             | Bike Lane (both sides)         | Parallel (both sides)              | 48'-57' max       | 2 lanes              |



| Street Name                                     | ROW     | Speed  | Walkway  | Bikeway                        | Parking  | Pavement Width | Number of Lanes                |
|---|---------|--------|--|--------------------------------|--|----------------|--------------------------------|
| CM Allen Parkway<br>(University to San Antonio) | 107'    | 25 MPH | Sidewalk 8' min / Multi-Use Path                     | Multi-Use Path                 | Parallel (both sides)                                | 65'            | 2 lanes; staggered center turn |
| CM Allen Parkway (San Antonio to Cheatham)      | 86'     | 35 MPH | Sidewalk 12' both sides                              | Bike Lane (both sides)         | Parallel (east side)                                 | 42' max        | 2 lanes                        |
| Harvey Street (North to San Antonio)            | 60'     | 25 MPH | Sidewalk 6' min                                      | N/A                            | Parallel (both sides undesignated)                   | 32' max        | 2 lanes                        |
| Hutchison Street (North to Guadalupe)           | 60'     | 25 MPH | Sidewalk 10' min                                     | Shared Travel Lane             | Parallel (both sides and angled where space permits) | 40' max        | 2 lanes                        |
| Hutchison Street<br>(Guadalupe to N CM Allen)   | 60'-80' | 25 MPH | Sidewalk 10' min                                     | Bike Lane/Shared Travel Lane   | Marked angle (south side); Parallel (north side)     | 50'-56' max    | 2 lanes                        |
| Comanche Street<br>(Hutchison Street to MLK)    | 41'     | 25 MPH | Sidewalk 6' min                                      | Shared Travel Lane             | N/A  | 21' max        | 2 lanes                        |
| Concho Street                                   | 50'-54' | 25 MPH | Sidewalk 5' min                                      | N/A                            | Parallel (north side)                                | 30' max        | 2 lanes                        |
| Lindsey Street                                  | 40'-44' | 25 MPH | Sidewalk 5' min (north side) & 6' min (south side)   | N/A                            | Parallel (south side)                                | 30' max        | 2 lanes                        |
| Centre Street                                   | 56'-75' | 25 MPH | Sidewalk 5' min (south side) and 7' min (north side) | N/A                            | Parallel (north side)                                | 30' max        | 2 lanes                        |
| Guadalupe Street                                | 80'     | 25 MPH | Sidewalk 7.5' min                                    | Bike Lane (two-way west side)  | Parallel (both sides)                                | 38' max        | 2 lanes                        |
| LBJ Street (MLK to University)                  | 80'     | 25 MPH | Sidewalk 9' min                                      | Shared Travel Lane (west side) | Parallel (west side); angled (east side)             | 48' max        | 2 lanes                        |
| LBJ Street (IH-35 to MLK)                       | 75'-92' | 25 MPH | Sidewalk 6' min                                      | Bike Lane (two-way, west side) | Parallel (both sides)                                | 38' max        | 2 lanes                        |
| Armstrong Street                                | 44'     | 25 MPH | Sidewalk 6' min (north side) & 5' min (south side)   | N/A                            | Parallel (north side)                                | 29' max        | 2 lanes                        |
| Nicola Alley                                    | 20'-30' | 25 MPH | Shared ROW   | Shared ROW                     | Parallel (alternating)                               | 30' max        | Shared ROW                     |
| Porter Street                                   | 80'     | 30 MPH | Sidewalk 6' min                                      | N/A                            | N/A  | 24' max        | 2 lanes                        |
| Comal Street                                    | 70'-83' | 30 MPH | Sidewalk 6' min                                      | N/A                            | Parallel (south side)                                | 29' max        | 2 lanes                        |





## Article 5: Midtown Streetscape

This section contains cross-sections for the Midtown area. The cross-sections identify right-of-way, speed, walkway, bikeway, parking, planting, travel way details, and streetscape details like cycle track, planters, and sidewalks. Table 4.6, *Midtown Cross-Section Summary*, provides a summary for the Midtown cross-sections.

**Table 4.6, Midtown Cross-Section Summary**

| Street Name                                  | ROW                | Speed  | Walkway  | Bikeway                                | Parking                          | Pavement Width | Number of Lanes            |
|--|--------------------|--------|----------|--|----------------------------------|----------------|----------------------------|
| Thorpe Lane                                  | 60'-76'            | 30 MPH | Sidewalk | Bike Lane (both sides)                 | N/A                              | 44' max        | 2 lanes (with center turn) |
| Springtown Way                               | 60'                | 20 MPH | Sidewalk | Bike Lane (both sides)                 | N/A                              | 38' max        | 2 lanes (with center turn) |
| Jackson Lane                                 | 29' (proposed 60') | 30 MPH | Sidewalk | Shared Travel Lane                     | N/A                              | 24' max        | 2 lanes                    |
| Long Street                                  | 50'                | 30 MPH | Sidewalk | N/A                                    | Parallel (south side)            | 34' max        | 2 lanes                    |
| Robbie Lane                                  | 60'                | 30 MPH | Sidewalk | N/A                                    | Parallel (both sides)            | 41' max        | 2 lanes                    |
| Warden Lane                                  | 50'                | 40 MPH | Sidewalk | Shared Travel Lane                     | N/A                              | 28' max        | 2 lanes                    |
| Zunker Street                                | 50'                | 30 MPH | Sidewalk | N/A                                    | Parallel (one side undesignated) | 29' max        | 2 lanes                    |
| Aquarena Springs Drive (IH-35 to River Road) | 60' (80' proposed) | 45 MPH | Sidewalk | Bike Lane (both sides)' multi-use path | N/A                              | 42' max        | 2 lanes                    |
| Uhland Road                                  | 65'                | 30 MPH | Sidewalk | Shared Travel Lane                     | N/A                              | 21' max        | 2 lanes                    |
| River Road                                   | 60'                | 30 MPH | Sidewalk | Shared Travel Lane                     | N/A                              | 21' max        | 2 lanes                    |
| Davis Lane                                   | 85'                | 30 MPH | Sidewalk | Bike Lane                              | N/A (potential option)           | 34' max        | 2 lanes                    |
| Gil Drive                                    | 20'                | 25 MPH | Sidewalk | N/A                                    | N/A                              | 20' max        | 2 lanes                    |
| McCoy Circle                                 | 76'                | 30 MPH | Sidewalk | Bike Lane (both sides)                 | N/A                              | 52' max        | 2 lanes (with center turn) |
| Northgate Street                             | 53'                | 30 MPH | Sidewalk | Shared Travel Lane                     | Parallel (one side)              | 33' max        | 2 lanes                    |

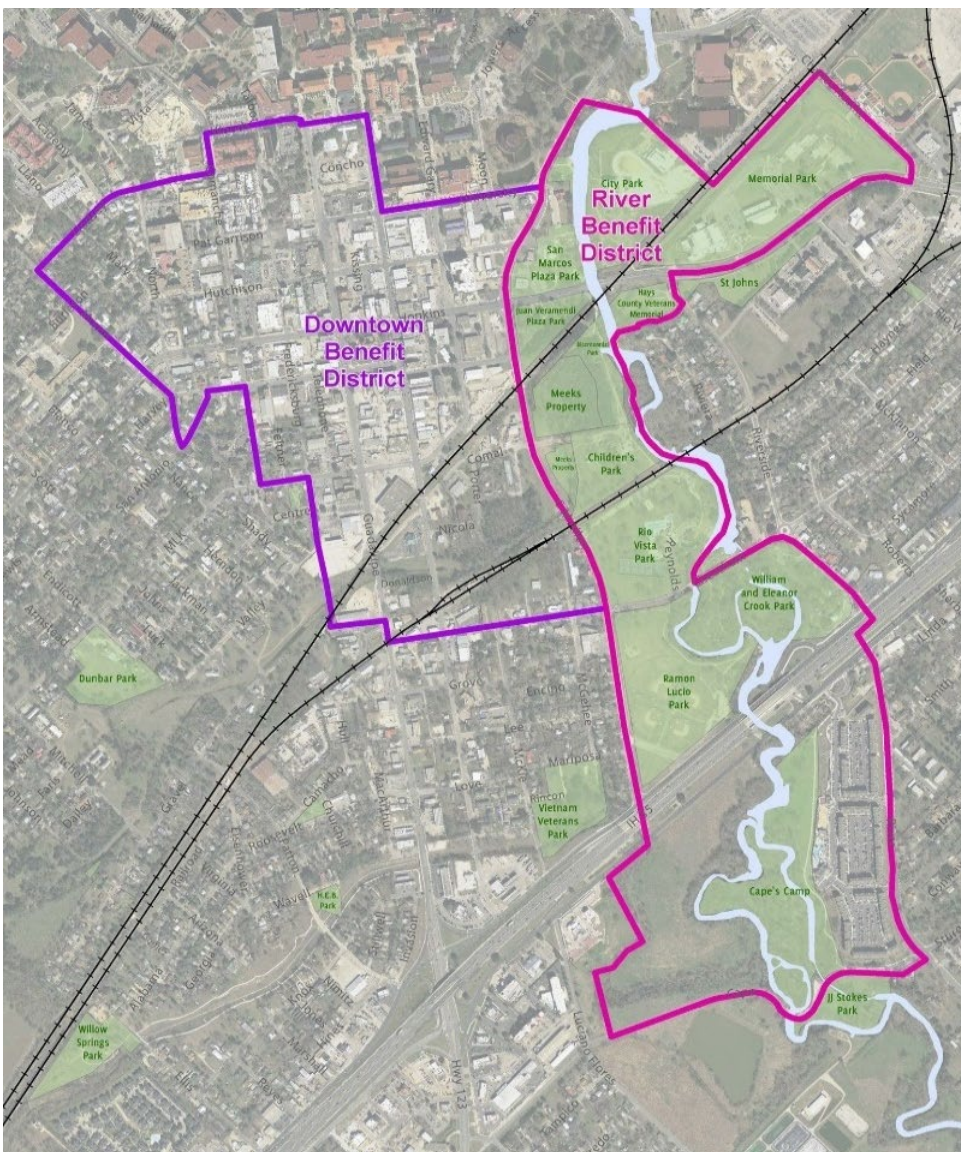


## 4.4 SPECIAL DISTRICTS

### Parking Benefit District

The City of San Marcos is in the process of developing two parking benefit districts – the Downtown Benefit District and the River Benefit District. Figure 4.7, *Proposed Parking Benefit District*, outlines the potential boundaries of the proposed districts. The purpose is to support on-street parking by dedicating a percentage of meter revenue back to the areas it was generated in. Council appointed a Parking Advisory Board that would oversee the distribution of funds. The funds would have specific terms and conditions. Expenditures of the funds could include sidewalk/walkability improvements, district beautification, and transportation or parking investments.

**Figure 4.7, Proposed Parking Benefit District**



Source: City of San Marcos



## Special Financing Districts

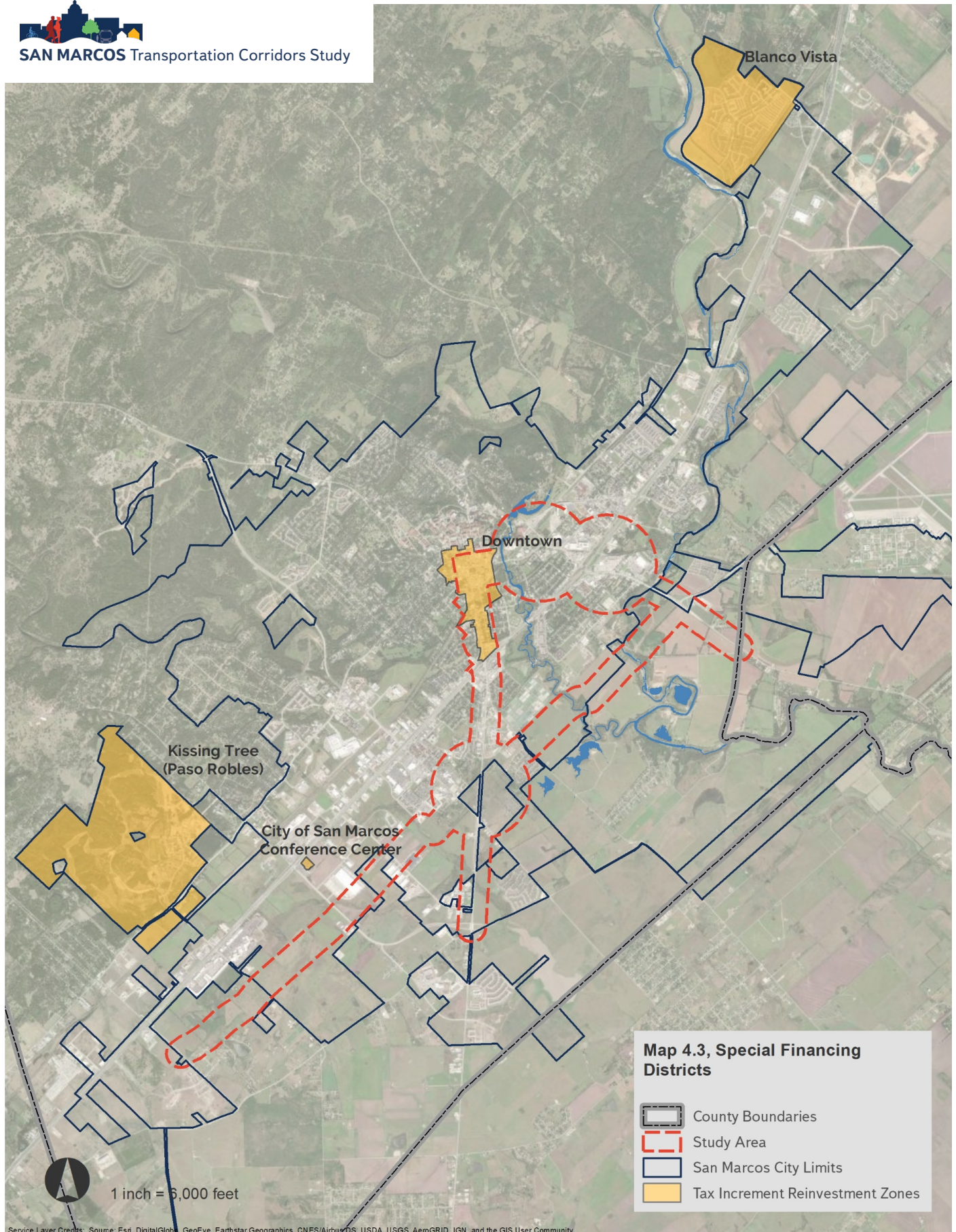
Chapter 70 of the San Marcos Code of Ordinances regulates special financing districts. The City has two types of Tax Increment Financing (TIF) district that have been adopted. These districts provide funding for specific areas and projects. The City has four (4) Tax Increment Reinvestment Zones (TIRZ) and one (1) Transportation Reinvestment Zone (TRZ). Two of these districts are within the study area. Map 4.3, *Special Districts*, shows the boundaries of the special financing districts in San Marcos.

- TIRZ #2 – Blanco Vista
- TIRZ #3 – Conference Center
- TIRZ #4 – Kissing Tree
- TIRZ #5 – Downtown (within the study area)
- TRZ #1 – Loop 110 (within the study area)

### Definitions

- **TIRZ.** A **TIRZ** is a financing tool created by the State Legislature to assist cities and counties in developing or redeveloping unproductive, underdeveloped, or blighted areas. A **TRZ** a specific zone around a planned transportation project that is established to facilitate capture of the property tax increment arising from the planned project.
- **TIRZ #5 – Downtown.** The Downtown TIRZ is approximately 244 acres of the downtown core area. Revenues from the TIRZ are dedicated to parking enhancements, acquisition of land, sidewalks, improved lighting and overall improvements to the downtown area. The TIRZ is a partnership with the City and Hays County. There was a 52% growth in assessed value in the last property assessments.
- **TRZ #1 – Loop 110.** The Loop 110 TRZ was created in 2013 to pay for the City's portion of the construction of the Loop 110 from McCarty Road to Yarrington. This TRZ zone covers the east side of the City bounded by IH-35 on the west, and the City limits on the north, east and south of the City except for properties already in another TIF zone and the outlet malls. Since the formation of the TRZ, the growth rate has exceeded the projections, the City increased the tax rate, and the costs for the project have increased.









## 4.5 SUMMARY

The San Marcos Development Code and San Marcos Design Manual provide many of the regulatory and design tools that are necessary to facilitate context-sensitive and “place-based” development and redevelopment in San Marcos. These tools are specifically structured to implement the Preferred Scenario included in *Vision San Marcos* - and by extension, the objectives of the Platinum Planning Program.

Although mindful of ever-changing community conditions and preferences, the Platinum Planning Study will utilize many of the City’s current regulatory and design tools to provide structure to the Study’s conceptual site plans and catalyst sites. It is understood that Study recommendations and future development scenarios can serve to affirm the feasibility of wider application of the City’s land development provisions.

### Preliminary Findings

The data analysis presented within this technical memorandum will be considered in conjunction with additional research, field observation, stakeholder interviews and public input to prepare future development scenarios for Study Area corridors and centers and to prepare a corresponding needs assessment report. Initial observations of note which may influence subsequent Study Area development and redevelopment scenarios include:

- An update to the *Vision San Marcos* comprehensive plan has been initiated by the City, but the current Plan’s “Preferred Development Scenario” remains an applicable guide for preferred development scenarios in Study Area “centers” and most segments of the “corridors.”
- Preliminary Study vision and goal statements must be reviewed, and modified if necessary, to avoid conflicts with current *Vision San Marcos* vision and goal statement.
- Platinum Planning Study conceptual plans must consider appropriate building typologies using Chapter 4, Article 2 of the San Marcos Development Code as a reference.
- Character Zoning Districts are not widely applied to property beyond downtown San Marcos.
- Application of Character Districts to Study Area Centers should consider guidance provided by the PA (Planning Area) District as it applies to new development in the *Preferred Scenario Map’s* identified Growth Areas.
- Neighborhood Transition provisions in the San Marcos Development Code will be required where Study proposals mimic CD-5 or CD-5D development intensities.
- Legacy Districts (preceding the adoption of the San Marcos Development Code) remain the most prominent zoning classification applied to property in San Marcos.
- Overlay Districts have not been mapped by the City of San Marcos but provide guidance on preferred spatial development patterns between the public and private realm.
- Although unmapped, Corridor Overlay provisions in the San Marcos Development Code may provide guidance on suitable relationships between private development and Study Area corridors.
- San Marcos River Corridor environmental protection provisions may necessitate the incorporation of low-impact development and green technologies into Study development scenarios/proposals.
- Downtown Design Guidelines are currently being updated.
- Illustrative Plans provide a “starting point” for the Study’s future development scenarios and catalyst sites within the Medical District and Midtown District Growth Areas.
- Downtown Cross-section guidance in the Street Design Manual will be used to calibrate the bicycle and pedestrian zones for downtown streets in the Study Area. Consideration must be given to transit accommodation.





# Technical Memorandum 5.0

## Market Conditions Analysis

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*Note: The market analyses conducted in association with the San Marcos Platinum Planning Study will address the implications of COVID-19 on the national, regional and local economies, and correspondingly, their real estate markets. The cumulative impact of the virus, beyond the spread of the disease and efforts to quarantine it, are as yet unknown. What is known, however, are the economic consequences including: supply-side manufacturing constraints; significant loss of small businesses; elevated unemployment rates; limited consumer spending; and declines in revenue among several major industries. Collectively, these circumstances - as they did following the Great Recession - will accelerate the transformation of real estate markets and lending practices worldwide. Whereas a community plan is intended to be an expression of its vision and desires for the future, and visual depictions of where it will foster growth of certain land uses and supporting product types, every effort will be made to anticipate what those transformations will be, and how development of the Study Area will proactively prepare.*

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## 5.1 INTRODUCTION

Without an understanding of -- market conditions (past, present and potentially future), industry trends, financing markets, characteristics of the development delivery system (those who affect the delivery of real estate to the market to the market), and how demographics and psychographics translate into demand for specific land uses and product types — efforts such as the San Marcos Platinum Planning Study are plans without a proper context. They may provide a deep understanding of the physical environment for future investment but stop short of explaining whether that environment is adequate to support development that is likely to occur, based on an awareness of these factors.

Private participants in community development projects are more likely to reinvest in the same community when they believe public resources are comprehensive and reflect an awareness of the challenges faced by both the public and private sectors. As the investment portfolio of individuals in a market grow, so too does their commitment to the long-term health and vitality of the community. Plans grounded in market realities are most likely to ensure capital investments will effectively leverage desired private investment, and resources will be judiciously expended. With these considerations in mind, an analysis of current and future market trends for various land uses was completed to provide both a baseline for the planning process and a roadmap for identifying future opportunities. The purpose of the market context analysis was to:

- Assess current and future market conditions in San Marcos and the surrounding trade area;
- Evaluate the City of San Marcos’s current and future attractiveness for various land use types within the trade area;
- Ensure that planning and investment decisions for the City are grounded in market and economic reality;
- Provide an independent, third-party story to tell potential developer and investor audiences; and
- Set the stage for implementation of the Plan (how to help the community achieve its vision).

The following sections include a discussion of current and future national and regional real estate industry trends that may affect growth in San Marcos; demographic and psychographic trends in San Marcos; and market supply and demand dynamics that will determine San Marcos’s share of future growth.

## 5.2 REAL ESTATE INDUSTRY TRENDS

Understanding current and anticipated trends in real estate development and the conditions that drive them, are essential for any long-term civic planning initiative. With this information, communities like San Marcos will be better able to plan for appropriate levels of capital investment and work more effectively with their “delivery system”<sup>1</sup> to ensure product types mirror the preferences of local consumers. The following represent a few trends which have surfaced over the last few years and will likely continue to affect the industry over the next several years (from “*Emerging Trends in Real Estate 2020*,” Price Waterhouse Coopers and Urban Land Institute).

- **Generation Z Emerges.** Gen Z will be attracted to forward thinking communities and representatives of their development delivery systems, that find ways to create environments that pursue greater sustainability and preservation of their historic and valued assets.



- **Boomers' New Reality.** The “hangover effect” of the Great Recession will likely continue to extend the retirement age among Boomers. Technology advances will allow them to live in smaller, more maintenance-free products, while still rebuilding their retirement resources.
- **Work Space and Productivity.** Products which foster “wellness” (i.e., onsite fitness facilities, fresh air circulation, and healthy food offerings) are producing higher productivity and satisfaction levels among employees which is translating into higher levels of output. The Covid-19 crisis has also reinforced the idea of higher productivity from remote work settings.
- **Ever-Changing Face of Retail.** Retail continues to experience an “identity crisis,” only exacerbated by the Covid-19 crisis. With accelerating obsolescence among existing formats and a desire by the largest age cohorts for “main-street” experiential shopping experiences, forward thinking communities that value a retail presence will have to create or encourage environments which support an industry that will never cease to change.
- **A Community State of Mind.** The values (and emotional appeal) of “community” have long been part of the vocabulary of the real estate world, especially on the development side. Overcoming isolation is becoming a new space planning requirement, as seen in such trends as co-working and co-living. Workspace design is de-emphasizing private spaces and encouraging collaborative spaces, in addition to amenities which provide social interaction. A community's efforts at “placemaking” can benefit from these trends, paying more attention to the social and emotional implications of various real estate products and projects.
- **Secondary Markets Emerging.** The cyclical nature of real estate is both a curse and a blessing. The curse, which often results in overbuilding, is often realized first, by lenders, then developers, and then consumers. The blessing, which is perspective, while realized second, often occurs to representatives of the delivery system in a similar order. Following the Great Recession, Real Capital Analytics CPPI, a national analytics group that predicts real estate activity, reported that activity and the value of assets in primary markets like Austin, Dallas-Fort Worth, Houston and San Antonio started returning to pre-Recession levels in early 2014. Comparatively, using these same matrices, secondary markets like San Marcos, did not realize their recovery until early 2016. Now, as activity in primary markets has accelerated, activity in secondary markets is beginning to “catch up.” Many in real estate are looking to secondary markets for long-term investment opportunities. The Urban Land Institute recently noted that values in secondary markets are expected to increase by nearly 12 percent over the near-term, primarily because of their expected stability, while values in primary markets are expected to decline by 6 percent (on average) as a circumstance of heightened activity and greater competition.

## Summary

*“In identifying Austin as a top-tier, 18-hour city several years ago, our analysis considered many salient features: its slogan (“Keep Austin Weird”), deep pool of talent, unique and popular lifestyle, and ambitious commitment to business and real estate expansion. These persist but are being challenged by the city’s own success. Traffic is an ongoing issue. Housing affordability pressures are rising.”*

“Emerging Trends in Real Estate 2020”, PwC and Urban Land Institute.

Austin was identified by real estate professionals as the number one market for real estate prospects in 2020,



As a secondary market, San Marcos could take advantage of Austin’s unique strengths, while potentially overcoming some of its corresponding weaknesses.

## 5.3 MARKET TRADE AREA DETERMINATION

Many community planning documents provide a demographic overview of select characteristics within their municipal boundaries. While this provides valuable information, so too is similar information for the larger influence area (or trade area) which uses within the municipality serve. Properties within communities are influenced not only by what happens within their borders, but beyond their borders.

A community’s trade area reflects the primary catchment zone from which uses and businesses capture consumer spending and interest. It is also the zone within which the majority of their competitors are located. For planning initiatives such as this one, it is acceptable to reflect a single trade area that is largely representative of many land uses in different locations within the market. Were a specific parcel to be considered for development of a particular use or product type, a detailed analysis would be conducted to define a uniquely relevant and customized trade area. Trade area boundaries are typically influenced by:

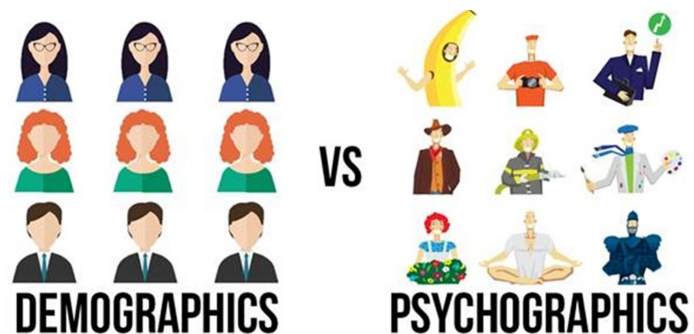
- Physical Barriers
- Location of Possible Competition
- Proximity to Population and / or Employment Concentrations
- Zoning
- Market Factors
- Drive Times, Spending and Commuting Patterns
- Other factors

For the purposes of this preliminary market context summary, the analysis of demographic and psychographic trends was limited to the City of San Marcos’s municipal boundary and compared with the overall Austin-Round Rock Metropolitan Area. As the planning process moves forward, detailed trade areas will be determined for the Study Area and catalyst areas/projects within the Study Area.

## 5.4 DEMOGRAPHIC AND PSYCHOGRAPHIC TRENDS

To fully understand the people that make up a market, an analysis and interpretation of both demographics and psychographics is necessary. While demographics provide an understanding of quantity, psychographics provide an understanding of character, preferences and priorities. Psychographics were originally relied upon primarily by retail developers since they speak to consumer preferences for certain goods and services.

However, in the last several years, the savvy home builders have found that they provide valuable insight into homeownership and home product preferences. A growing number of homebuilders are choosing to be more lifestyle-driven than commodity-driven when offering certain products to a market. **Table 5.1, Demographic Profile**, summarizes key demographic characteristics for the City of San Marcos as compared to the Austin-Round Rock metropolitan area.





*Table 5.1 Demographic Profile*

| <b>2019 Indicator (unless otherwise noted)</b> | <b>City of San Marcos</b> | <b>Austin - Round Rock Metro Area</b> |
|--|---------------------------|---------------------------------------|
| 2010 Population                                | 45,242                    | 1,716,289                             |
| 2010 Households                                | 17,262                    | 650,459                               |
| 2019 Population                                | 59,554                    | 2,231,469                             |
| 2019 Households                                | 23,132                    | 842,329                               |
| Annual Household Growth Rate (2019 to 2029)    | 3.3%                      | 1.6%                                  |
| Average Household Size                         | 2.27                      | 2.60                                  |
| Percent Non-Family Households                  | 54%                       | 27%                                   |
| Percent One- and Two-Person Households         | 68%                       | 53%                                   |
| Percent Renters                                | 68%                       | 40%                                   |
| Percent Age 65+                                | 10%                       | 11%                                   |
| Percent Age 25-44                              | 23%                       | 31%                                   |
| Median Age                                     | 24.5                      | 34.3                                  |
| Percent With Bachelors Degree                  | 34%                       | 52%                                   |
| Average Household Income                       | \$52,632                  | \$103,045                             |
| Percent With Income Below \$25,000             | 33%                       | 13%                                   |
| Percent With Income Over \$100,000             | 11%                       | 37%                                   |
| Percent Hispanic                               | 48%                       | 34%                                   |
| Percent Black/African-American                 | 7%                        | 8%                                    |
| Percent Asian American                         | 3%                        | 7%                                    |

Source: U.S. Census; Texas State Demographer; ESRI; and Ricker|Cunningham.

Summary findings from the demographic profile are noted below:

- The City of San Marcos (the City) is expected to grow at over twice the average annual rate as the Austin-Round Rock metropolitan area (the Metro Area) over the next 10 years (3.3 percent and 1.6 percent, respectively).
- The City's demographic profile is significantly skewed to the student population at Texas State University. Not surprisingly, the City has higher shares of the indicators that characterize a young, transient population, namely: a higher renter population, a higher number of one- and two-person households and a higher number of nonfamily households. These indicators result in a significantly lower average household size.
- The City has a similar share of residents 65 years and over to the Metro Area (10 percent and 11 percent





The City has a considerably lower median age (24.5) than the Metro Area (34.3), again reflecting the influence of the university population.

- The City skews toward significantly lower household income and education levels, as compared to the Metro Area as a whole. This reflects both the transient nature of a good portion of San Marcos’s population, but also the degree to which Austin-Round Rock has become an established concentration of young wealth.
- The City has a much more ethnically diverse population, with 48 percent of the population identifying as Hispanic, as compared to 34 percent for the Metro Area.

Table 5.2, *Psychographic Profile*, provides a psychographic (lifestyle segments) comparison of households in San Marcos and the surrounding Metro Area. Reflected are the number of households within the top (or largest) psychographic segments, and the “popularity” or presence of that segment in the United States. In addition to the largest psychographic, or Tapestry Segments, the tables also provide information regarding the City’s and Metro Area’s largest LifeMode Groups and Urbanization Groups. LifeMode Groups describe the household make-up and type of neighborhood preferred by householders, while Urbanization Groups describe the general location within a community preferred by households, such as urban core and fringe.

**Table 5.2 Psychographic Profile**

| City of San Marcos          |                 |                       |                 | Austin - Round Rock Metropolitan Area |                 |                       |                 |
|-----------------------------|-----------------|-----------------------|-----------------|---------------------------------------|-----------------|-----------------------|-----------------|
| Tapestry Segment            | 2019 Households | % of Total Households | U.S. Index=100* | Tapestry Segment                      | 2019 Households | % of Total Households | U.S. Index=100* |
| Dorms to Diplomas           | 6,575           | 28.4%                 | 5,593           | Up and Coming Families                | 107,101         | 12.7%                 | 511             |
| College Towns               | 5,863           | 25.3%                 | 2,660           | Boomburbs                             | 71,523          | 8.5%                  | 491             |
| Young and Restless          | 3,376           | 14.6%                 | 840             | Young and Restless                    | 58,850          | 7.0%                  | 402             |
| Set to Impress              | 2,424           | 10.5%                 | 758             | Metro Renters                         | 54,860          | 6.5%                  | 391             |
| Soccer Moms                 | 900             | 3.9%                  | 133             | Bright Young Professionals            | 53,005          | 6.3%                  | 280             |
| <b>Total Above Segments</b> | <b>19,138</b>   | <b>82.7%</b>          | <b>--</b>       | <b>Total Above Segments</b>           | <b>345,339</b>  | <b>41.0%</b>          | <b>--</b>       |
| LifeMode Group              | 2019 Households | % of Total Households | U.S. Index=100* | LifeMode Group                        | 2019 Households | % of Total Households | U.S. Index=100* |
| Scholars and Patriots       | 12,438          | 53.8%                 | 3,340           | Ethnic Enclaves                       | 148,937         | 17.7%                 | 248             |
| Midtown Singles             | 6,505           | 28.1%                 | 456             | Affluent Estates                      | 146,573         | 17.4%                 | 175             |
| Family Landscapes           | 1,543           | 6.7%                  | 88              | Middle Ground                         | 103,203         | 12.3%                 | 113             |
| Middle Ground               | 1,179           | 5.1%                  | 47              | Midtown Singles                       | 80,532          | 9.6%                  | 155             |
| Affluent Estates            | 779             | 3.4%                  | 34              | Uptown Individuals                    | 69,397          | 8.2%                  | 216             |
| <b>Total Above Groups</b>   | <b>22,444</b>   | <b>97.0%</b>          | <b>--</b>       | <b>Total Above Groups</b>             | <b>479,245</b>  | <b>56.9%</b>          | <b>--</b>       |
| Urbanization Group          | 2019 Households | % of Total Households | U.S. Index=100* | Urbanization Group                    | 2019 Households | % of Total Households | U.S. Index=100* |
| Metro Cities                | 19,916          | 86.1%                 | 474             | Suburban Periphery                    | 374,140         | 44.4%                 | 139             |
| Suburban Periphery          | 1,679           | 7.3%                  | 23              | Metro Cities                          | 167,087         | 19.8%                 | 109             |
| Urban Periphery             | 891             | 3.9%                  | 23              | Urban Periphery                       | 112,246         | 13.3%                 | 80              |
| Semirural                   | 644             | 2.8%                  | 30              | Principal Urban Center                | 106,005         | 12.6%                 | 177             |
| <b>Total Above Groups</b>   | <b>23,130</b>   | <b>100.0%</b>         | <b>--</b>       | <b>Total Above Groups</b>             | <b>759,478</b>  | <b>90.2%</b>          | <b>--</b>       |
| <b>Total Trade Area</b>     | <b>23,132</b>   | <b>100.0%</b>         | <b>--</b>       | <b>Total Trade Area</b>               | <b>842,329</b>  | <b>100.0%</b>         | <b>--</b>       |

\* Indicates concentration of this segment relative to U.S. average. A segment index of 200 would mean that this group contains two times the concentration of households compared to the average U.S. neighborhood.

Source: ESRI and Ricker | Cunningham.



As shown, San Marcos’s profile is dominated by a young, relatively mobile population, but also has more concentrations of traditional family-oriented, psychographic segments, indicating higher incomes and higher disposable retail spending. Emerging segments include more middle- to high-income and ethnically diverse households. As noted previously, the Metro Area’s psychographic profile also highlights the established concentration of young wealthy households.

*Note: Additional detail regarding San Marcos’s top Tapestry Segments is provided as an Appendix to this report.*

## 5.5 MARKET SUPPLY AND DEMAND

An analysis of the current performance of real estate products within an overall market, as well as competitive projects within a trade area, provides an indication of whether a property or area may be ready for new development and/or redevelopment. It also helps to identify potential gaps in the market -- niches that new development and/or redevelopment could fill. In addition, in order to identify potential future market opportunities given San Marcos’s competitive position and prevailing market conditions, market demand estimates were prepared for retail, office and industrial land uses over the next 20 years.

### Retail Supply

San Marcos competes within the Austin – Round Rock metropolitan area for all land use types. For nonresidential uses (retail, office and industrial), San Marcos is primarily included in the Hays County submarket, and peripherally included in the Caldwell County submarket, as defined by CoStar. Table 5.3, *San Marcos Retail Supply Indicators (1<sup>st</sup> Qtr 2020)*, summarizes retail market conditions in these two submarkets, as compared to the Austin – Round Rock metropolitan area as a whole.

**Table 5.3 San Marcos Retail Supply Indicators (1<sup>st</sup> Qtr 2020)**

| Retail Indicator                | Retail Submarket |                 | Austin Metro Area |
|---------------------------------|------------------|-----------------|-------------------|
|                                 | Hays County      | Caldwell County |                   |
| Number of Buildings             | 1,017            | 169             | 9,921             |
| Total Square Feet               | 11,117,000       | 996,000         | 113,100,000       |
| 12-Month Deliveries (sq ft)     | 176,000          | 8,000           | 281,300           |
| Under Construction (sq ft)      | 117,000          | 0               | 1,637,000         |
| Market Rent (per sq ft)         | \$25.37          | \$11.60         | \$25.89           |
| Vacancy Rate                    | 3.1%             | 6.4%            | 4.0%              |
| 12-Month Net Absorption (sq ft) | 83,262           | (10,889)        | 217,000           |

Source: CoStar and Ricker | Cunningham.

As shown, the San Marcos retail market appears to be performing at or above the Metro Area as a whole, with comparable rent levels, lower vacancy rates and a significant share of net absorption (San Marcos comprises



## Retail Demand

Future demand for retail space (including restaurant, entertainment, service, etc.) is determined by the potential level of retail expenditures in a given trade area from two sources: those dollars spent by trade area residents outside the trade area, or “leakage;” and those generated by new household growth. Table 5.4, *San Marcos Retail Demand*, summarizes the calculations of both of these sources of retail demand for the City of San Marcos. For each major retail category, current household retail expenditures (demand) are compared to current retail sales (supply) in the City to determine if there is a retail “surplus” (supply exceeds demand) or “leakage” (demand exceeds supply). Table 5.4 shows that “leakage” exists in three major retail categories — electronics and appliances, building materials and garden equipment, and sporting goods, hobby, books and music. This relatively small rate of leakage indicates that San Marcos is close to “equilibrium” as it pertains to retail market supply and demand. Undoubtedly, the presence of San Marcos Premium Outlets, which brings in retail spending from a far-reaching trade area, helps to prevent leakage of retail sales in several merchandise categories.

Projected demand from new household formation over the next 20 years is determined by multiplying growth in households with that portion of household income typically spent on general retail and service purchases. Table 5.4, *San Marcos Retail Demand*, also shows the level of demand by retail category that will be generated by new household formation.

The level of “leakage” estimated in current retail categories is approximately \$12.2 million in retail spending, which could potentially support an additional 37,000 square feet of space. An additional \$547.6 million in retail spending is anticipated from new household growth over the next 20 years. Together, current “leakage” and future household spending could potentially support a total of 1.4 million square feet of new retail space over the next 20 years.

**Table 5.4, San Marcos Retail Demand**

| Retail Category                    | Estimated 2020 Household Retail Demand | Estimated 2020 Retail Sales (Supply) | Estimated 2020 Retail Void (Leakage) | Estimated Retail Sales/s.f. | New Retail Space Needed to Recapture Void/Leakage | Annual Household Growth Rate (2020-2040) | Net New Household Retail Demand | New Retail Space Needed for Household Growth | Total 20-Year New Trade Area Retail Demand (s.f.) |
|------------------------------------|--|--------------------------------------|--------------------------------------|-----------------------------|---|--|---------------------------------|--|---|
| Furniture & Home Furnishings       | \$25,263,614                           | \$45,264,670                         | \$0                                  | \$300                       | 0   | 3.4%                                     | \$24,043,121                    | 80,144                                       | 80,144  |
| Electronics & Appliance            | \$27,687,587                           | \$25,795,867                         | \$1,891,720                          | \$300                       | 6,306   | 3.4%                                     | \$26,349,992                    | 87,833                                       | 94,139  |
| Bldg Materials, Garden Equipment   | \$38,443,673                           | \$31,093,289                         | \$7,350,384                          | \$350                       | 21,001  | 3.4%                                     | \$36,586,448                    | 104,533                                      | 125,534   |
| Food & Beverage (Grocery)          | \$138,464,424                          | \$163,467,852                        | \$0                                  | \$500                       | 0   | 3.4%                                     | \$131,775,169                   | 263,550                                      | 263,550   |
| Health & Personal Care             | \$41,060,918                           | \$70,389,129                         | \$0                                  | \$450                       | 0   | 3.4%                                     | \$39,077,253                    | 86,838                                       | 86,838  |
| Clothing and Accessories           | \$34,684,109                           | \$227,336,619                        | \$0                                  | \$350                       | 0   | 3.4%                                     | \$33,008,510                    | 94,310                                       | 94,310  |
| Sporting Goods, Hobby, Book, Music | \$22,263,407                           | \$19,289,573                         | \$2,973,834                          | \$300                       | 9,913   | 3.4%                                     | \$21,187,855                    | 70,626                                       | 80,539  |
| General Merchandise                | \$132,351,227                          | \$219,343,563                        | \$0                                  | \$400                       | 0   | 3.4%                                     | \$125,957,302                   | 314,893                                      | 314,893   |
| Miscellaneous Stores               | \$29,438,901                           | \$153,464,097                        | \$0                                  | \$300                       | 0   | 3.4%                                     | \$28,016,700                    | 93,389                                       | 93,389  |
| Foodservice & Drinking Places      | \$85,706,049                           | \$164,116,584                        | \$0                                  | \$600                       | 0   | 3.4%                                     | \$81,565,566                    | 135,943                                      | 135,943   |
| <b>Total</b>                       | <b>\$575,363,906</b>                   | <b>\$1,119,561,243</b>               | <b>\$12,215,937</b>                  |                             | <b>37,220</b>                                     |  | <b>\$547,567,916</b>            | <b>1,332,060</b>                             | <b>1,369,279</b>                                  |

Source: CAMPO; Urban Land Institute; ESRI; and Ricker|Cunningham.



## Office Supply

While the characterization of employment space as “office,” or “industrial,” has become outdated, given the vast range of products that fall within and outside these labels, available data continues to be provided for these categories. There is a movement among major U.S. markets, including the Austin – Round Rock Metro Area, towards lower-cost building environments, with flexible designs, and greater sensitivity to energy efficiency, all of which can be most easily addressed in products that fall under an industrial classification. This understanding should be reflected in San Marcos’s land use and zoning classifications. They should avoid adverse and unfounded perceptions about “industrial” as a category and ensure higher design and development through guidelines and standards.

Similar to the retail market, San Marcos is primarily included in the Hays County office submarket, and peripherally included in the Caldwell County submarket, as defined by CoStar. Table 5.5, *San Marcos Office Supply Indicators (1<sup>st</sup> Qtr 2020)*, summarizes office market conditions in these two submarkets, as compared to the Austin – Round Rock metropolitan area as a whole.

**Table 5.5, San Marcos Office Supply Indicators (1<sup>st</sup> Qtr 2020)**

| Office Indicator                | Office Submarket |                 |                   |
|---------------------------------|------------------|-----------------|-------------------|
|                                 | Hays County      | Caldwell County | Austin Metro Area |
| Number of Buildings             | 351              | 36              | 5,323             |
| Total Square Feet               | 2,508,000        | 147,000         | 114,000,000       |
| 12-Month Deliveries (sq ft)     | 59,000           | 0               | 1,030,000         |
| Under Construction (sq ft)      | 96,000           | 0               | 7,722,000         |
| Market Rent (per sq ft)         | \$26.44          | \$29.29         | \$39.15           |
| Vacancy Rate                    | 9.8%             | 10.1%           | 9.8%              |
| 12-Month Net Absorption (sq ft) | 14,582           | (4,167)         | 128,800           |

Source: CoStar and Ricker | Cunningham.

As shown, the San Marcos office market appears to be performing similarly to the Metro Area as a whole in terms of vacancy rates but is well below the Metro Area in market rents. As with retail space, the San Marcos submarket has a disproportionate share of net absorption (San Marcos comprises only 2 percent of Metro Area space but represents 11 percent of net absorption).

## Office Demand

Demand for new office space is derived from two primary sources: expansion of existing industry and the relocation of new companies into the market. Employment projections by industry classification for San Marcos were used to estimate demand over the next 20 years. Applying current growth rate estimates by industry category nets an overall 3.0 percent sustained annual employment growth rate, resulting in demand for





feet of new office space over this period. Table 5.6, *San Marcos Office Demand*, summarizes this estimate of office demand.

**Table 5.6, San Marcos Office Demand**

| Industry Category                          | Estimated 2020 Employees | Estimated Growth Rate 2020-2040 | Estimated 2040 Employees | Estimated New Employees | Estimated % in Office Space | Estimated Net New Office Employees | Sq Ft per Office Employee | Estimated 20-yr Office Demand |
|--|--------------------------|---------------------------------|--------------------------|-------------------------|-----------------------------|------------------------------------|---------------------------|-------------------------------|
| Natural Resources, Mining and Construction | 840                      | 2.5%                            | 1,376                    | 536                     | 30%                         | 161                                | 200                       | 32,186                        |
| Manufacturing                              | 2,380                    | 2.5%                            | 3,900                    | 1,520                   | 5%                          | 76                                 | 200                       | 15,199                        |
| Trade, Transportation and Utilities        | 12,470                   | 3.5%                            | 24,813                   | 12,343                  | 10%                         | 1,234                              | 200                       | 246,853                       |
| Information                                | 620                      | 2.4%                            | 996                      | 376                     | 80%                         | 301                                | 200                       | 60,208                        |
| Financial Activities                       | 2,480                    | 2.5%                            | 4,064                    | 1,584                   | 85%                         | 1,346                              | 200                       | 269,241                       |
| Professional and Business Services         | 2,790                    | 2.4%                            | 4,483                    | 1,693                   | 70%                         | 1,185                              | 200                       | 237,070                       |
| Educational and Health Services            | 9,030                    | 3.8%                            | 19,039                   | 10,009                  | 20%                         | 2,002                              | 200                       | 400,344                       |
| Leisure and Hospitality                    | 9,750                    | 3.7%                            | 20,164                   | 10,414                  | 10%                         | 1,041                              | 200                       | 208,283                       |
| Other Services                             | 2,330                    | 3.0%                            | 4,208                    | 1,878                   | 30%                         | 563                                | 200                       | 112,694                       |
| Government                                 | 4,810                    | 1.5%                            | 6,478                    | 1,668                   | 30%                         | 501                                | 200                       | 100,102                       |
| Self-Employed                              | 2,800                    | 2.5%                            | 4,588                    | 1,788                   | 30%                         | 536                                | 200                       | 107,288                       |
| <b>Totals</b>                              | <b>50,300</b>            | <b>3.0%</b>                     | <b>94,110</b>            | <b>43,810</b>           | <b>20%</b>                  | <b>8,947</b>                       | <b>200</b>                | <b>1,789,468</b>              |

Source: CAMPO; U.S. Census; ESRI, Inc.; and Ricker | Cunningham.

## Industrial Supply

Similar to the office market, San Marcos is primarily included in the Hays County industrial submarket, and peripherally included in the Caldwell County submarket, as defined by CoStar. Table 5.7, *San Marcos Industrial Supply Indicators (1<sup>st</sup> Qtr 2020)*, summarizes industrial market conditions in these two submarkets, as compared to the Austin – Round Rock metropolitan area as a whole.

**Table 5.7, San Marcos Industrial Supply Indicators (1<sup>st</sup> Qtr 2020)**

| Industrial Indicator            | Industrial Submarket |                 |                   |
|---------------------------------|----------------------|-----------------|-------------------|
|                                 | Hays County          | Caldwell County | Austin Metro Area |
| Number of Buildings             | 535                  | 51              | 4,524             |
| Total Square Feet               | 10,019,000           | 624,000         | 107,000,000       |
| 12-Month Deliveries (sq ft)     | 1,217,000            | 0               | 855,000           |
| Under Construction (sq ft)      | 453,000              | 0               | 2,011,000         |
| Market Rent (per sq ft)         | \$9.72               | \$8.53          | \$11.31           |
| Vacancy Rate                    | 16.1%                | 3.6%            | 8.0%              |
| 12-Month Net Absorption (sq ft) | 311,675              | (8,229)         | (117,000)         |

Source: CoStar and Ricker | Cunningham.



As shown, the San Marcos industrial market appears to be performing below that of the Metro Area as a whole, with higher vacancy rates and lower market rents. As with retail and office space, however, the San Marcos submarket is substantially outperforming the Metro Area in terms of net absorption. This level of absorption should result in declines in vacancy rates and increases in market rents in the not too distant future.

## Industrial Demand

As with office, demand for new industrial space is derived from two primary sources: expansion of existing industry and the relocation of new companies into the market. Employment projections by industry classification for San Marcos were used to estimate demand over the next 20 years. Applying current growth rate estimates by industry category nets an overall 3.0 percent sustained annual employment growth rate, resulting in demand for approximately 11,200 new industrial employees over the next 20 years. Assuming differing levels of industrial space needed across various industry categories, the analysis revealed demand for nearly 3.9 million square feet of new industrial space over this period. Table 5.8, *San Marcos Industrial Demand*, summarizes this estimate of industrial demand.

**Table 5.8, San Marcos Industrial Demand**

| Industry Category                          | Estimated<br>2020<br>Employees | Estimated<br>Growth Rate<br>2020-2040 | Estimated<br>2040<br>Employees | Estimated<br>New<br>Employees | Estimated %<br>in Industrial<br>Space | Estimated<br>Net New<br>Industrial<br>Employees | Sq Ft per<br>Industrial<br>Employee | Estimated 20<br>yr Industrial<br>Demand |
|--|--------------------------------|---------------------------------------|--------------------------------|-------------------------------|---------------------------------------|---|-------------------------------------|---|
| Natural Resources, Mining and Construction | 840                            | 2.5%                                  | 1,376                          | 536                           | 20%                                   | 107   | 400                                 | 42,915                                  |
| Manufacturing                              | 2,380                          | 2.5%                                  | 3,900                          | 1,520                         | 80%                                   | 1,216   | 400                                 | 486,370                                 |
| Trade, Transportation and Utilities        | 12,470                         | 2.8%                                  | 21,664                         | 9,194                         | 60%                                   | 5,516   | 400                                 | 2,206,441                               |
| Information                                | 620                            | 2.4%                                  | 996                            | 376                           | 20%                                   | 75  | 250                                 | 18,815                                  |
| Financial Activities                       | 2,480                          | 2.5%                                  | 4,064                          | 1,584                         | 15%                                   | 238   | 250                                 | 59,391                                  |
| Professional and Business Services         | 2,790                          | 2.4%                                  | 4,483                          | 1,693                         | 15%                                   | 254   | 250                                 | 63,501                                  |
| Educational and Health Services            | 9,030                          | 3.8%                                  | 19,039                         | 10,009                        | 20%                                   | 2,002   | 300                                 | 600,516                                 |
| Leisure and Hospitality                    | 9,750                          | 3.7%                                  | 20,164                         | 10,414                        | 5%                                    | 521   | 250                                 | 130,177                                 |
| Other Services                             | 2,330                          | 3.0%                                  | 4,208                          | 1,878                         | 30%                                   | 563   | 250                                 | 140,868                                 |
| Government                                 | 4,810                          | 1.5%                                  | 6,478                          | 1,668                         | 20%                                   | 334   | 300                                 | 100,102                                 |
| Self-Employed                              | 2,800                          | 2.5%                                  | 4,588                          | 1,788                         | 20%                                   | 358   | 250                                 | 89,406                                  |
| <b>Totals</b>                              | <b>50,300</b>                  | <b>3.0%</b>                           | <b>90,961</b>                  | <b>40,661</b>                 | <b>28%</b>                            | <b>11,183</b>                                   | <b>300</b>                          | <b>3,938,503</b>                        |

Source: CAMPO; U.S. Census; ESRI, Inc.; and Ricker|Cunningham.

## San Marcos Market Share

The City of San Marcos has the potential to capture a fair share of robust regional growth over the next 20 years, for a variety of retail, office and industrial land uses. San Marcos's market "capture" of this growth will depend on the top-down, bottom-up and external considerations shown below. Some the public sector (or stakeholder entities) can control, and others they cannot.

### Top-Down Considerations

- Demand for certain land uses
- Demographic and psychographic conditions which support certain product types
- Untapped market niches (product voids)
- Competitive projects (proposed, planned and under construction)



### **Bottom-Up Considerations**

- Physical capacity of the community / individual parcels to accommodate market-supported product types
  - fewer physical constraints
- Vision and desire for certain uses and product types
- Size of parcels, parcel ownership (public and private), owner investment objectives
- Zoning (and other regulations) and presence of easements

### **External Considerations**

- Delivery system — who are the area’s builders / developers, what are they willing and able to offer
- Financing markets — availability of capital with reasonable funding terms for certain product types
- Forces beyond those currently in the market (e.g., migration to community by persons who do not represent the existing profile of residents and consumers)

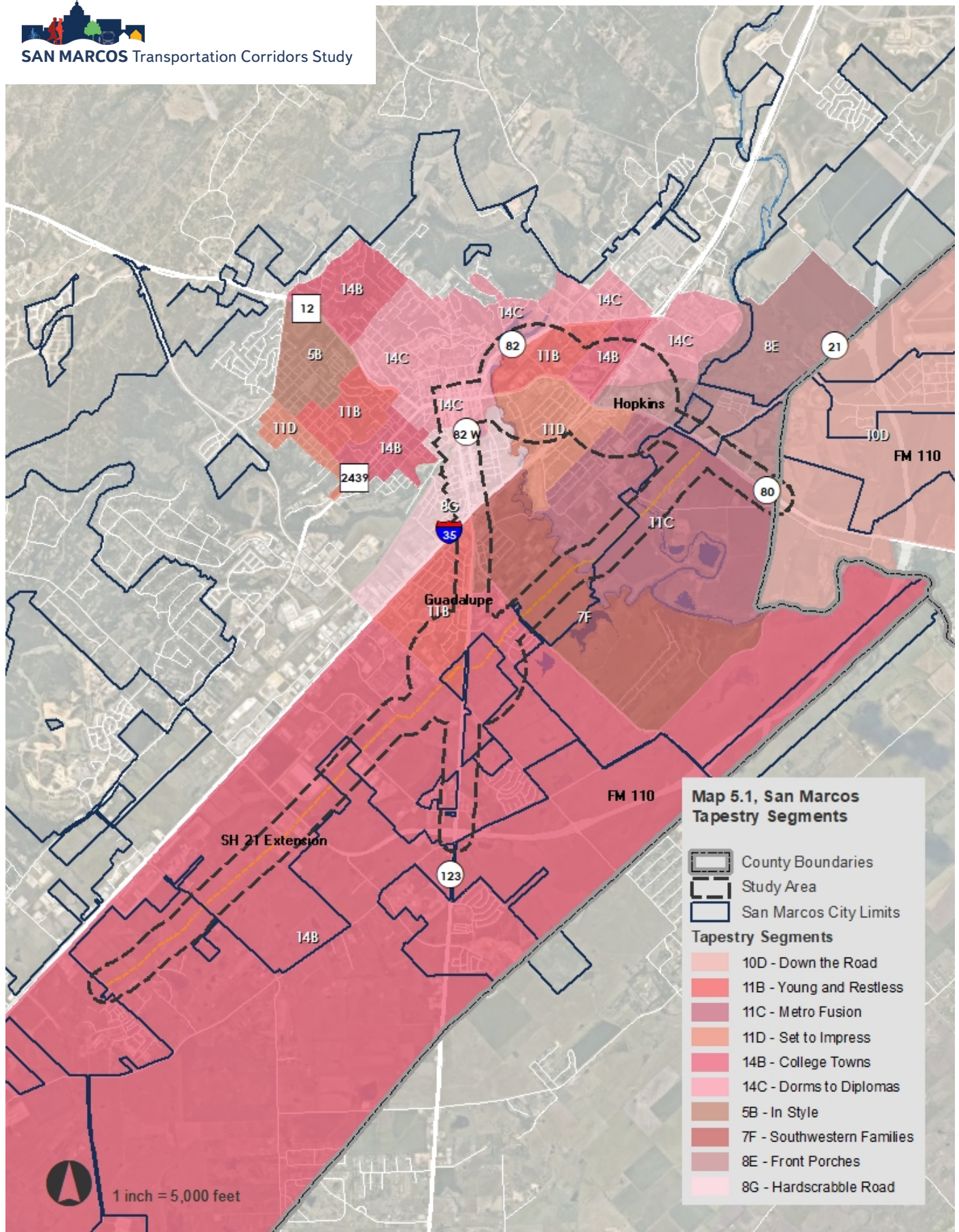
### **Other Considerations**

- Available resources to position and promote investment in the community
- Public support for a long-term vision

The City’s success in attracting needed and desired investment will largely depend on the extent to which it can use its resources to capitalize on prevailing market opportunities and eliminate barriers, thereby “readying the environment for investment.”

## **APPENDIX: SAN MARCOS TAPESTRY SEGMENTS**

Refer to Map 5.1, San Marcos Tapestry on following page.







# Technical Memorandum 6.0

## Housing

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Technical Memorandum 6.0, *Housing Analysis*, assesses the condition, age, typologies, densities and price points of existing housing stock to determine the existing housing market conditions. The data sources utilized for the analysis include the U.S. Census Bureau; PCensus for ArcView; Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW); Texas Workforce Commission; San Marcos Chamber of Commerce; City of San Marcos Planning and Development; and San Marcos Association of Realtors.

## Executive Summary

*NOTE: The research and analysis provided in this report was undertaken during the COVID-19 pandemic, of which the effects on land use markets will be lasting for an uncertain duration. In particular for San Marcos, the impacts on attendance at Texas State University will have strong implications for the local housing and other markets in autumn 2020 and going forward, but CDS is not prepared to assess the extent to which students will be returning to campus.*

## Multi-family Market Opportunities

Demand for diverse rental housing types in San Marcos, especially in areas located in the Competitive Market Area (CMA) and Study Area, was very high, and inventory was low.

Demand for new, diverse housing types of greenfield, infill, adaptive reuse, and conversion rental units was highest in older, established core neighborhoods especially south and east of downtown.

Although a large portion of the 2,590 recently completed or under construction multi-family units may be geared more to university students, at least 1,800 of the 2,357 multi-family units planned seem to be in master-planned communities and areas not optimally convenient and attractive to most current and future university students.

Therefore, with seemingly enough new larger multi-family units to satisfy current demand for that product in the near term, the greatest market opportunity for new rental units in San Marcos will be compact forms of single-family and small multi-family rental properties like townhomes, duplexes and fourplexes in addition to 6 to 20-unit properties.

## Multi-family Market Constraints

As a result of the low to moderate median household income in San Marcos according to the 2018 American Community Survey (ACS) figure of \$37,598 and the even lower renter-occupied median household income figure of \$28,561 — many developers of rental property have chosen to appeal to off-campus student market instead of local worker households.

Many large-scale multi-family developers may be initially discouraged from developing in San Marcos due to the perceived low renter income. However, this is due to the large volume of students in college with minimal income.

Recent job growth in San Marcos, however, with Amazon being the best known, do offer only moderate to low wages.

The severe lack of existing non-student conventional market rate multi-family properties overall in San Marcos coupled with a very low supply of new diverse housing types crucial to transitional populations there are gaps in the housing market that very likely detracts from the community's ability to gain shares of permanent 25-35 year old householders.

The multi-family industry has not created a consistent model for large-scale development of “workforce” housing that is targeted to the moderate-wage tier of the renter market. Thus, non-subsidized multi-family projects are nearly



always priced for higher-income renters with “Class A” units such as what has been built in New Braunfels, which is perceived to have a more viable market at such lease rates.

Due to these constraints, therefore, CDS does not believe that a large-scale Class A complex makes sense in the near term, both from the nature of moderate-wage job growth locally and the skepticism of the multi-family industry with regard to such product in the San Marcos market.

However, this does not mean that market demand for “nicer” rental units does not exist. Many employers cited that new hires in many cases rent a multi-family unit in New Braunfels and overall new hires tend to state they desire to live closer to the Square and downtown but rental units in those locations are very few and rarely are available and when they are quickly become occupied due to lack of inventory. These housing types are typically what makes up the “missing middle” housing that are usually the primary housing types for local workforce, especially police, fire, EMS, teachers, healthcare, and city staff.

Missing Middle housing can be defined as a spectrum of multi-unit housing types such as duplexes, fourplexes, bungalow courts, and mansion apartments that are not bigger than a large house and require fewer financial resources to site and build than large apartment complexes.

The most aggressive approach moving forward to capitalize on high demand would be to allow these housing types to be located within single-family zones.





## Single-family Market Opportunities

Demand for diverse for sale housing types in San Marcos, especially in areas located in the CMA and Study Area was very high and inventory was for what agents termed, “housing diversity options”, was not at a high level.

Demand for new, diverse housing types of greenfield, infill, adaptive reuse, and conversion for-sale units was highest in older, established core neighborhoods especially in the neighborhoods surrounding downtown.

New master-planned communities are planned or underway such as Trace, Blanco Vista, Vista de los Santos, Cottonwood Creek, and La Cima.

Some builders like Pacesetter are providing new compact single-family homes on lots from 30 to 34 feet where allowable and available and believe they will continue to produce these products as they have been highly absorbed and very popular in the San Marcos market.

The San Marcos River, Texas State University, Blanco River, the growth of the I-35 corridor, the appeal, and scenes of the Hill Country and proximity to regional amenities and attractions are all assets that will continue to create new housing demand and opportunities in the CMA and Study Area to fulfill continued demand for new single-family homes, especially of a more compact and dense nature that supports affordability.

## Single-family Market Constraints

There is a large lack of for-sale inventory of existing and new single-family for-sale homes located in core neighborhoods surrounding the Square as well as in other established neighborhoods.

Without providing homebuyers with the new homes in the most optimal appealing locations near downtown and in an established neighborhoods the City runs the risk of not capturing young professionals or singles and families employed in San Marcos and seeking to live in the City.

One challenge will be connecting new greenfield single-family developments in master-planned communities with the downtown and other San Marcos amenities and assets.

The lack of mass transit and connectivity of housing to employment and commercial nodes via modern, quality bicycle and pedestrian infrastructure were mentioned consistently as constraints to desirability and feasibility of new for-sale housing construction in all areas of the CMA and Study Area.

Newly enacted flood zones was another market constraint consistently mentioned which added an unexpected mandatory cost to homes that previously were zoned outside of the flood zone.

The prevalence of moderate pay jobs appeared to be somewhat of a constraint, but many employers stated that they believed opportunities for future higher paying job growth are feasible given Texas State University’s goal to expand research and other activities as well as the proximity to Austin and San Antonio Metros.



## San Marcos Housing Demand Key Findings

In San Marcos workforce housing was in low supply for existing as well as new housing inventories.

Biggest group of locally employed house hunters comes from the largest employer in San Marcos, Texas State University. This group is made up of workers there making \$70,000 to \$80,000. At these incomes, an affordable priced home would range from \$225,000 - \$275,000.

The biggest missing piece of housing according to eager house hunters employed at Texas State University are two bed, one bath and three bed, two bath, one, two and three story row homes, townhomes, garden homes, patio homes, and three to four story condominiums located in established and core neighborhoods in price ranges mentioned above.

They also mentioned urban amenities such as walking and biking connectivity to The Square, the San Marcos River, parks, and businesses in and around downtown.

The estimated 2019 median household income for San Marcos was \$36,998 and can afford max monthly rent of \$900 per month.

The estimated 2019 median household income for the CMA was \$34,290 and can afford max monthly rent of \$800 per month.

The estimated 2019 median household income for the Study Area was \$36,414 and can afford max monthly rent of \$875 per month.

The 2018 ACS estimated median owner occupied income was \$68,883 and can afford a maximum home price of \$225,000 or max monthly rent of \$1,750 per month.

The 2018 ACS estimated median renter occupied income was \$28,561 and can afford max monthly rent of \$700 per month.

The sectors with the highest job growth in recent years was Accommodation and Food Services (avg. weekly wage of \$357 = \$450 max affordable rent per month), Transportation and Warehousing (avg. weekly wage \$782 = \$1,000 max affordable rent per month), Health Care and Social Assistance (avg. weekly wage \$823 = \$1,000 max affordable rent per month), Educational Services (avg. weekly wage \$979 = \$1,250 max affordable rent per month), and Construction (avg. weekly wage \$1,119 = max affordable rent \$1,300 per month)



## CDS COMPANY BIO

CDS Community Development Strategies (CDS) is a leading national consulting firm headquartered in Houston, Texas, providing economic analysis, public planning, and market research services to clients in a wide variety of industries. CDS was formed in 1971 and is staffed with seasoned professionals who have training and experience in economic development, demographic research, urban planning, statistical analysis, market evaluation, and all aspects of real estate development.

Since 1971, CDS has remained at the forefront of the industry by doing three things:

1. Staying actively involved in numerous professional and trade associations.
2. Providing clear, unbiased, and up-to-date solutions by employing the most appropriate and cost-effective research methods.
3. Utilizing solution-oriented analysis teams to focus on each project assignment adapted to your needs.



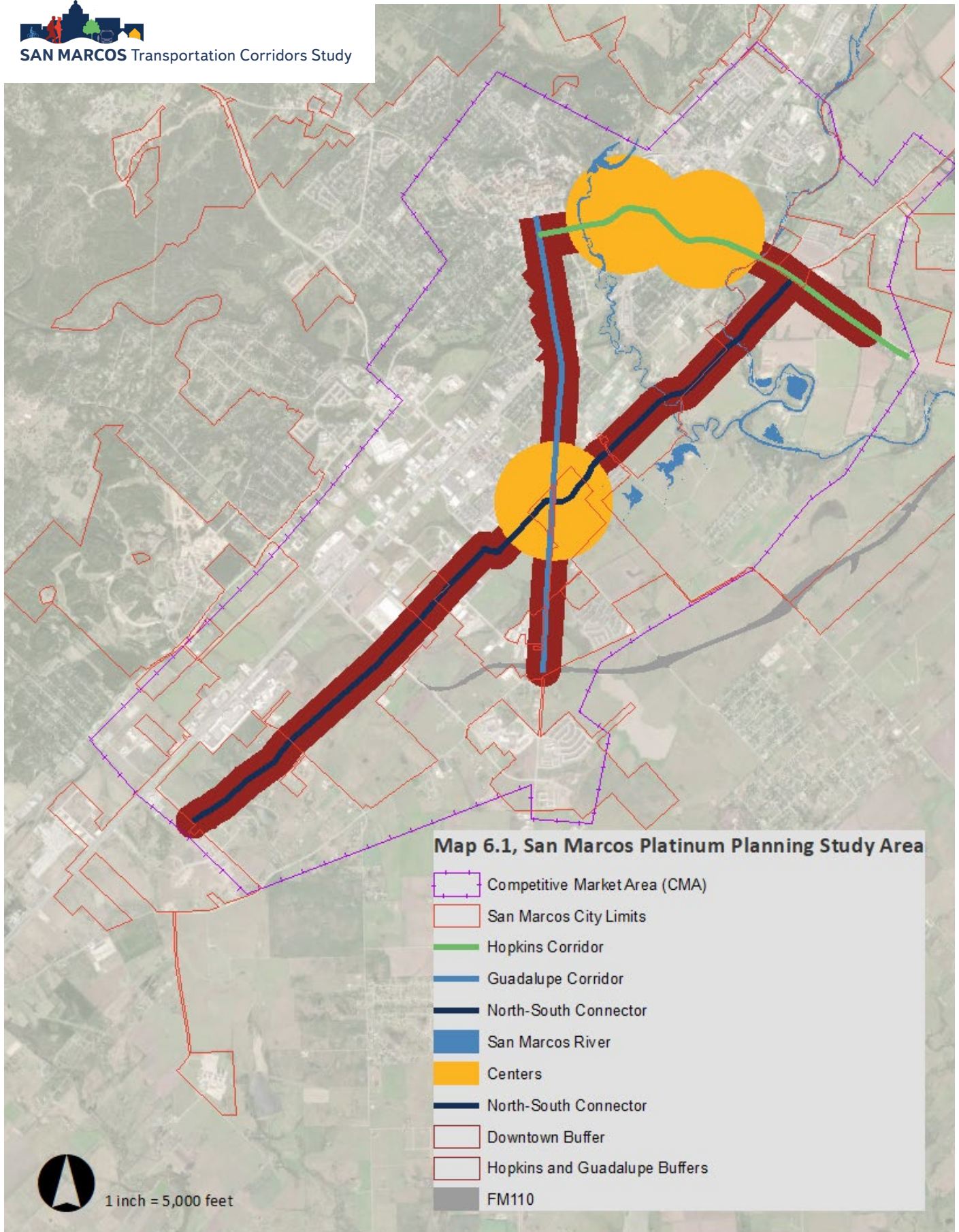






## Study Area Description

San Marcos is a city and the county seat of Hays County, Texas, United States. The city's limits extend into Caldwell and Guadalupe Counties, as well. San Marcos is within the Austin—Round Rock—San Marcos metropolitan area and on the Interstate 35 corridor between Austin and San Antonio (**Map 6.1, San Marcos Platinum Planning Study Area**)





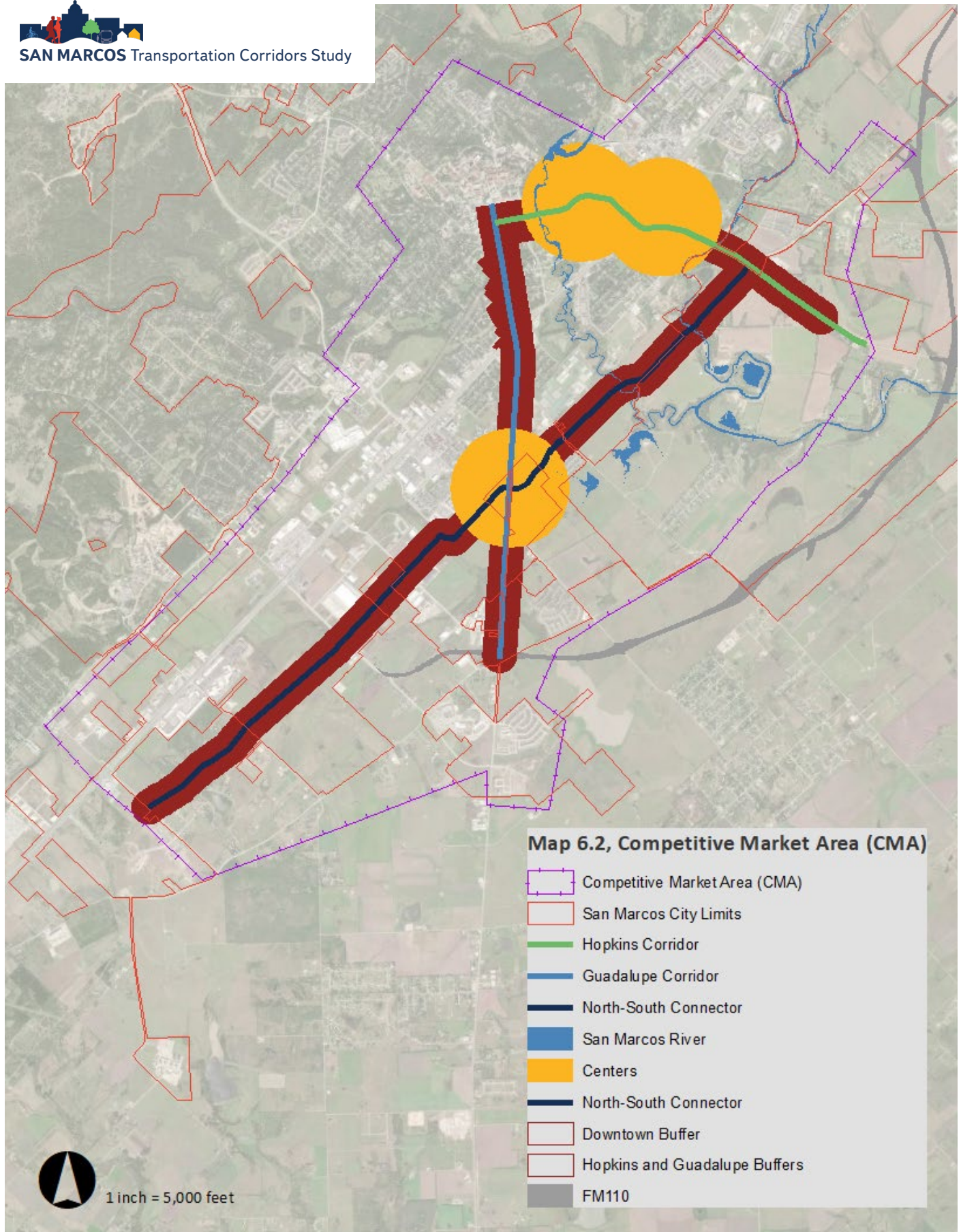
## Competitive Market Area (CMA)

The Competitive Market Area (CMA) will be used as a geographic boundary that will provide the parameters for demographic and other real estate market data that will serve to approximate demand and support for housing in the Study Area and Competitive Market Area (CMA).

The CMA can be seen in the map below represented by the area outlined with a purple line.

The CMA is roughly defined by Hunter Rd. and Posey Rd. to the west and south and Post Rd. and Blanco River on the north and Old Bastrop Rd. to the east (**Map 6.2, Competitive Market Area (CMA)**).









## DEMOGRAPHIC AND ECONOMIC ANALYSIS

Understanding the demographic trends for an area is an important element in assessing the market demand for new housing. Past, present and future demographic figures were collected and estimated by utilizing data from the following sources: U.S. Census Bureau, American Community Survey, PCensus for ArcView (hereafter referred to as “PCensus”), Bureau of Labor Statistics, Texas Workforce Commission Labor Market Information, Quarterly Census of Employment and Wages (QCEW), City of San Marcos, San Marcos Chamber of Commerce, City of San Marcos Planning and Development, San Marcos Association of Realtors and primary research completed by CDS Market Research.

Thanks goes out to City of San Marcos and all local businesses and other entities instrumental in completing this report.



## Population and Households

The table below provides population and household counts for 2000 and 2010, as well as estimates for 2019 and projections for 2024.

*Table 6.1, Population and Households, 2000 to 2024*

| Population                   | 2000 Census | 2010 Census | 2019 PCensus   | 2024 Projection | Change 2010 to 2019 | % Change 2010 to 2019 | Change 2019 to 2024 | % Change 2019 to 2024 |
|------------------------------|-------------|-------------|----------------|-----------------|---------------------|-----------------------|---------------------|-----------------------|
| Platinum Planning Study Area | 6,572       | 5,932       | <b>7,470</b>   | 8,128           | 1,538               | 26%                   | 658                 | 9%                    |
| CMA                          | 29,570      | 35,266      | <b>44,084</b>  | 48,087          | 8,818               | 25%                   | 4,003               | 9%                    |
| San Marcos                   | 35,748      | 44,894      | <b>59,045</b>  | 64,562          | 14,151              | 32%                   | 5,517               | 9%                    |
| Hays County                  | 97,588      | 157,107     | <b>225,256</b> | 247,532         | 68,149              | 43%                   | 22,276              | 10%                   |
|                              |             |             |                |                 |                     |                       |                     |                       |
| Households                   | 2000 Census | 2010 Census | 2019 PCensus   | 2024 Projection | Change 2010 to 2019 | % Change 2010 to 2019 | Change 2019 to 2024 | % Change 2019 to 2024 |
| Platinum Planning Study Area | 2,635       | 2,604       | <b>3,323</b>   | 3,643           | 719                 | 28%                   | 320                 | 10%                   |
| CMA                          | 10,156      | 13,058      | <b>16,612</b>  | 18,224          | 3,554               | 27%                   | 1,612               | 10%                   |
| San Marcos                   | 12,653      | 16,968      | <b>22,701</b>  | 24,973          | 5,733               | 34%                   | 2,272               | 10%                   |
| Hays County                  | 33,412      | 55,245      | <b>79,448</b>  | 87,672          | 24,203              | 44%                   | 8,224               | 10%                   |

Sources: U.S. Census Bureau, 2000, 2010, Nielsen/Claritas 2019, 2024 Estimates – PCensus for ArcView (hereafter referred to as PCensus)

- Current estimated population in San Marcos is 60,000 and increased by 32% (14,151 new residents) from 2010 to 2019 and is estimated to increase by another 9% (5,517 new residents) from 2019 to 2024.
- Current estimated population in Hays County is 225,256 and increased by 43% (68,149 new residents) from 2010 to 2019 and is estimated to increase by another 10% (22,276 new residents) from 2019 to 2024.
- San Marcos captured a 20% share of the estimated total population growth in Hays County since 2010 and as of 2019 San Marcos represented a 26% share of total population in Hays County.
- Population estimates showed 44,084 living in the CMA and 7,470 living in the Study Area.
- The CMA had a 75% share of the City's population.
- The Study Area had a 13% share of the City's population and 17% share of the CMA's population.



## Age Distribution

The table below contains the breakdown of the population by age in 2019.

The total population as well as cohorts of 16 and over, 18 and over, 21 and over and 65 and older have been identified along with their respective percentages of total population in 2019.

- Estimates for 2019 showed the median age for Hays County was 35.72, and San Marcos was 25.4.
- The median age for the CMA was 24.49 and 31.03 for the Study Area.
- These are the main age groups for the CMA in order of share of its population:
  - Age 21 to 24 – 19% (8,304)
  - Age 18 to 20 – 17% (7,536)
  - Age 25 to 34 – 16% (7,034)
- Age 85 and over cohort had the least share of population in the CMA at 1% (614).
- Age 25 to 35 cohort had the greatest share of population at 19% (1,450).

**Table 6.2, Population by Age, 2019**

| Age               | Platinum<br>Planning Study<br>Area |             | CMA           |             | San Marcos    |             | Hays County    |       |
|-------------------|------------------------------------|-------------|---------------|-------------|---------------|-------------|----------------|-------|
|                   | Count                              | Share       | Count         | Share       | Count         | Share       | Count          | Share |
| <b>Total</b>      | <b>7,470</b>                       | <b>100%</b> | <b>44,084</b> | <b>100%</b> | <b>59,045</b> | <b>100%</b> | <b>225,256</b> |       |
| Age 0 to 4        | 415                                | 6%          | 1,785         | 4%          | 2,430         | 4%          | 14,002         | 6%    |
| Age 5 to 9        | 422                                | 6%          | 1,808         | 4%          | 2,469         | 4%          | 14,193         | 6%    |
| Age 10 to 14      | 431                                | 6%          | 1,865         | 4%          | 2,601         | 4%          | 14,559         | 6%    |
| Age 15 to 17      | 300                                | 4%          | 1,809         | 4%          | 2,402         | 4%          | 8,937          | 4%    |
| Age 18 to 20      | 402                                | 5%          | 7,536         | 17%         | 8,580         | 15%         | 15,093         | 7%    |
| Age 21 to 24      | 890                                | 12%         | 8,304         | 19%         | 10,657        | 18%         | 20,585         | 9%    |
| Age 25 to 34      | 1,450                              | 19%         | 7,034         | 16%         | 9,556         | 16%         | 32,734         | 15%   |
| Age 35 to 44      | 1,085                              | 15%         | 5,232         | 12%         | 7,139         | 12%         | 29,722         | 13%   |
| Age 45 to 54      | 659                                | 9%          | 2,821         | 6%          | 4,098         | 7%          | 25,795         | 11%   |
| Age 55 to 64      | 540                                | 7%          | 2,290         | 5%          | 3,620         | 6%          | 23,430         | 10%   |
| Age 65 to 74      | 454                                | 6%          | 1,912         | 4%          | 3,127         | 5%          | 17,049         | 8%    |
| Age 75 to 84      | 260                                | 3%          | 1,074         | 2%          | 1,581         | 3%          | 6,881          | 3%    |
| Age 85 and over   | 162                                | 2%          | 614           | 1%          | 785           | 1%          | 2,276          | 1%    |
| Age 16 and over   | 6,104                              | 82%         | 38,049        | 86%         | 50,772        | 86%         | 179,582        | 80%   |
| Age 18 and over   | 5,902                              | 79%         | 36,818        | 84%         | 49,143        | 83%         | 173,565        | 77%   |
| Age 21 and over   | 5,500                              | 74%         | 29,282        | 66%         | 40,563        | 69%         | 158,472        | 70%   |
| Age 65 and over   | 876                                | 12%         | 3,600         | 8%          | 5,493         | 9%          | 26,206         | 12%   |
| <b>Median Age</b> | <b>31.03</b>                       |             | <b>24.49</b>  |             | <b>25.40</b>  |             | <b>35.72</b>   |       |

Source: PCensus 2019



## Race and Ethnicity

The table below shows the estimated 2019 ethnic and racial makeup of the Study Area, CMA, San Marcos, and Hays County.

- The Study Area had the greatest share of Hispanic or Latino residents.

**Table 6.3, Race and Ethnicity, 2019**

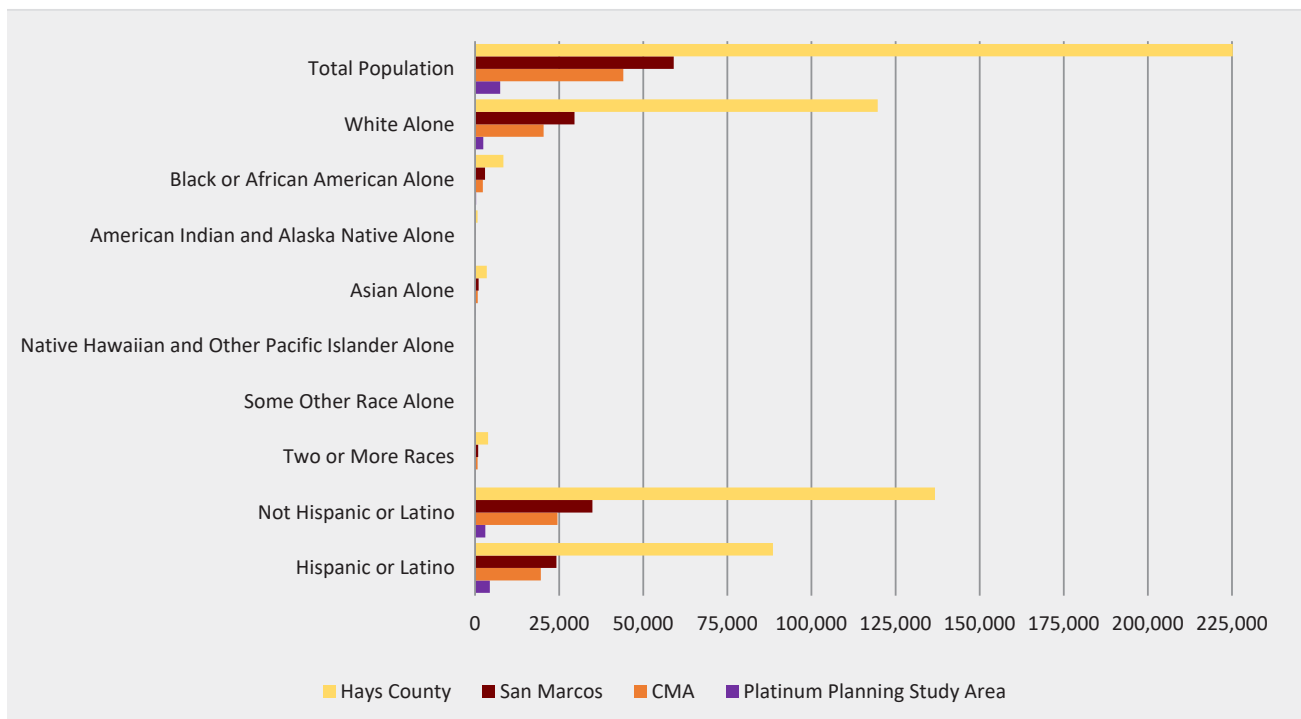
| Race and Ethnicity                               | Platinum<br>Planning Study<br>Area |             | CMA           |             | San Marcos    |             | Hays County    |             |
|--|------------------------------------|-------------|---------------|-------------|---------------|-------------|----------------|-------------|
|  | Count                              | Share       | Count         | Share       | Count         | Share       | Count          | Share       |
| <b>Total Population</b>                          | <b>7,470</b>                       | <b>100%</b> | <b>44,084</b> | <b>100%</b> | <b>59,045</b> | <b>100%</b> | <b>225,256</b> | <b>100%</b> |
| White Alone                                      | 2,447                              | 33%         | 20,358        | 46%         | 29,576        | 50%         | 119,680        | 53%         |
| Black or African American Alone                  | 320                                | 4%          | 2319          | 5%          | 2947          | 5%          | 8413           | 4%          |
| American Indian and Alaska Native Alone          | 19                                 | 0%          | 165           | 0%          | 214           | 0%          | 739            | 0%          |
| Asian Alone                                      | 153                                | 2%          | 799           | 2%          | 1073          | 2%          | 3466           | 2%          |
| Native Hawaiian and Other Pacific Islander Alone | 6                                  | 0%          | 42            | 0%          | 48            | 0%          | 197            | 0%          |
| Some Other Race Alone                            | 9                                  | 0%          | 58            | 0%          | 73            | 0%          | 303            | 0%          |
| Two or More Races                                | 111                                | 1%          | 771           | 2%          | 937           | 2%          | 3898           | 2%          |
| <b>Not Hispanic or Latino</b>                    | <b>3,065</b>                       | <b>41%</b>  | <b>24,511</b> | <b>56%</b>  | <b>34,868</b> | <b>59%</b>  | <b>136,696</b> | <b>61%</b>  |
| <b>Hispanic or Latino</b>                        | <b>4,405</b>                       | <b>59%</b>  | <b>19,573</b> | <b>44%</b>  | <b>24,177</b> | <b>41%</b>  | <b>88,560</b>  | <b>39%</b>  |

Source: PCensus 2019





**Figure 6.1, Race and Ethnicity, 2019**





## Household Size and Type

The table below shows 2019 household size and estimated average household size as well as family and nonfamily households.

- The estimated average household size for the Study Areas were:
  - Study Area – 2.22
  - CMA – 2.23
  - San Marcos – 2.28
  - Hays County – 2.73
- Only Hays County had a large share of family households with 68%.
- The Study Area had a 46% share of family households and the CMA had a 40% share of family households.
- The most prevalent household sizes in CMA were:
  - 1-person households with a 36% share of total households at 5,989 households
  - 2-person households with a 33% share of total households at 5,416 households
  - 3-person households with a 15% share of total households at 2,471 households

**Table 6.4, Household Size and Type, 2019**

| Household Size                | Platinum<br>Planning Study<br>Area |             | CMA           |             | San Marcos    |             | Hays County   |             |
|-------------------------------|------------------------------------|-------------|---------------|-------------|---------------|-------------|---------------|-------------|
|                               | Count                              | Share       | Count         | Share       | Count         | Share       | Count         | Share       |
| <b>Total:</b>                 | <b>3,323</b>                       | <b>100%</b> | <b>16,612</b> | <b>100%</b> | <b>22,701</b> | <b>100%</b> | <b>79,448</b> | <b>100%</b> |
| 1-person household            | 1,297                              | 39%         | 5,989         | 36%         | 7,618         | 34%         | 17,184        | 22%         |
| 2-person household            | 1,004                              | 30%         | 5,416         | 33%         | 7,614         | 34%         | 25,987        | 33%         |
| 3-person household            | 455                                | 14%         | 2,471         | 15%         | 3,668         | 16%         | 14,365        | 18%         |
| 4-person household            | 301                                | 9%          | 1,600         | 10%         | 2,262         | 10%         | 12,008        | 15%         |
| 5-person household            | 149                                | 5%          | 659           | 4%          | 904           | 4%          | 5,820         | 7%          |
| 6-person household            | 70                                 | 2%          | 282           | 2%          | 378           | 2%          | 2,454         | 3%          |
| 7-or-more person household    | 48                                 | 1%          | 194           | 1%          | 257           | 1%          | 1,630         | 2%          |
| <b>Average Household Size</b> | <b>2.22</b>                        | <b>-</b>    | <b>2.23</b>   | <b>-</b>    | <b>2.28</b>   | <b>-</b>    | <b>2.73</b>   | <b>-</b>    |
| <b>Family Households</b>      | <b>1,513</b>                       | <b>46%</b>  | <b>6,562</b>  | <b>40%</b>  | <b>9,612</b>  | <b>42%</b>  | <b>53,691</b> | <b>68%</b>  |
| <b>Nonfamily Households</b>   | <b>1,810</b>                       | <b>54%</b>  | <b>10,050</b> | <b>61%</b>  | <b>13,089</b> | <b>58%</b>  | <b>25,757</b> | <b>32%</b>  |

Source: PCensus 2019



The table below shows households by presence of children, householder, and presence of marriage.

- According to the estimates the Study Area and CMA had a 76% and 80% share of households with no children younger than 18 years old in their household, respectively.
- The Study Area and CMA had a 24% and 20% share of households, respectively, with one or more people under 18 years, in comparison to the 2017 United States share of 31% households with one or more people under 18 years.
- Of households with no people younger than 18 in the Study Area had 19% that were married couple families and the CMA had a 16% share that were married-couple families.

**Table 6.5, Household Type, 2019**

| Households by Type                                   | Platinum Planning Study Area |             | CMA           |             | San Marcos    |             | Hays County   |             |
|--|------------------------------|-------------|---------------|-------------|---------------|-------------|---------------|-------------|
|  | Count                        | Share       | Count         | Share       | Count         | Share       | Count         | Share       |
| <b>Total Households</b>                              | <b>3,323</b>                 | <b>100%</b> | <b>16,612</b> | <b>100%</b> | <b>22,701</b> | <b>100%</b> | <b>79,448</b> | <b>100%</b> |
| With 1 or more People under Age 18                   | 801                          | 24%         | 3,380         | 20%         | 4,782         | 21%         | 29,705        | 37%         |
| With No People under Age 18                          | 2,522                        | 76%         | 13,232        | 80%         | 17,919        | 79%         | 49,743        | 63%         |
| <b>Households with 1 or more People under Age 18</b> | <b>801</b>                   |             | <b>3,380</b>  |             | <b>4,782</b>  |             | <b>29,705</b> |             |
| Married-Couple Family                                | 376                          | 47%         | 1,729         | 51%         | 2,697         | 56%         | 21,852        | 74%         |
| Other Family, Male Householder                       | 109                          | 14%         | 449           | 13%         | 570           | 12%         | 2,177         | 7%          |
| Other Family, Female Householder                     | 304                          | 38%         | 1,157         | 34%         | 1,454         | 30%         | 5,403         | 18%         |
| Nonfamily, Male Householder                          | 8                            | 1%          | 26            | 1%          | 34            | 1%          | 178           | 1%          |
| Nonfamily, Female Householder                        | 4                            | 1%          | 19            | 1%          | 27            | 1%          | 95            | 0%          |
| <b>Households with No People under Age 18</b>        | <b>2,522</b>                 |             | <b>13,232</b> |             | <b>17,919</b> |             | <b>49,743</b> |             |
| Married-Couple Family                                | 479                          | 19%         | 2,104         | 16%         | 3,425         | 19%         | 20,259        | 41%         |
| Other Family, Male Householder                       | 96                           | 4%          | 469           | 4%          | 620           | 3%          | 1,521         | 3%          |
| Other Family, Female Householder                     | 149                          | 6%          | 658           | 5%          | 854           | 5%          | 2,488         | 5%          |
| Nonfamily, Male Householder                          | 935                          | 37%         | 4,978         | 38%         | 6,560         | 37%         | 12,509        | 25%         |
| Nonfamily, Female Householder                        | 863                          | 34%         | 5,023         | 38%         | 6,460         | 36%         | 12,966        | 26%         |
| <b>Family HH Type by Presence of Own Children</b>    | <b>1,513</b>                 |             | <b>6,562</b>  |             | <b>9,612</b>  |             | <b>53,691</b> |             |
| Married-Couple Family, own children                  | 326                          | 22%         | 1,533         | 23%         | 2,450         | 25%         | 20,426        | 38%         |
| Married-Couple Family, no own children               | 527                          | 35%         | 2,298         | 35%         | 3,666         | 38%         | 21,683        | 40%         |
| Male Householder, own children                       | 88                           | 6%          | 358           | 5%          | 457           | 5%          | 1,841         | 3%          |
| Male Householder, no own children                    | 117                          | 8%          | 558           | 9%          | 730           | 8%          | 1,854         | 3%          |
| Female Householder, own children                     | 250                          | 17%         | 969           | 15%         | 1,233         | 13%         | 4,620         | 9%          |
| Female Householder, no own children                  | 205                          | 14%         | 847           | 13%         | 1,076         | 11%         | 3,267         | 6%          |

Source: PCensus 2019



The table below shows past, current, and future data for family households. Also, the table shows families by poverty status.

- The Study Area had an estimated 36% (548) of total family households below poverty and the CMA had 34% (2,208) family households below poverty.
- Family households above poverty were approximately 80% (1,216) in the Study Area and 81% (5,336) of all families in the CMA.

**Table 6.6, Family Households and Poverty, 2019**

| Family Households                               | Platinum<br>Planning Study<br>Area |             | CMA           |             | San Marcos    |             | Hays County   |             |
|---|------------------------------------|-------------|---------------|-------------|---------------|-------------|---------------|-------------|
|   | Count                              | Share       | Count         | Share       | Count         | Share       | Count         | Share       |
| <b>Total Households</b>                         | <b>3,323</b>                       | <b>100%</b> | <b>16,612</b> | <b>100%</b> | <b>22,701</b> | <b>100%</b> | <b>79,448</b> | <b>100%</b> |
| 2024 Family Households Projection               | 1,667                              | -           | 7,223         | -           | 24,973        | -           | 87,672        | -           |
| <b>2019 Family Households Estimate</b>          | <b>1,513</b>                       | <b>-</b>    | <b>6,562</b>  | <b>-</b>    | <b>22,701</b> | <b>-</b>    | <b>79,448</b> | <b>-</b>    |
| 2010 Census Family Households                   | 1,143                              | -           | 5,023         | -           | 16,968        | -           | 55,245        | -           |
| 2000 Census Family Households                   | 1,113                              | -           | 4,437         | -           | 12,653        | -           | 33,412        | -           |
| Growth 2019-2024                                | 10%                                | -           | 10%           | -           | 10%           | -           | 9%            | -           |
| Growth 2010-2019                                | 32%                                | -           | 31%           | -           | 26%           | -           | 21%           | -           |
| Growth 2000-2010                                | 3%                                 | -           | 13%           | -           | 27%           | -           | 9%            | -           |
| <b>2019 Family Households by Poverty Status</b> | <b>1,513</b>                       | <b>100%</b> | <b>6,562</b>  | <b>100%</b> | <b>9,612</b>  | <b>100%</b> | <b>53,691</b> | <b>100%</b> |
| At or Above Poverty                             | 1,216                              | 80%         | 5,336         | 81%         | 7,966         | 83%         | 49,140        | 92%         |
| At or Above Poverty with Children               | 592                                | 39%         | 2,496         | 38%         | 3,421         | 36%         | 24,319        | 45%         |
| <b>Total Below Poverty</b>                      | <b>548</b>                         | <b>36%</b>  | <b>2,208</b>  | <b>34%</b>  | <b>2,945</b>  | <b>31%</b>  | <b>8,052</b>  | <b>15%</b>  |
| Below Poverty                                   | 298                                | 20%         | 1,226         | 19%         | 1,646         | 17%         | 4,551         | 8%          |
| Below Poverty with Children                     | 250                                | 16%         | 982           | 15%         | 1,299         | 14%         | 3,501         | 7%          |

Source: PCensus 2019

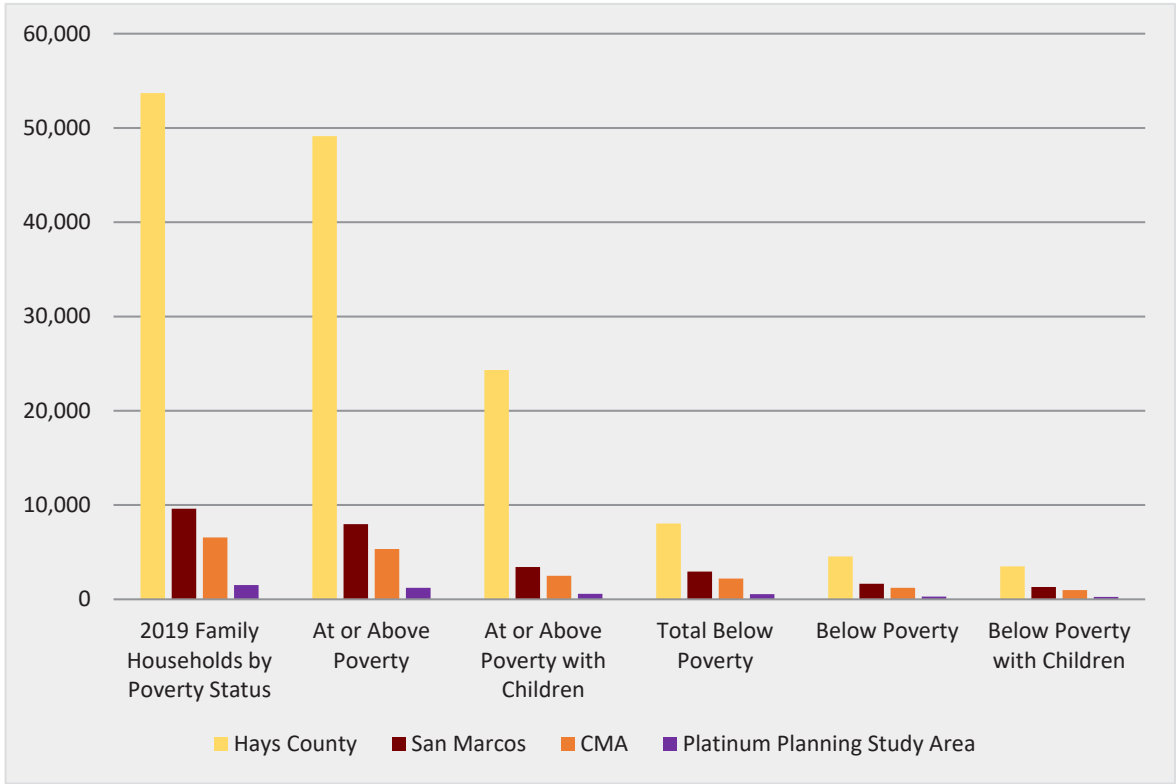




The chart below shows family households by poverty status. Family households are shown in order to estimate poverty of local non-student households.

Family households by poverty are also for the purpose of estimating the potential scale of housing demand by housing type, household size and income for low income families.

Figure 6.2, 2019 Family Households by Poverty Status



Source: PCensus 2019



## Educational Attainment

The table below provides 2019 educational attainment data, which shows the highest level of education attained by the 25 years and older population.

The educational attainment in the Study Area and CMA are very similar to the City and County.

**Table 6.7, San Marcos Educational Attainment 2019**

| Educational Attainment        | Platinum<br>Planning Study<br>Area |             | CMA           |             | San Marcos    |             | Hays County    |             |
|-------------------------------|------------------------------------|-------------|---------------|-------------|---------------|-------------|----------------|-------------|
|                               | Count                              | Share       | Count         | Share       | Count         | Share       | Count          | Share       |
| <b>Pop Age 25+</b>            | <b>4,610</b>                       | <b>100%</b> | <b>20,977</b> | <b>100%</b> | <b>29,906</b> | <b>100%</b> | <b>137,887</b> | <b>100%</b> |
| Less than 9th grade           | 443                                | 10%         | 1,539         | 7%          | 1,851         | 6%          | 7,921          | 6%          |
| Some High School, no diploma  | 547                                | 12%         | 2,027         | 10%         | 2,443         | 8%          | 8,881          | 6%          |
| High School Graduate (or GED) | 1,281                              | 28%         | 5,701         | 27%         | 7,941         | 27%         | 30,208         | 22%         |
| Some College, no degree       | 1,030                              | 22%         | 4,917         | 23%         | 7,024         | 23%         | 33,085         | 24%         |
| Associate Degree              | 207                                | 4%          | 1,130         | 5%          | 1,619         | 5%          | 8,523          | 6%          |
| Bachelor's Degree             | 779                                | 17%         | 3,603         | 17%         | 5,347         | 18%         | 30,625         | 22%         |
| Master's Degree               | 264                                | 6%          | 1,570         | 7%          | 2,663         | 9%          | 14,289         | 10%         |
| Professional School Degree    | 13                                 | 0%          | 176           | 1%          | 337           | 1%          | 1,740          | 1%          |
| Doctorate Degree              | 46                                 | 1%          | 315           | 2%          | 681           | 2%          | 2,615          | 2%          |

Sources: Nielson 2010, PCensus 2019



## School District Enrollment

The table below shows enrollment in San Marcos Independent School District from 2012 to 2018.

**Table 6.8, San Marcos K-12 School Enrollment, 2012 to 2018**

| San Marcos ISD Enrollment | 2013  | 2014  | 2015  | 2016  | 2017  | 2018  |
|---------------------------|-------|-------|-------|-------|-------|-------|
| Totals by Year            | 7,509 | 7,501 | 7,736 | 7,858 | 8,073 | 8,167 |

Source: Texas Education Agency

- Current enrollment count for San Marcos ISD in 2018 was 8,167.
- Enrollment has increased by 94 students from the 2017 to 2018 school year.



## Household Income

The table below shows the breakdown of household incomes by income brackets for 2019.

It should be noted that average household income in 2019 was significantly higher in all areas.

This indicates higher concentrations of household incomes close to or below the median income, and a smaller number of much higher incomes which increases the average household income greater than the median.

In many interviews throughout this study many in the San Marcos real estate industry continually stated that San Marcos overall is a moderate to lower wage city. Much of this is due to university students, who are generally lower income, skewing the data.

However, it appears that a lack of housing diversity, particularly more dense and compact single-family entry level for sale and rental products, has played a role in detracting from San Marcos' ability to attract and retain professionals and younger families consistently and sustainably.

**Table 6.9, Household Income, 2019**

| Household Income                | Platinum Planning Study Area |             | CMA             |             | San Marcos      |             | Hays County     |             |
|---------------------------------|------------------------------|-------------|-----------------|-------------|-----------------|-------------|-----------------|-------------|
|                                 | Count                        | Share       | Count           | Share       | Count           | Share       | Count           | Share       |
| <b>Total Households</b>         | <b>3,323</b>                 | <b>100%</b> | <b>16,612</b>   | <b>100%</b> | <b>22,701</b>   | <b>100%</b> | <b>79,448</b>   | <b>100%</b> |
| < \$15,000                      | 748                          | 23%         | 4,196           | 25%         | 5,423           | 24%         | 8,227           | 10%         |
| \$15,000 to \$24,999            | 450                          | 14%         | 2,135           | 13%         | 2,723           | 12%         | 5,360           | 7%          |
| \$25,000 to \$34,999            | 412                          | 12%         | 2,126           | 13%         | 2,776           | 12%         | 6,027           | 8%          |
| \$35,000 to \$49,999            | 540                          | 16%         | 2,477           | 15%         | 3,217           | 14%         | 8,680           | 11%         |
| \$50,000 to \$74,999            | 518                          | 16%         | 2,544           | 15%         | 3,535           | 16%         | 13,754          | 17%         |
| \$75,000 to \$99,999            | 356                          | 11%         | 1,434           | 9%          | 2,014           | 9%          | 11,626          | 15%         |
| \$100,000 to \$124,999          | 154                          | 5%          | 707             | 4%          | 1,128           | 5%          | 8,347           | 11%         |
| \$125,000 to \$149,999          | 59                           | 2%          | 394             | 2%          | 668             | 3%          | 5,480           | 7%          |
| \$150,000 to \$199,999          | 50                           | 2%          | 308             | 2%          | 635             | 3%          | 5,774           | 7%          |
| \$200,000 to \$249,999          | 18                           | 1%          | 121             | 1%          | 272             | 1%          | 2,703           | 3%          |
| \$250,000 to \$499,999          | 13                           | 0%          | 110             | 1%          | 219             | 1%          | 2,479           | 3%          |
| \$500,000+                      | 3                            | 0%          | 61              | 0%          | 219             | 1%          | 2,479           | 3%          |
| <b>Average Household Income</b> | <b>\$47,454</b>              | -           | <b>\$48,790</b> | -           | <b>\$53,962</b> | -           | <b>\$92,096</b> | -           |
| <b>Median Household Income</b>  | <b>\$36,414</b>              | -           | <b>\$34,290</b> | -           | <b>\$36,998</b> | -           | <b>\$70,776</b> | -           |

Sources: PCensus 2019

- Overall, the County had just 36% (28,294) of households estimated with less than \$50,000.
- San Marcos had an estimated 62% (14,139) of households less than \$50,000.
- In the CMA 66% (10,934) of households were less than \$50,000 and the Study Area had 65% (2,150) of households with less than \$50,000.
- The greatest household income cohort in Hays County was the \$50,000 to \$74,999 bracket with 17% (13,754) of households, in San Marcos was the less than \$15,000 bracket with 24% (5,423) of households, in the CMA was the less than \$15,000 bracket with 25% (4,196) households and in the Study Area was the less than \$15,000 bracket with 23% (748) of households.





The table below shows households by income, average household income and median household income projections for 2024.

**Table 6.10, Household Income, 2024**

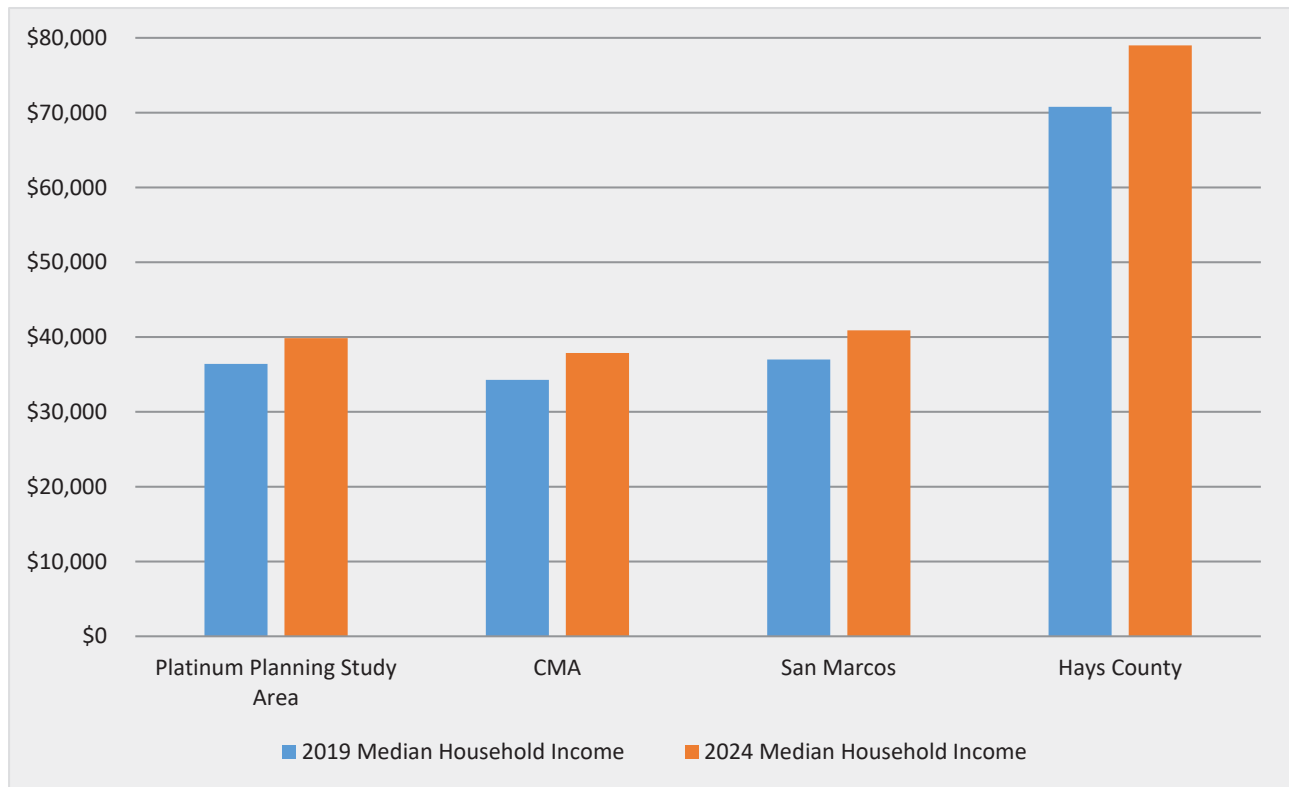
| Household Income                | Platinum Planning Study Area |             | CMA             |             | San Marcos      |             | Hays County      |             |
|---------------------------------|------------------------------|-------------|-----------------|-------------|-----------------|-------------|------------------|-------------|
|                                 | Count                        | Share       | Count           | Share       | Count           | Share       | Count            | Share       |
| <b>Total Households</b>         | <b>3,643</b>                 | <b>100%</b> | <b>18,224</b>   | <b>100%</b> | <b>24,973</b>   | <b>100%</b> | <b>87,672</b>    | <b>100%</b> |
| < \$15,000                      | 730                          | 20%         | 4,180           | 23%         | 5,398           | 22%         | 8,099            | 9%          |
| \$15,000 to \$24,999            | 452                          | 12%         | 2,135           | 12%         | 2,769           | 11%         | 5,245            | 6%          |
| \$25,000 to \$34,999            | 448                          | 12%         | 2,264           | 12%         | 2,894           | 12%         | 6,132            | 7%          |
| \$35,000 to \$49,999            | 595                          | 16%         | 2,777           | 15%         | 3,623           | 15%         | 8,764            | 10%         |
| \$50,000 to \$74,999            | 543                          | 15%         | 2,632           | 14%         | 3,635           | 15%         | 13,631           | 16%         |
| \$75,000 to \$99,999            | 399                          | 11%         | 1,730           | 9%          | 2,413           | 10%         | 12,275           | 14%         |
| \$100,000 to \$124,999          | 235                          | 6%          | 1,002           | 6%          | 1,504           | 6%          | 9,733            | 11%         |
| \$125,000 to \$149,999          | 107                          | 3%          | 566             | 3%          | 922             | 4%          | 7,015            | 8%          |
| \$150,000 to \$199,999          | 72                           | 2%          | 464             | 3%          | 871             | 3%          | 7,441            | 8%          |
| \$200,000 to \$249,999          | 34                           | 1%          | 210             | 1%          | 446             | 2%          | 4,030            | 5%          |
| \$250,000 to \$499,999          | 23                           | 1%          | 170             | 1%          | 347             | 1%          | 3,671            | 4%          |
| \$500,000+                      | 6                            | 0%          | 93              | 1%          | 151             | 1%          | 1,636            | 2%          |
| <b>Average Household Income</b> | <b>\$53,454</b>              | -           | <b>\$55,051</b> | -           | <b>\$61,069</b> | -           | <b>\$103,795</b> | -           |
| <b>Median Household Income</b>  | <b>\$39,850</b>              | -           | <b>\$37,874</b> | -           | <b>\$40,902</b> | -           | <b>\$79,002</b>  | -           |

Sources: PCensus 2019

- Estimated projections for 2024 show the City adding 2,272 households, the CMA adding 1,612 households and the Study Area adding 320 households.
- The CMA is projected to have a 70% (1,612) share and the Study Area is projected to have a 14% (320) share of San Marcos' future household growth.
- All areas are projected to experience an increase of median and average household incomes, a positive sign for the community.
- Median household income projections for 2024 show a 11.6% increase in the County, a 10.5% increase in the City, and 9.4% growth from 2019 estimates for the Study Area.
- The 2024 income projection does not expect the distribution of income levels to alter much from 2019 estimates. This trend could be altered depending on the wages and income levels of new jobs and worker households created in the City and region through 2024.



**Figure 6.3, Household Income, 2019 and 2024**





## Occupation of Residents

The table below displays employment by occupation for residents age 16 and older living in San Marcos, not those working in San Marcos. This data describes the work of residents, which does not represent San Marcos. Data from 2017 Longitudinal Employer-Household Dynamics (LEHD) by the Census Bureau estimates that 80% of San Marcos workers did not reside in the City. For those living in San Marcos 56% of residents were employed in White Collar occupations.

- San Marcos had about 29,737 residents age 16+ working and the CMA had 21,954.
- The top occupations for residents of the CMA were:
  - Sales/Related (3,968), Food Prep/Serving (3,930), and Office/Admin. Support (2,529)
  - These occupations accounted for 48% of the 10,427 employed residents in the CMA.

**Table 6.11, Occupation of Residents, 2019**

| Occupation  | Platinum Planning Study Area |             | CMA           |             | San Marcos    |             | Hays County    |             |
|---|------------------------------|-------------|---------------|-------------|---------------|-------------|----------------|-------------|
|   | Count                        | Share       | Count         | Share       | Count         | Share       | Count          | Share       |
| <b>Civ. Employed Pop 16+ by Occupation</b>            | <b>4,099</b>                 | <b>100%</b> | <b>21,954</b> | <b>100%</b> | <b>29,737</b> | <b>100%</b> | <b>113,640</b> | <b>100%</b> |
| Architect/Engineer                                    | 10                           | 0%          | 186           | 1%          | 324           | 1%          | 2,235          | 2%          |
| Arts/Entertainment/Sports                             | 44                           | 1%          | 397           | 2%          | 611           | 2%          | 2,775          | 2%          |
| Building Grounds Maintenance                          | 140                          | 3%          | 541           | 2%          | 662           | 2%          | 3,210          | 3%          |
| Business/Financial Operations                         | 104                          | 3%          | 378           | 2%          | 559           | 2%          | 4,200          | 4%          |
| Community/Social Services                             | 83                           | 2%          | 587           | 3%          | 742           | 3%          | 2,465          | 2%          |
| Computer/Mathematical                                 | 33                           | 1%          | 185           | 1%          | 287           | 1%          | 2,336          | 2%          |
| Construction/Extraction                               | 287                          | 7%          | 1,174         | 5%          | 1,738         | 6%          | 7,792          | 7%          |
| Education/Training/Library                            | 383                          | 9%          | 1,793         | 8%          | 2,510         | 8%          | 9,706          | 9%          |
| Farming/Fishing/Forestry                              | 8                            | 0%          | 55            | 0%          | 88            | 0%          | 220            | 0%          |
| Food Prep/Serving                                     | 732                          | 18%         | 3,930         | 18%         | 5,194         | 17%         | 10,285         | 9%          |
| Healthcare Practitioner/Technician                    | 172                          | 4%          | 806           | 4%          | 1,092         | 4%          | 5,561          | 5%          |
| Healthcare Support                                    | 63                           | 2%          | 271           | 1%          | 357           | 1%          | 1,733          | 2%          |
| Maintenance Repair                                    | 78                           | 2%          | 436           | 2%          | 619           | 2%          | 3,190          | 3%          |
| Legal   | 13                           | 0%          | 97            | 0%          | 150           | 1%          | 908            | 1%          |
| Life/Physical/Social Science                          | 55                           | 1%          | 207           | 1%          | 264           | 1%          | 989            | 1%          |
| Management  | 197                          | 5%          | 990           | 5%          | 1,628         | 5%          | 12,511         | 11%         |
| Office/Admin. Support                                 | 435                          | 11%         | 2,529         | 12%         | 3,454         | 12%         | 12,820         | 11%         |
| Production  | 214                          | 5%          | 1,114         | 5%          | 1,546         | 5%          | 5,908          | 5%          |
| Protective Service                                    | 48                           | 1%          | 243           | 1%          | 342           | 1%          | 2,161          | 2%          |
| Sales/Related   | 677                          | 17%         | 3,968         | 18%         | 4,985         | 17%         | 15,441         | 14%         |
| Personal Care/Service                                 | 91                           | 2%          | 865           | 4%          | 1,054         | 4%          | 2,973          | 3%          |
| Transportation/Moving                                 | 230                          | 6%          | 1,201         | 5%          | 1,531         | 5%          | 4,221          | 4%          |
| <b>2019 Est. Pop 16+ by Occupation Classification</b> |                              |             |               |             |               |             |                |             |
| Blue Collar   | 810                          | 20%         | 3,926         | 18%         | 5,434         | 18%         | 21,111         | 19%         |
| White Collar  | 2,207                        | 54%         | 12,124        | 55%         | 16,606        | 56%         | 71,947         | 63%         |
| Service & Farm  | 1,083                        | 26%         | 5,905         | 27%         | 7,697         | 26%         | 20,582         | 18%         |

Sources: PCensus 2019



- Blue Collar occupations for the purpose of this table include: Construction/Extraction, Maintenance Repair, Production, and Transportation/Moving.
- White Collar occupations include: Architect/Engineer, Arts/Entertainment/Sports, Business/Financial Operations, Computer/Mathematical, Education/Training/Library, Healthcare Practitioner/Technician, Healthcare Support, Legal, Life/Physical/Social Science, Management, Office/Admin. Support, Sales/Related.
- Service & Farm occupations include: Building Grounds Maintenance, Community/Social Services, Farming/Fishing/Forestry, Food Prep/Serving, Protective Service, Personal Care/Service.





## ECONOMIC AND EMPLOYMENT DATA

### Employment Trends

Housing demand in most markets derives principally from the presence of jobs and a workforce that wants to live within a reasonable commute. (In San Marcos, this is supplemented with demand from university students.) Therefore, CDS has examined the makeup of the local economy in Hays and Caldwell counties, which encompass San Marcos. The quantity, type and median earnings of occupations have a major impact on the size and nature of housing demand.

#### Employment by Industry – Industry Mix

The largest employment sectors in Hays County are various kinds of local-service businesses and organizations. While Retail Trade is notably large, partly due to the presence of two large outlet malls, Educational Services is also large because of the presence of Texas State University.

Table 6.12, Employment by Industry Trends – Hays County

*3<sup>rd</sup> Quarter Estimates, 2009-2019, Largest to Smallest 2019*

| Industry Sector  | Total Estimated Jobs |               |               |
|--|----------------------|---------------|---------------|
|  | 2009                 | 2014          | 2019          |
| Retail Trade   | 9,328                | 11,127        | 11,389        |
| Educational Services   | 8,285                | 9,559         | 11,135        |
| Accommodation and Food Services  | 5,755                | 7,683         | 10,008        |
| Health Care and Social Assistance  | 4,646                | 5,597         | 6,919         |
| Construction   | 2,919                | 4,052         | 6,221         |
| Manufacturing  | 3,930                | 4,030         | 4,793         |
| Transportation and Warehousing   | 1,070                | 1,532         | 4,298         |
| Administrative and Support and Waste Management and Remediation Services | 1,116                | 2,192         | 3,193         |
| Professional, Scientific, and Technical Services                         | 1,444                | 1,930         | 2,750         |
| Other Services (except Public Administration)                            | 1,760                | 1,875         | 2,522         |
| Public Administration  | 1,753                | 1,737         | 2,173         |
| Wholesale Trade  | 1,034                | 1,598         | 1,854         |
| Real Estate and Rental and Leasing                                       | 736                  | 890           | 1,751         |
| Information  | 611                  | 865           | 1,150         |
| Finance and Insurance  | 902                  | 1,205         | 1,141         |
| Arts, Entertainment, and Recreation                                      | 511                  | 458           | 719           |
| Management of Companies and Enterprises                                  | 295                  | 302           | 358           |
| Utilities  | 270                  | 246           | 269           |
| Mining, Quarrying, and Oil and Gas Extraction                            | 153                  | 240           | 198           |
| Agriculture, Forestry, Fishing and Hunting                               | 131                  | 127           | 134           |
| Unclassified   | 11                   | 15            | 43            |
| <b>Total, All Industries</b>   | <b>46,660</b>        | <b>57,260</b> | <b>73,018</b> |

Source: Texas Workforce Commission, Quarterly Census of Employment and Wages (QCEW); CDS



A similar mix of industries makes up the top categories in Caldwell County, though Educational Services is the largest there, and total employment is much smaller than Hays County.

**Table 6.13, Employment by Industry Trends – Caldwell County**  
**3<sup>rd</sup> Quarter Estimates, 2009-2019, Largest to Smallest 2019**

| Industry Sector  | Total Estimated Jobs |              |              |
|--|----------------------|--------------|--------------|
|  | 2009                 | 2014         | 2019         |
| Health Care and Social Assistance  | 1,273                | 1,405        | 1,496        |
| Retail Trade   | 972                  | 1,164        | 1,397        |
| Educational Services   | 987                  | 941          | 1,109        |
| Accommodation and Food Services  | 612                  | 736          | 1,001        |
| Manufacturing  | 252                  | 531          | 617          |
| Construction   | 260                  | 440          | 609          |
| Public Administration  | 525                  | 473          | 528          |
| Transportation and Warehousing   | 354                  | 621          | 380          |
| Administrative and Support and Waste Management and Remediation Services | 265                  | 327          | 293          |
| Finance and Insurance  | 178                  | 258          | 260          |
| Mining, Quarrying, and Oil and Gas Extraction                            | 221                  | 302          | 246          |
| Other Services (except Public Administration)                            | 165                  | 163          | 215          |
| Wholesale Trade  | 173                  | 167          | 189          |
| Agriculture, Forestry, Fishing and Hunting                               | 103                  | 176          | 174          |
| Professional, Scientific, and Technical Services                         | 92                   | 121          | 136          |
| Utilities  | 71                   | 70           | 72           |
| Real Estate and Rental and Leasing                                       | 84                   | 105          | 65           |
| Arts, Entertainment, and Recreation                                      | 30                   | 24           | 47           |
| Information  | 32                   | 65           | 35           |
| Unclassified   | 2                    | NA           | 11           |
| Management of Companies and Enterprises                                  | NA                   | NA           | NA           |
| <b>Total, All Industries</b>   | <b>6,653</b>         | <b>8,090</b> | <b>8,881</b> |

Source: Texas Workforce Commission, Quarterly Census of Employment and Wages (QCEW); CDS



## Employment by Industry – Growth Sectors

In terms of employment growth in Hays County, the Accommodation and Food Services sector (which includes restaurants, bars, and hotels) has experienced the greatest growth over the last ten years to third quarter 2019. However, Construction and Transportation and Warehousing have both grown very strongly as industrial / logistics development has expanded in the I-35 corridor.

Hays County total growth surged from 2014 to 2019, expanding by nearly 50% more than the previous five year period. During the ten-year period, the estimated payroll job count increased by over 56%.

**Table 6.14, Employment Change by Industry – Hays County**  
*3<sup>rd</sup> Quarter Estimates, 2009-2019, Largest to Smallest*

| Industry Sector  | Total Estimated Change in Jobs |               |               |
|--|--------------------------------|---------------|---------------|
|  | 2009-2014                      | 2014-2019     | 2009-2019     |
| Accommodation and Food Services  | 1,928                          | 2,325         | 4,253         |
| Construction   | 1,133                          | 2,169         | 3,302         |
| Transportation and Warehousing   | 462                            | 2,766         | 3,228         |
| Educational Services   | 1,274                          | 1,576         | 2,850         |
| Health Care and Social Assistance  | 951                            | 1,322         | 2,273         |
| Administrative and Support and Waste Management and Remediation Services | 1,076                          | 1,001         | 2,077         |
| Retail Trade   | 1,799                          | 262           | 2,061         |
| Professional, Scientific, and Technical Services                         | 486                            | 820           | 1,306         |
| Real Estate and Rental and Leasing                                       | 154                            | 861           | 1,015         |
| Manufacturing  | 100                            | 763           | 863           |
| Wholesale Trade  | 564                            | 256           | 820           |
| Other Services (except Public Administration)                            | 115                            | 647           | 762           |
| Information  | 254                            | 285           | 539           |
| Public Administration  | (16)                           | 436           | 420           |
| Finance and Insurance  | 303                            | (64)          | 239           |
| Arts, Entertainment, and Recreation                                      | (53)                           | 261           | 208           |
| Management of Companies and Enterprises                                  | 7                              | 56            | 63            |
| Mining, Quarrying, and Oil and Gas Extraction                            | 87                             | (42)          | 45            |
| Unclassified   | 4                              | 28            | 32            |
| Agriculture, Forestry, Fishing and Hunting                               | (4)                            | 7             | 3             |
| Utilities  | (24)                           | 23            | (1)           |
| <b>Total, All Industries</b>   | <b>10,600</b>                  | <b>15,758</b> | <b>26,358</b> |

Source: Texas Workforce Commission, Quarterly Census of Employment and Wages (QCEW); CDS



In Caldwell County, in addition to Retail Trade and Accommodation and Food Services, Manufacturing and Construction employment have also been growing. Overall job growth during the ten-year period was approximately 34%.

*Table 6.15, Employment Change by Industry – Caldwell County*  
*3<sup>rd</sup> Quarter Estimates, 2009-2019, Largest to Smallest*

| Industry Sector  | Total Estimated Change in Jobs |            |              |
|--|--------------------------------|------------|--------------|
|  | 2009-2014                      | 2014-2019  | 2009-2019    |
| Retail Trade   | 192                            | 233        | 425          |
| Accommodation and Food Services  | 124                            | 265        | 389          |
| Manufacturing  | 279                            | 86         | 365          |
| Construction   | 180                            | 169        | 349          |
| Health Care and Social Assistance  | 132                            | 91         | 223          |
| Educational Services   | (46)                           | 168        | 122          |
| Finance and Insurance  | 80                             | 2          | 82           |
| Agriculture, Forestry, Fishing and Hunting                               | 73                             | (2)        | 71           |
| Other Services (except Public Administration)                            | (2)                            | 52         | 50           |
| Professional, Scientific, and Technical Services                         | 29                             | 15         | 44           |
| Administrative and Support and Waste Management and Remediation Services | 62                             | (34)       | 28           |
| Transportation and Warehousing   | 267                            | (241)      | 26           |
| Mining, Quarrying, and Oil and Gas Extraction                            | 81                             | (56)       | 25           |
| Arts, Entertainment, and Recreation                                      | (6)                            | 23         | 17           |
| Wholesale Trade  | (6)                            | 22         | 16           |
| Unclassified   | NA                             | NA         | 9            |
| Public Administration  | (52)                           | 55         | 3            |
| Information  | 33                             | (30)       | 3            |
| Utilities  | (1)                            | 2          | 1            |
| Real Estate and Rental and Leasing                                       | 21                             | (40)       | (19)         |
| Management of Companies and Enterprises                                  | NA                             | NA         | NA           |
| <b>Total, All Industries</b>   | <b>1,437</b>                   | <b>791</b> | <b>2,228</b> |

Source: Texas Workforce Commission, Quarterly Census of Employment and Wages (QCEW); CDS





## Average Wages

There is a very wide disparity among the local industry sectors in terms of wage levels. The highest wage industries tend to be relatively smaller sectors in terms of total jobs. In Hays County, some moderate wage industries such as Health Care and Transportation and Warehousing are growing fast, so they would support working and middle class growth. However, Accommodation and Food Services, the fastest growing sector, is also the lowest paying.

The top five sectors with the greatest amount of total jobs added from 2014 to 2019 are highlighted in yellow in the table below. Combined these five employment sectors added a total of 10,158 new jobs from 2014 to 2019, a 64% share of the total 15,758 jobs added in that same time.

**Table 6.16, Average Weekly Wages by Industry – Hays County**

*3<sup>rd</sup> Quarter Estimates, 2009-2019, Largest to Smallest 2019*

| Industry Sector  | Average Weekly Wage (\$) |              |              |
|--|--------------------------|--------------|--------------|
|  | 2009                     | 2014         | 2019         |
| Mining, Quarrying, and Oil and Gas Extraction                            | NA                       | \$1,016      | \$1,721      |
| Utilities  | \$871                    | \$1,201      | \$1,525      |
| Management of Companies and Enterprises                                  | \$1,027                  | \$1,111      | \$1,458      |
| Wholesale Trade  | \$901                    | \$1,076      | \$1,320      |
| Professional, Scientific, and Technical Services                         | \$780                    | \$945        | \$1,139      |
| Public Administration  | \$864                    | \$899        | \$1,120      |
| Construction   | \$769                    | \$860        | \$1,119      |
| Manufacturing  | \$810                    | \$1,000      | \$1,085      |
| Finance and Insurance  | \$781                    | \$955        | \$1,070      |
| Educational Services   | \$787                    | \$857        | \$979        |
| Agriculture, Forestry, Fishing and Hunting                               | \$540                    | \$616        | \$914        |
| Information  | \$850                    | \$889        | \$899        |
| Health Care and Social Assistance  | \$665                    | \$781        | \$823        |
| Administrative and Support and Waste Management and Remediation Services | \$508                    | \$648        | \$810        |
| Transportation and Warehousing   | \$779                    | \$769        | \$782        |
| Real Estate and Rental and Leasing                                       | \$572                    | \$657        | \$730        |
| Other Services (except Public Administration)                            | \$464                    | \$618        | \$669        |
| Retail Trade   | \$411                    | \$456        | \$550        |
| Unclassified   | \$528                    | \$617        | \$506        |
| Arts, Entertainment, and Recreation                                      | \$375                    | \$358        | \$469        |
| Accommodation and Food Services  | \$265                    | \$312        | \$357        |
| <b>Total, All Industries</b>   | <b>\$616</b>             | <b>\$699</b> | <b>\$815</b> |

Source: Texas Workforce Commission, Quarterly Census of Employment and Wages (QCEW); CDS



Caldwell County, in general, has a narrower disparity of average wages across industries. However, the two fastest growing sectors, Retail Trade and Accommodation and Food Services, are again two of the lowest paying.

**Table 6.17, Average Weekly Wages by Industry – Caldwell County**

*3<sup>rd</sup> Quarter Estimates, 2009-2019, Largest to Smallest 2019*

| Industry Sector  | Average Weekly Wage (\$) |              |              |
|--|--------------------------|--------------|--------------|
|  | 2009                     | 2014         | 2019         |
| Finance and Insurance  | \$626                    | \$778        | \$1,246      |
| Utilities  | \$746                    | \$858        | \$1,131      |
| Wholesale Trade  | \$495                    | \$691        | \$959        |
| Professional, Scientific, and Technical Services                         | \$408                    | \$895        | \$936        |
| Construction   | \$549                    | \$757        | \$919        |
| Mining, Quarrying, and Oil and Gas Extraction                            | \$547                    | \$958        | \$891        |
| Public Administration  | \$648                    | \$690        | \$891        |
| Educational Services   | \$695                    | \$764        | \$830        |
| Health Care and Social Assistance  | \$575                    | \$648        | \$828        |
| Agriculture, Forestry, Fishing and Hunting                               | \$307                    | \$563        | \$802        |
| Manufacturing  | \$540                    | \$725        | \$786        |
| Transportation and Warehousing   | \$714                    | \$1,081      | \$762        |
| Real Estate and Rental and Leasing                                       | \$654                    | \$1,209      | \$742        |
| Unclassified   | \$420                    | NA           | \$710        |
| Other Services (except Public Administration)                            | \$409                    | \$511        | \$675        |
| Administrative and Support and Waste Management and Remediation Services | \$557                    | \$620        | \$636        |
| Retail Trade   | \$447                    | \$536        | \$581        |
| Information  | \$729                    | \$340        | \$460        |
| Arts, Entertainment, and Recreation                                      | \$274                    | \$393        | \$448        |
| Accommodation and Food Services  | \$271                    | \$336        | \$354        |
| Management of Companies and Enterprises                                  | NA                       | NA           | NA           |
| <b>Total, All Industries</b>   | <b>\$546</b>             | <b>\$684</b> | <b>\$746</b> |

Source: Texas Workforce Commission, Quarterly Census of Employment and Wages (QCEW); CDS



## Total Wages

Estimating total wages helps provide a general picture of the impact of each sector of the local economy in terms of potential spending generated. In Hays County, Educational Services has by far the greatest potential local spending impact. Total wages across all industries have more than doubled since 2009.

**Table 6.18, Total Wages by Industry – Hays County**

*3<sup>rd</sup> Quarter Estimates, 2009-2019, Largest to Smallest 2019*

| Industry Sector  | Estimated Total Wages (\$) |                      |                      |
|--|----------------------------|----------------------|----------------------|
|  | 2009                       | 2014                 | 2019                 |
| Educational Services   | \$84,762,638               | \$106,528,892        | \$141,758,470        |
| Construction   | \$29,191,762               | \$45,287,505         | \$90,483,824         |
| Retail Trade   | \$49,882,950               | \$65,925,899         | \$81,424,778         |
| Health Care and Social Assistance  | \$40,190,737               | \$56,801,853         | \$73,987,398         |
| Manufacturing  | \$41,399,758               | \$52,393,876         | \$67,619,889         |
| Accommodation and Food Services  | \$19,858,929               | \$31,120,883         | \$46,393,764         |
| Transportation and Warehousing   | \$10,843,608               | \$15,317,899         | \$43,670,112         |
| Professional, Scientific, and Technical Services                         | \$14,636,184               | \$23,708,338         | \$40,714,114         |
| Administrative and Support and Waste Management and Remediation Services | \$7,365,912                | \$18,460,753         | \$33,611,432         |
| Wholesale Trade  | \$12,101,882               | \$22,349,080         | \$31,827,555         |
| Public Administration  | \$19,685,598               | \$20,296,728         | \$31,647,395         |
| Other Services (except Public Administration)                            | \$10,620,963               | \$15,058,026         | \$21,947,487         |
| Real Estate and Rental and Leasing                                       | \$5,472,420                | \$7,603,756          | \$16,619,675         |
| Finance and Insurance  | \$9,159,345                | \$14,956,390         | \$15,868,686         |
| Information  | \$6,749,755                | \$9,996,806          | \$13,430,861         |
| Management of Companies and Enterprises                                  | \$3,937,339                | \$4,361,159          | \$6,779,752          |
| Utilities  | \$3,053,957                | \$3,844,734          | \$5,332,555          |
| Mining, Quarrying, and Oil and Gas Extraction                            | N/A                        | \$3,166,323          | \$4,437,082          |
| Arts, Entertainment, and Recreation                                      | \$2,494,858                | \$2,129,308          | \$4,384,044          |
| Agriculture, Forestry, Fishing and Hunting                               | \$919,040                  | \$1,016,860          | \$1,592,163          |
| Unclassified   | \$77,844                   | \$122,975            | \$280,705            |
| <b>Total, All Industries</b>   | <b>\$373,745,735</b>       | <b>\$520,448,043</b> | <b>\$773,811,741</b> |

Source: Texas Workforce Commission, Quarterly Census of Employment and Wages (QCEW); CDS



In Caldwell County, by contrast, Health Care has the largest estimated wage generation, followed by Educational Services and Retail Trade. Total wages across all industries have increased by approximately 82% since 2009.

**Table 6.19, Total Wages by Industry – Caldwell County**

*3<sup>rd</sup> Quarter Estimates, 2009-2019, Largest to Smallest 2019*

| Industry Sector  | Estimated Total Wages (\$) |                     |                     |
|--|----------------------------|---------------------|---------------------|
|  | 2009                       | 2014                | 2019                |
| Health Care and Social Assistance  | \$9,520,789                | \$11,833,420        | \$16,100,822        |
| Educational Services   | \$8,922,803                | \$9,348,469         | \$11,966,396        |
| Retail Trade   | \$5,650,685                | \$8,110,799         | \$10,541,566        |
| Construction   | \$1,859,658                | \$4,324,363         | \$7,274,550         |
| Manufacturing  | \$1,770,192                | \$5,008,238         | \$6,301,202         |
| Public Administration  | \$4,423,462                | \$4,242,048         | \$6,115,138         |
| Accommodation and Food Services  | \$2,154,219                | \$3,211,164         | \$4,600,942         |
| Finance and Insurance  | \$1,450,797                | \$2,606,679         | \$4,204,574         |
| Transportation and Warehousing   | \$3,286,153                | \$8,725,000         | \$3,767,752         |
| Mining, Quarrying, and Oil and Gas Extraction                            | \$1,567,839                | \$3,761,349         | \$2,848,413         |
| Administrative and Support and Waste Management and Remediation Services | \$1,919,580                | \$2,638,204         | \$2,420,007         |
| Wholesale Trade  | \$1,113,313                | \$1,497,260         | \$2,351,899         |
| Other Services (except Public Administration)                            | \$877,917                  | \$1,079,757         | \$1,889,722         |
| Agriculture, Forestry, Fishing and Hunting                               | \$411,235                  | \$1,285,728         | \$1,811,366         |
| Professional, Scientific, and Technical Services                         | \$486,671                  | \$1,412,000         | \$1,654,555         |
| Utilities  | \$691,818                  | \$784,770           | \$1,058,490         |
| Real Estate and Rental and Leasing                                       | \$711,462                  | \$1,650,352         | \$623,644           |
| Arts, Entertainment, and Recreation                                      | \$108,157                  | \$120,827           | \$271,983           |
| Information  | \$306,222                  | \$287,468           | \$207,399           |
| Unclassified   | \$10,928                   | NA                  | \$101,511           |
| Management of Companies and Enterprises                                  | NA                         | NA                  | NA                  |
| <b>Total, All Industries</b>   | <b>\$47,243,900</b>        | <b>\$71,942,095</b> | <b>\$86,142,927</b> |

Source: Texas Workforce Commission, Quarterly Census of Employment and Wages (QCEW); CDS

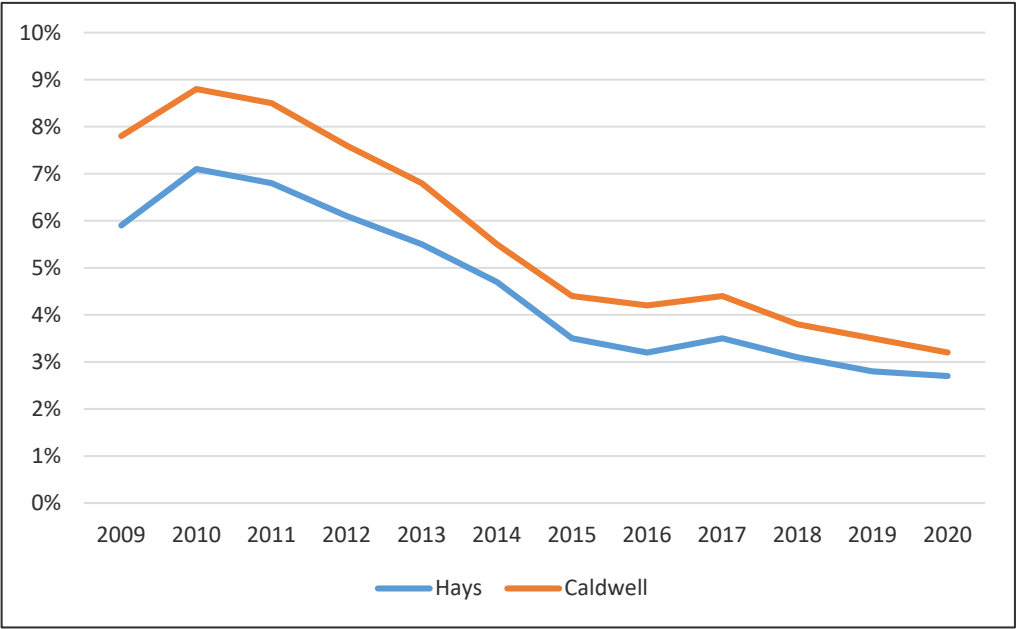




Unemployment Rate

Since peaking during the recession and financial crisis of 2008-2010, the two counties’ unemployment rates have dropped steadily except for a plateau from 2015 to 2017. As of February 2020, the rate was in the vicinity of 3.0% in both counties, meaning that additional jobs would likely require relocations from outside those counties or re-entry of those previously out of the workforce.

*Figure 6.4, Unemployment Rate, Hays and Caldwell Counties*  
*February Estimates, 2009-2020*



Source: Texas Workforce Commission, Local Area Unemployment Statistics (LAUS), CDS



## Industries impacted by COVID-19

Data from the Texas Workforce Commission (TWC) released in June 2020 showed that through the end of May 2020 the industry sectors in the Rural Capitol Workforce Development Area (WDA), which includes Hays and Caldwell Counties, with the greatest amount of unemployment claims were:

- Full and limited service restaurants,
- Colleges and universities,
- Elementary schools,
- Temporary help services,
- Hotels and motels

The city of San Marcos had the greatest amount of unemployment claims in Hays County with 1,770 residents seeking unemployment insurance, but it is also the city with the highest population and employment in the county. Data from TWC showed that Hays ranked 23rd out of the 25 counties in Texas most impacted by unemployment due to the COVID-19 pandemic.

On the other hand, claims for unemployment in Hays County decreased almost 60% from April to May after Texas allowed for the reopening of most businesses. Overall, in the Rural Capitol WDA as of June 2020 there was an estimated population of 1,054,792 and a total unemployment claimant amount of 10,297 workers based on data available in early July 2020 and unemployment claims have been consistently lowered each period since.

The May 2020 unemployment rate for the Rural Capitol WDA released in June 2020 was 10.6% compared to 11.7% for Hays County, 12.7% for Texas and 13% for the US.

Unemployment trends into 2020 and beyond are difficult to predict due to the nature of varying responses locally and regionally to the pandemic.

As new jobless claims dropped from April to May, information released by the Department of Labor showed that in the first week of July 2020 about 117,000 people in Texas applied for unemployment benefits, an increase from 96,000 the prior week. However, San Marcos has experienced some larger employers such as Amazon and H-E-B, hiring additional workers in the county.

Based on these general regional unemployment trends it appears that retail, food service, teaching, hospitality, and entertainment related occupations will likely continue to have low employment throughout the pandemic. Furthermore, many labor experts have stated that while many of these jobs may not come back post-pandemic, there is a high likelihood that labor will be reallocated from those jobs to other jobs that become available as the US and Texas emerge from the pandemic.



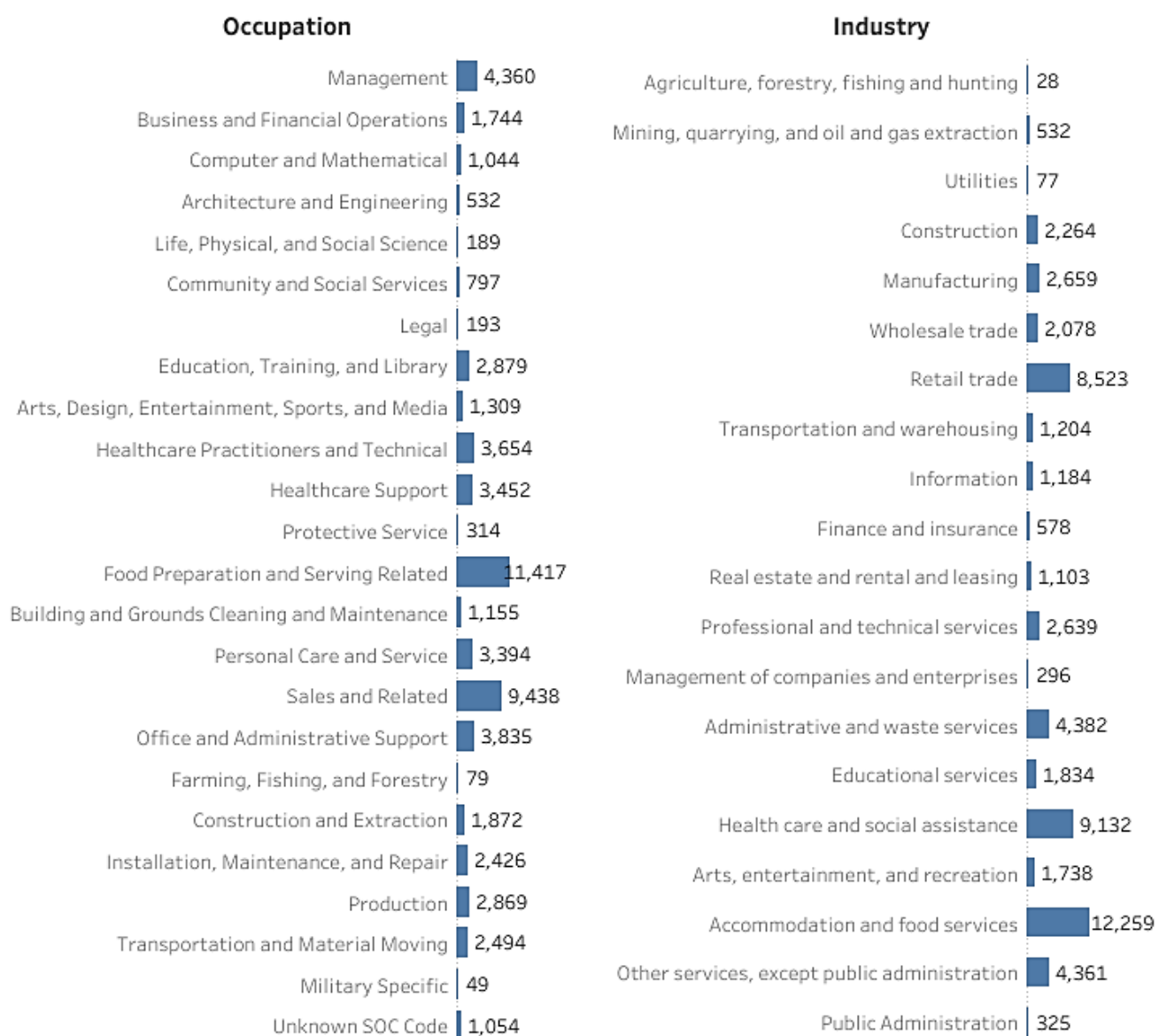
As can be seen in the figure below from March 2020 to June 2020 in the Rural Capital Area - food service, sales, management, healthcare, and office and admin. Support were the occupations with the most claims.

Figure 6.5, Rural Capital Area Unemployment Claims by Occupation and Industry

Geography: Rural Capital Area Start Week Ending: 3/13/20

## UNEMPLOYMENT CLAIMS SKILLS IMPACT: Rural Capital Area

### New Claimants, 3/7/20 - 6/19/20



\* In NAICS/SOC order..



## **Notable San Marcos Area Business Developments**

Transportation, Warehousing, and Manufacturing employers have been expanding in Hays and Caldwell counties, including locations in the smaller cities such as Kyle, Buda, and Lockhart. Some recent notable announcements from the Greater San Marcos Partnership include:

- Urban Mining Co., a manufacturer of rare earth magnets, has opened a new 130,000 sq.ft. facility in San Marcos.
- Irby Construction Company opened a new 14,000 sq.ft. facility in Lockhart.
- Large multi-user industrial developments are underway in Buda and Kyle, including a 300,000 sq.ft. speculative building in Buda.
- Dailey Electric has opened an operation in Lockhart with the expectation of eventually having 100 jobs.
- The Hays Commerce Center, an industrial development, will have over 400,000 sq.ft. of logistics space. Also, AlSCO Linen and Uniform Rental Services opened a laundry facility in Hays Commerce Center that has 160 employees.
- The Kyle Crossing Business Park is underway, which will contain 500,000 sq.ft. of industrial space.
- High-tech manufacturer ENF Kyle Technology has begun development of a new plant in Kyle which will contain 45 to 50 employees.
- Visionary Fiber Technologies, Inc. (VFT) has announced the establishment of their global headquarters, research and development, and manufacturing facility in Lockhart, Texas. VFT is further developing technology initially created by staff at Texas State University and funded by the USDA and National Sciences Foundation for commercialization in various industries. The company intends to introduce 70 high paying jobs over the next five years.





## Study Area Employers

The table below displays the employers that provide the economic foundation of San Marcos.

As of early 2020 there were an estimated 13,580 employees working at the largest 10 employers in San Marcos.

The employers in the table below alone represent 19% of Hays County 2019 employment of 73,018 workers.

**Table 6.20, Major San Marcos Employers**

| Public and Private Employers | Employees     |
|------------------------------|---------------|
| Texas State University       | 3,300         |
| Amazon Fulfillment           | 2,200         |
| Premium Outlets              | 1,600         |
| Tanger Outlets               | 1,540         |
| San Marcos CISD              | 1,400         |
| Hays County                  | 830           |
| HEB Distribution Center      | 750           |
| Central Texas Medical Center | 700           |
| City of San Marcos           | 660           |
| CFAN                         | 600           |
| <b>Total</b>                 | <b>13,580</b> |

Source: Greater San Marcos Partnership



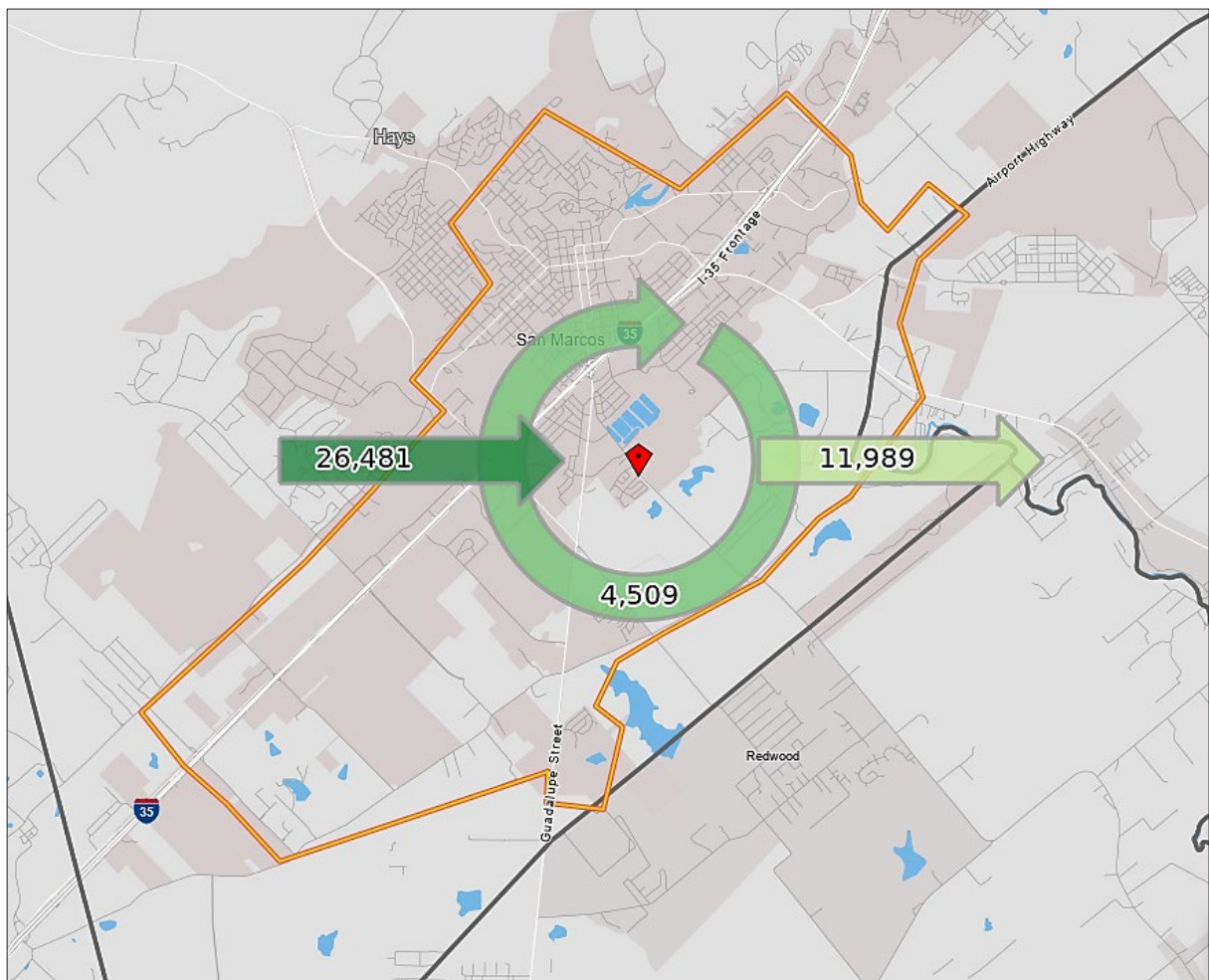
## Job Inflow and Outflow

The Longitudinal Employer-Household Dynamics (LEHD) program is part of the Center for Economic Studies at the U.S. Census Bureau and produces public-use information combining federal, state and Census Bureau data on employers and employees under the Local Employment Dynamics (LED) Partnership. State and local authorities increasingly need detailed local information about their economies to make informed decisions. The LED Partnership works to fill critical data gaps and provide indicators needed by state and local authorities.

Under the LED Partnership with the Census Bureau the LEHD program combines state Unemployment Insurance earnings data and the Quarterly Census of Employment and Wages (QCEW) as well as additional administrative data and data from censuses and surveys. From these data, the program creates statistics on employment, earnings, and job flows at detailed levels of geography and industry and for different demographic groups. In addition, the LEHD program uses these data to create partially synthetic data on workers' residential patterns.

below shows the 2017 inflow and outflow of those who were employed in the CMA in San Marcos. The dark green arrow indicates workers employed in the CMA yet live outside. The lighter green round arrow represents those employed and living in the CMA. The lightest green arrow shows the number of those living in San Marcos yet employed outside of the City.

*Figure 6.6, CMA Job Inflow/Outflow, 2017*



Source: U.S. Census Bureau, Center for Economic Studies, Longitudinal Employer-Household Dynamics (LEHD). © The Map



The table below shows inflow and outflow data for 2017 in CMA of those employed in the CMA, the most recent year data available.

It was estimated that 86% (26,481) of the 30,990 employed in the CMA lived outside of the CMA.

Although the data is dated, the share of those living and working in San Marcos should be relatively unchanged until the 2020 COVID-19 economic shutdown. Nevertheless, San Marcos and in turn the CMA and Study Area experiences significant leakage with 86% of workers living outside the CMA.

**Table 6.21, CMA LEHD Inflow/Outflow Job Counts, 2017**

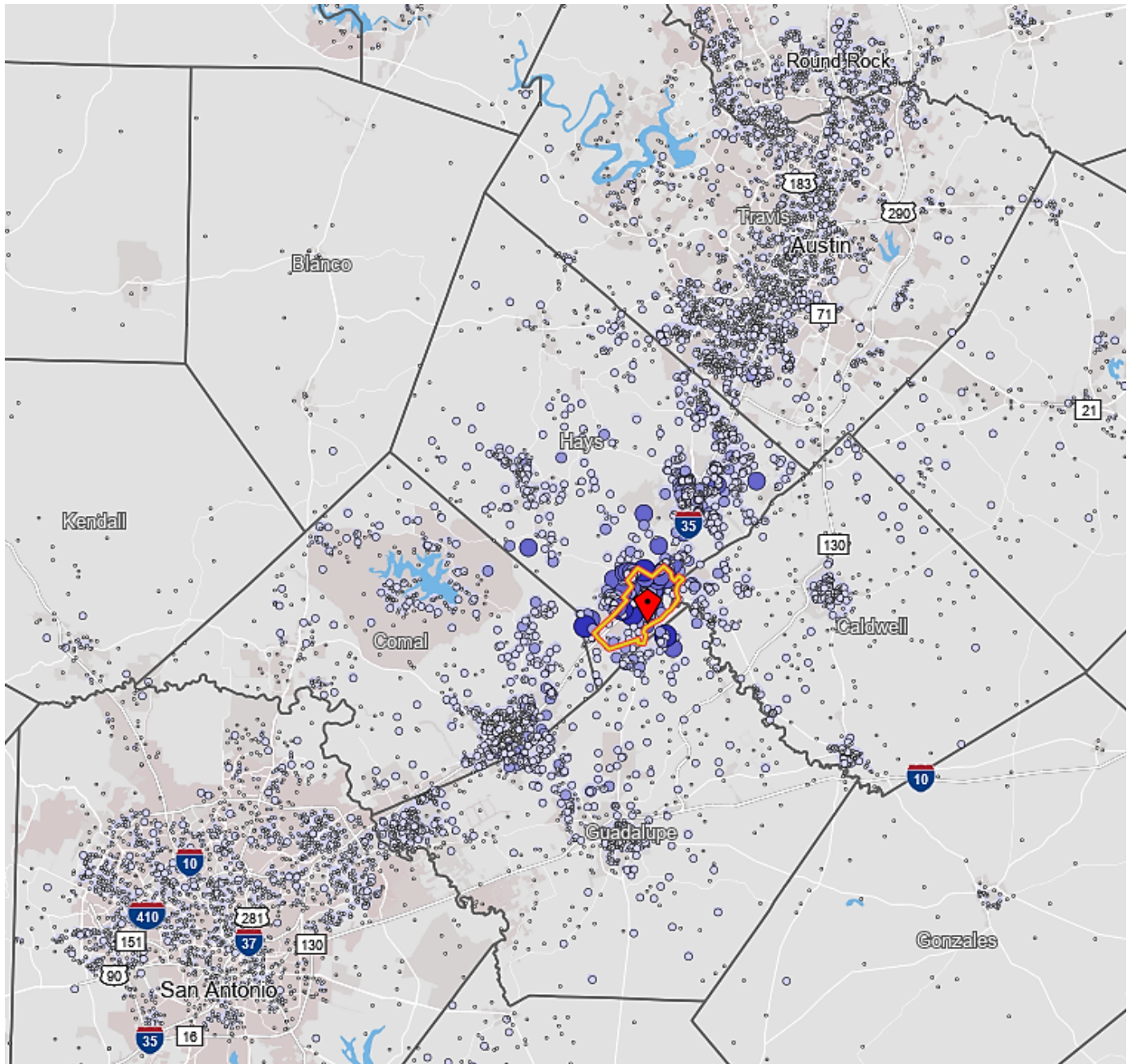
| <b>CMA Inflow/Outflow Job Counts (All Jobs)</b>   | <b>Count</b>  | <b>Share</b> |
|---|---------------|--------------|
| <b>Employed in the Selection Area</b>             | <b>30,990</b> | <b>100%</b>  |
| Employed in the Selection Area but Living Outside | 26,481        | 86%          |
| Employed and Living in the Selection Area         | 4,509         | 15%          |
| <b>Living in the Selection Area</b>               | <b>16,498</b> | <b>100%</b>  |
| Living in the Selection Area but Employed Outside | 11,989        | 73%          |
| Living and Employed in the Selection Area         | 4,509         | 27%          |

Source: US Census Bureau, Center for Economic Studies, Longitudinal Employer-Household Dynamics (LEHD), OnTheMap

Nearly all employers interviewed for this study stated that almost all new hires have challenges locating housing in San Marcos due to lack of available housing overall and in particular lack of housing diversity.

As a result, those working in San Marcos seeking multi-family apartment housing tend to prefer recently built apartments in New Braunfels and those seeking single-family housing prefer recently built single-family homes in Kyle and Buda.

Figure 6.7, Where CMA Workers Live, LEHD 2017



Source: US Census Bureau, Center for Economic Studies, Longitudinal Employer-Household Dynamics (LEHD), OnTheMap





**Table 6.22, Distance — Work to Home, CMA Workforce, LEHD 2017**

| Distance Work to Home | Count         | Share       |
|-----------------------|---------------|-------------|
| <b>Total All Jobs</b> | <b>30,990</b> | <b>100%</b> |
| Less than 10 miles    | 10,081        | 33%         |
| 10 to 24 miles        | 7,159         | 23%         |
| 25 to 50 miles        | 6,058         | 20%         |
| Greater than 50 miles | 7,692         | 25%         |

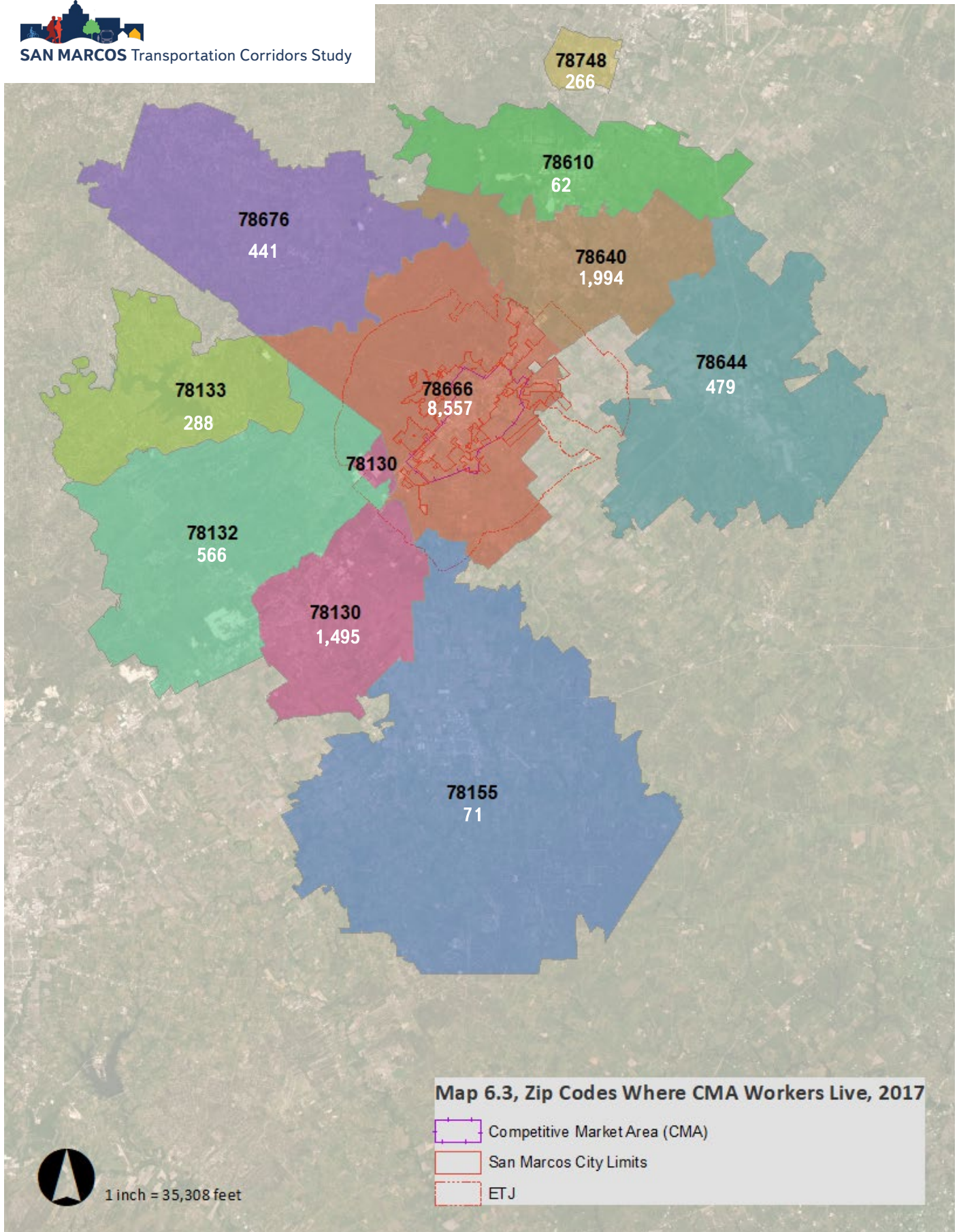
Source: US Census Bureau, Center for Economic Studies, Longitudinal Employer-Household Dynamics (LEHD), OnTheMap

**Table 6.23, Zip Codes Where CMA Workers Live, LEHD 2017**

| Where Workers Live   | Count         | Share       |
|----------------------|---------------|-------------|
| <b>All Zip Codes</b> | <b>30,990</b> | <b>100%</b> |
| 78666                | 8,557         | 28%         |
| 78640                | 1,994         | 6%          |
| 78130                | 1,495         | 5%          |
| 78155                | 714           | 2%          |
| 78610                | 621           | 2%          |
| 78132                | 566           | 2%          |
| 78644                | 479           | 2%          |
| 78676                | 441           | 1%          |
| 78133                | 288           | 1%          |
| 78748                | 266           | 1%          |
| All Other Locations  | 15,569        | 50%         |

Source: US Census Bureau, Center for Economic Studies, Longitudinal Employer-Household Dynamics (LEHD), OnTheMap

The map on the next page shows the zip codes and count of workers residing in each (Map 6.3, Zip Codes Where CMA Workers Live, LEHD 2017).





## San Marcos Housing Characteristics

The following three tables present information regarding the housing characteristics and trends. The majority of this information is derived from PCensus 2019 which bases current estimates on past trends from U.S. Census Bureau and the American Community Survey, and in some cases, is self-reported data. While this can generate minor anomalies (such as are present in the data on age of housing stock or housing values), the information presented in this section still provides a valuable overview of the housing stock. One important note to make is that the total housing unit number and other data used in this section is an estimate and not based on actual property appraisal or transaction data. Table 6.24 shows the type and number of housing units.

**Table 6.24, Housing Types, 2019**

|                                | Platinum Planning Study Area |             | CMA                    |             | San Marcos           |             | Hays County            |             |
|--------------------------------|------------------------------|-------------|------------------------|-------------|----------------------|-------------|------------------------|-------------|
|                                | Count                        | Share       | Count                  | Share       | Count                | Share       | Count                  | Share       |
| <b>Total Units</b>             | <b>3,532</b>                 | <b>100%</b> | <b>17,609</b>          | <b>100%</b> | <b>23,963</b>        | <b>100%</b> | <b>83,861</b>          | <b>100%</b> |
| 1 Unit Attached                | 225                          | 6%          | 875                    | 5%          | 1,151                | 5%          | 1,940                  | 2%          |
| 1 Unit Detached                | 1,058                        | 30%         | 4,934                  | 28%         | 8,086                | 34%         | 56,714                 | 68%         |
| 2 Units                        | 142                          | 4%          | 700                    | 4%          | 890                  | 4%          | 1,267                  | 2%          |
| 3 or 4 Units                   | 265                          | 8%          | 1,710                  | 10%         | 1,952                | 8%          | 2,540                  | 3%          |
| 5 to 19 Units                  | 941                          | 27%         | 5,224                  | 30%         | 6,172                | 26%         | 7,955                  | 9%          |
| 20 to 49 Units                 | 418                          | 12%         | 1,678                  | 10%         | 2,108                | 9%          | 3,170                  | 4%          |
| 50 or More Units               | 315                          | 9%          | 1,695                  | 10%         | 1,990                | 8%          | 2,757                  | 3%          |
| Mobile Home or Trailer         | 167                          | 5%          | 776                    | 4%          | 1,602                | 7%          | 7,491                  | 9%          |
| Boat, RV, Van, etc.            | 2                            | 0%          | 16                     | 0%          | 12                   | 0%          | 27                     | 0%          |
| <b>Dominant Structure Type</b> | <b>1 Unit Detached</b>       |             | <b>1 Unit Detached</b> |             | <b>5 to 19 units</b> |             | <b>1 Unit Detached</b> |             |
| Owner Occupied Units           | 950                          | 29%         | 4,387                  | 26%         | 7,249                | 32%         | 53,726                 | 68%         |
| Renter Occupied Units          | 2,373                        | 71%         | 12,225                 | 74%         | 15,452               | 68%         | 25,722                 | 32%         |
| <b>Total Occupied Units</b>    | <b>3,323</b>                 | <b>100%</b> | <b>16,612</b>          | <b>100%</b> | <b>22,701</b>        | <b>100%</b> | <b>79,448</b>          | <b>100%</b> |
| Unoccupied Units               | 209                          |             | 997                    |             | 1,262                |             | 4,413                  |             |

Sources: PCensus 2019

- The County had a much higher share of owner occupied units than the other areas.
- In San Marcos just 32% (7,249) of units were estimated to be owner-occupied while the CMA had 26% (4,387) owner-occupied and the Study Area had 29% (950) owner-occupied units.
- Approximately 34% (8,086) of San Marcos' housing units were single-family detached, in the CMA 28% (4,934) were single-family detached, and in the Study Area 30% (1,058) were single-family detached.
- In the CMA about 90% of all single-family detached housing units were owner occupied (4,387) leaving 10% (547) as single-family rentals. In the Study Area 90% of all single-family detached housing units were owner occupied (950) leaving 10% (108) as single-family rentals.
- Duplex, triplex and four-plex units accounted for around 5% of all housing units in the City, CMA and Study Area.



Table 6.25 contains the 2019 estimate of the age of the existing housing stock in San Marcos and Kerr County.

**Table 6.25, Age of Existing Housing Stock, 2019**

|                                      | Platinum Planning Study Area |             | CMA                 |             | San Marcos          |             | Hays County         |             |
|--------------------------------------|------------------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
|                                      | Count                        | Share       | Count               | Share       | Count               | Share       | Count               | Share       |
| <b>Total Housing Units</b>           | <b>3,532</b>                 | <b>100%</b> | <b>17,609</b>       | <b>100%</b> | <b>23,963</b>       | <b>100%</b> | <b>83,861</b>       | <b>100%</b> |
| Built 2014 or Later                  | 588                          | 17%         | 3,280               | 19%         | 4,196               | 18%         | 18,015              | 21%         |
| Built 2010 to 2013                   | 210                          | 6%          | 1,212               | 7%          | 1,536               | 6%          | 6,317               | 8%          |
| Built 2000 to 2009                   | 583                          | 17%         | 3,456               | 20%         | 5,006               | 21%         | 24,940              | 30%         |
| Built 1990 to 1999                   | 437                          | 12%         | 2,500               | 14%         | 3,631               | 15%         | 12,539              | 15%         |
| Built 1980 to 1989                   | 616                          | 17%         | 2,621               | 15%         | 3,587               | 15%         | 10,687              | 13%         |
| Built 1970 to 1979                   | 506                          | 14%         | 1,974               | 11%         | 2,755               | 12%         | 5,519               | 7%          |
| Built 1960 to 1969                   | 212                          | 6%          | 821                 | 5%          | 1,073               | 4%          | 1,966               | 2%          |
| Built 1950 to 1959                   | 246                          | 7%          | 926                 | 5%          | 1,145               | 5%          | 1,742               | 2%          |
| Built 1940 to 1949                   | 61                           | 2%          | 257                 | 1%          | 299                 | 1%          | 792                 | 1%          |
| Built 1939 or Earlier                | 72                           | 2%          | 561                 | 3%          | 735                 | 3%          | 1,344               | 2%          |
|                                      |                              |             |                     |             |                     |             |                     |             |
| <b>Dominant Year Structure Built</b> | <b>1980 to 1989</b>          |             | <b>2000 to 2009</b> |             | <b>2000 to 2009</b> |             | <b>2000 to 2009</b> |             |

Sources: PCensus 2019

- The largest share of housing constructed in the CMA was built 2000 to 2009 and in the largest share of existing housing constructed in the Study Area was built 1980 to 1989.
- According to the data the Study Area appears to have an older stock of existing housing in compared with the CMA and City.





## Housing Value Trends

Table 6.26 contains data not based on actual transaction or appraisal data but based on owners' opinion of housing unit value. In some cases, owners may tend to over or under-value homes for a variety of reasons. Nevertheless, the data can provide an estimate of the value of owner-occupied units.

- In the County and City, the greatest cohort of owner-occupied homes were in the \$200,000 - \$299,999 value range.
- In the CMA and Study Area, the greatest cohort of owner-occupied homes were in the \$100,000 - \$149,999 value range.
- The estimated median value for owner occupied homes in the Study Area (\$129,239) and CMA (\$137,257) were less than the City (\$188,149) and County (\$251,737).

**Table 6.26, Housing Value, 2019**

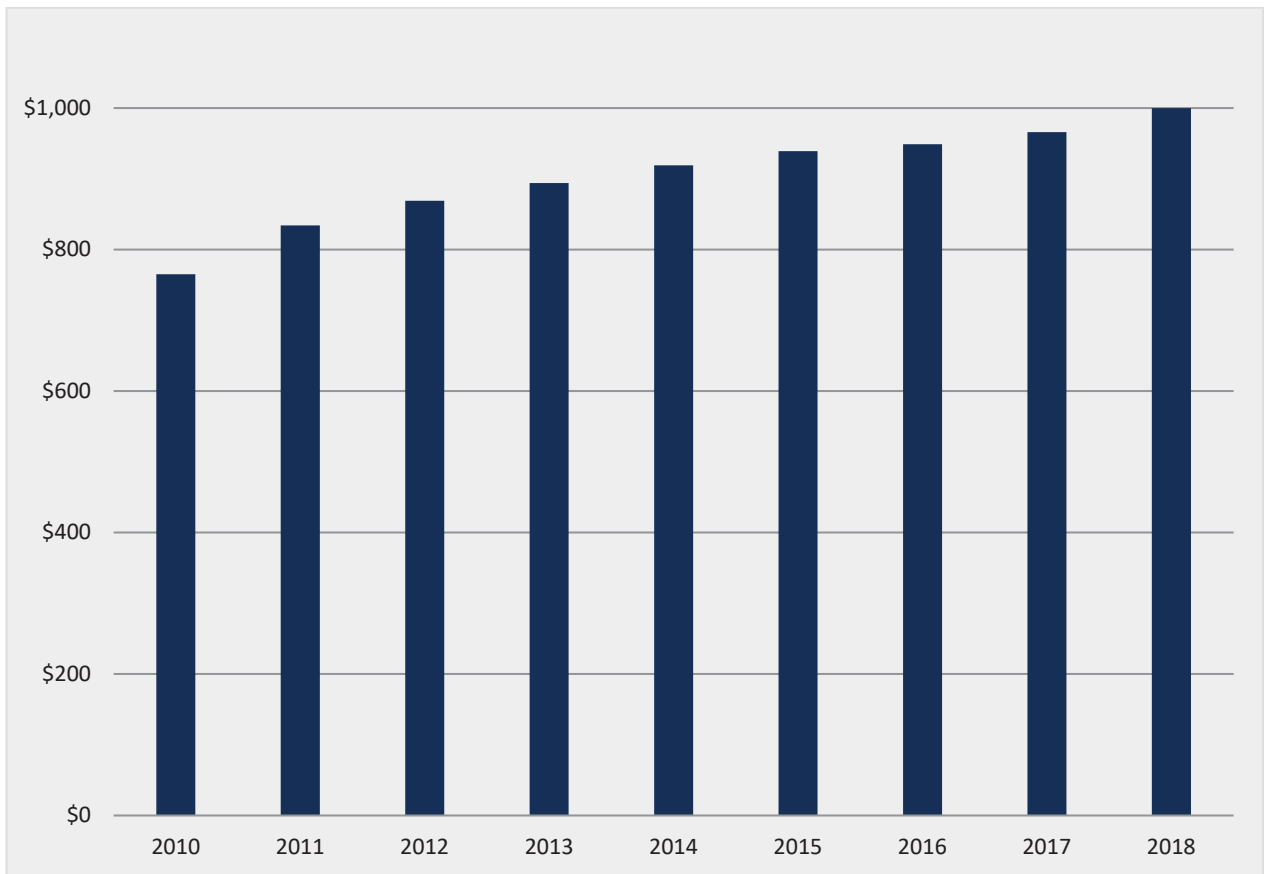
| Housing Value Range                                       | Platinum Planning Study Area |             | CMA              |             | San Marcos       |             | Hays County      |             |
|---|------------------------------|-------------|------------------|-------------|------------------|-------------|------------------|-------------|
|   | Count                        | Share       | Count            | Share       | Count            | Share       | Count            | Share       |
| <b>2019 Est. Owner Occupied Housing Units by Value</b>    | <b>950</b>                   | <b>100%</b> | <b>4,387</b>     | <b>100%</b> | <b>7,249</b>     | <b>100%</b> | <b>53,726</b>    | <b>100%</b> |
| Value Less than \$20,000                                  | 76                           | 8%          | 399              | 9%          | 504              | 7%          | 1,199            | 2%          |
| Value \$20,000 to \$39,999                                | 61                           | 6%          | 222              | 5%          | 289              | 4%          | 623              | 1%          |
| Value \$40,000 to \$59,999                                | 27                           | 3%          | 114              | 3%          | 170              | 2%          | 580              | 1%          |
| Value \$60,000 to \$79,999                                | 34                           | 4%          | 194              | 4%          | 209              | 3%          | 972              | 2%          |
| Value \$80,000 to \$99,999                                | 117                          | 12%         | 445              | 10%         | 504              | 7%          | 1,994            | 4%          |
| Value \$100,000 to \$149,999                              | 274                          | 29%         | 1,091            | 25%         | 1,204            | 17%         | 4,792            | 9%          |
| Value \$150,000 to \$199,999                              | 163                          | 17%         | 677              | 15%         | 924              | 13%         | 8,114            | 15%         |
| Value \$200,000 to \$299,999                              | 142                          | 15%         | 691              | 16%         | 1,709            | 24%         | 15,344           | 29%         |
| Value \$300,000 to \$399,999                              | 40                           | 4%          | 268              | 6%          | 865              | 12%         | 7,471            | 14%         |
| Value \$400,000 to \$499,999                              | 5                            | 1%          | 116              | 3%          | 411              | 6%          | 4,945            | 9%          |
| Value \$500,000 to \$749,999                              | 8                            | 1%          | 115              | 3%          | 261              | 4%          | 4,728            | 9%          |
| Value \$750,000 to \$999,999                              | 3                            | 0%          | 42               | 1%          | 120              | 2%          | 1,663            | 3%          |
| Value \$1,000,000 to \$1,499,999                          | 1                            | 0%          | 4                | 0%          | 46               | 1%          | 720              | 1%          |
| Value \$1,500,000 to \$1,999,999                          | 0                            | 0%          | 0                | 0%          | 7                | 0%          | 165              | 0%          |
| Value \$2,000,000 or more                                 | 1                            | 0%          | 11               | 0%          | 26               | 0%          | 416              | 1%          |
| <b>2019 Est. Median Owner-Occupied Housing Unit Value</b> | <b>\$129,239</b>             |             | <b>\$137,257</b> |             | <b>\$188,149</b> |             | <b>\$251,737</b> |             |

Source: PCensus 2019

The chart below shows median gross rent from 2010 to 2018.

As can be seen median gross rent has increased from an estimated \$765 per month in 2010 to \$1,000 in 2018, an increase of 30%.

**Figure 6.8, San Marcos Median Gross Rent, 2010-2018**



Source: Source: U.S. Census Bureau, 2010-2018 American Community Survey 5-Year Estimates

According to the data in 2018 there were 22,775 housing units in San Marcos which had a clear majority of renter occupied units which made up 72% (16,491) of all households while owner occupied units represented 28% (6,284) of all housing units.

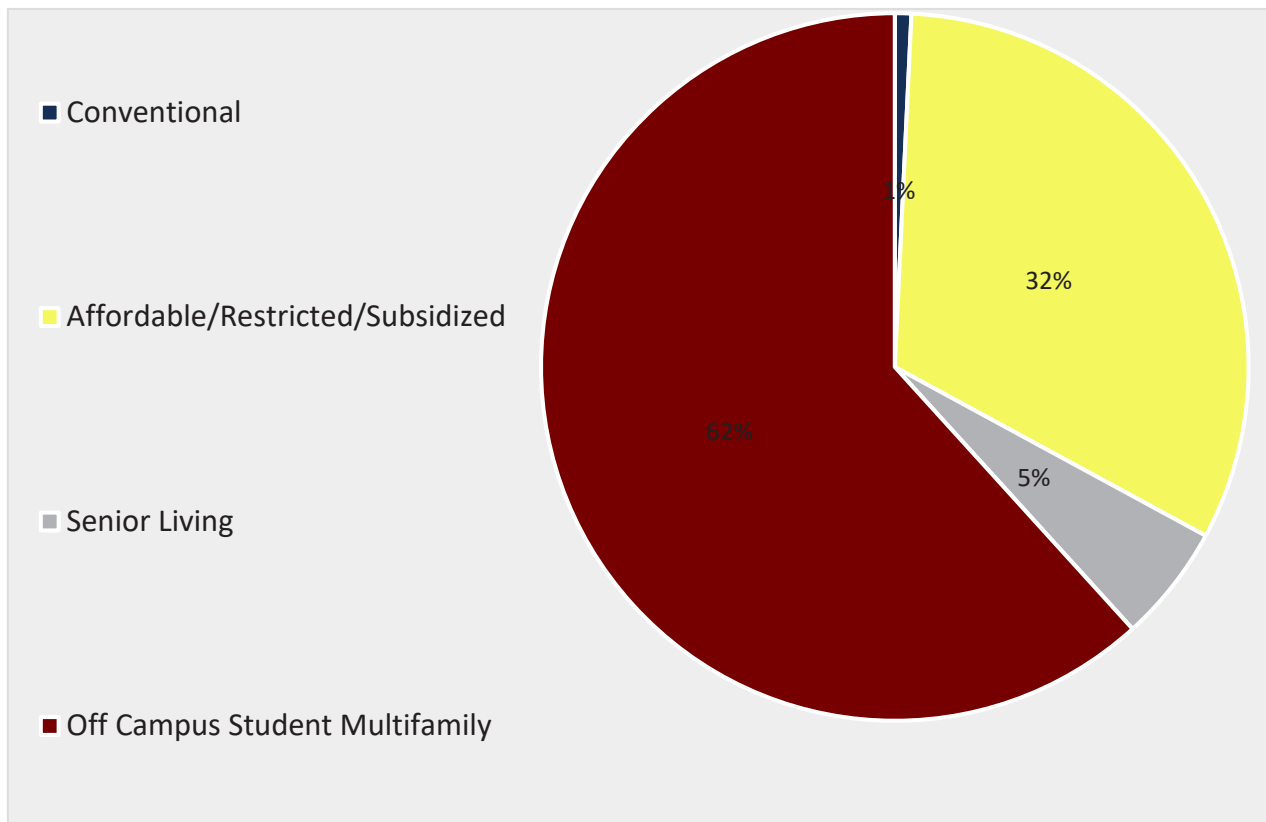
CDS research revealed there was an estimated 7,586 multi-family apartment units located in the CMA and an estimated 1,500 to 2,100 single-family homes serving as rental units in the CMA as well according to data analyzed by CDS from CoStar and Hays Count Appraisal data, respectively.



The chart below shows multi-family apartment rental market data for 1Q2020 from CoStar. The data provides a view of the multi-family apartment rental market by building type.

More than 60% of apartment units in San Marcos are located within Off campus student apartment complexes, 32% are located in affordable/restricted/subsidized buildings, 5% were located in age restricted or senior living buildings and just an estimated 1% of apartment rental units were located in conventional multi-family apartment buildings..

**Figure 6.9, Renter-occupied Units by Building Type**



Source: CoStar, CDS

What distinguishes student from conventional apartments in San Marcos are building height, number of units, amenities, date of construction and interior floor plan.

Student apartments in San Marcos range from an average of 4 or 5 stories up to 10 stories while conventional apartments in the city are typically lower rise buildings of 2 to 4 floors. Student apartments have an average of 150 units with ranges of buildings with 300 units to 20 units. Conventional buildings have 20 or less. Conventional buildings lack amenities on site while student apartment buildings have resort level amenities such as resort style pool, outdoor furniture, basketball and tennis courts, sand volleyball and gym.

Also, student apartments in San Marcos are the newest multi-family buildings while conventional are older and located in and around core neighborhoods. Off campus student apartment buildings are not legally allowed to prevent any eligible applicant from living there. However, the large presence of early 20-year old student residents in combination with unit floor plans that are designed for roommates instead of families are the greatest factors that dissuade non-student residents from living in off campus student apartment buildings.



## Estimated Housing Cost Burden

This section provides a quantitative perspective on the potential demand for affordable housing. To do this, CDS has employed a standard of housing costs not exceeding 30% of gross household income. This is a commonly used standard in the U.S., though it not always sufficient to convey the extent to which housing costs may constitute a burden to a particular household.

Transportation, healthcare and education costs are areas that can vary greatly from person to person and affect a households' portion of income spent on housing costs alone in differing ways. For these and other reasons the 30% standard may not be the most accurate but at the least it does provide an indication of the scale and specific price points needed to facilitate an increase in supply of for-sale and rental housing units in highest demand.

Because the San Marcos housing market operates in a larger market context for both demand and supply, CDS has included county-level data for most categories.

The data in the following tables has been sourced from U.S. Census Bureau American Community Survey 2017 5-Year Estimates, the most recent demographic data from the U.S. Census Bureau. Newly released 2018 data are anticipated to be released in September 2019 which can be applied to these tables to provide an update as well as track historical trends of households in San Marcos and Kerr County each year new data is released.

In this section, we will examine housing affordability using the common standard of 30% of household income as in the previous section.

The ability to pay less than this share of household income on housing costs indicates that residents are in housing that is affordable for their household income level.

Paying greater than 30% of household income on housing costs indicates households taking on a burdensome housing cost. This is problematic because unavoidable life events such as transportation, health, family, natural disasters or other emergencies can quickly impact households paying 30% or more on housing costs rendering them unable to afford anything but the barest of necessities and in some cases can result in homelessness, malnutrition and other types of hardships.

Interviews with one large local employer revealed that in 2019 a growing number of lower wage full-time workers were seeking food assistance to meet their household's daily food needs.





## Overall Household Income Profiles

According to the data in 2018 about 32% (22,775) of all households in Hays County (70,881) were located within San Marcos.

In San Marcos 72% of households were renters and 28% were owners.

As previously demonstrated the multi-family rental market along with age and income restricted /subsidized rental units heavily dominates the San Marcos rental market leaving little market rate rental housing available for non-student local worker households.

Texas State University data as of Fall 2019 showed enrollment of 38,187 students of which 29,795 lived off campus and 6,433 lived on campus. Not all enrolled students are located in San Marcos as these numbers include several thousand Round Rock Campus students and others studying abroad.

This shows the demand for off campus student rental housing, however many interviews conducted by CDS revealed that many believe the student apartment market is reaching saturation and that demand for non-student rental units is still high.

This is because employment in San Marcos has been increasing and constant churn of incoming workers at institutions in the city such as Texas State at around 5,561 total current permanent employees in addition to large employers, like the recent Amazon Fulfillment Center with 2,200 workers, are creating constant local workforce housing demand. Renter households with a median income of \$28,561 can affordably pay a maximum of \$715 per month without exceeding 30% of household income. Data presented earlier shows that the most recent median gross rent in San Marcos was \$1,000 per month.

Median household income for owner households were significantly higher at \$68,883 than renters at \$28,561.

The overall 2018 median household income for San Marcos was \$37,593, meaning that half of households in the City earned less. However, most of the renter households are students living off campus.

**Table 6.27, 2018 Household Income by Tenure**

| Households              | San Marcos Count | Share       |
|-------------------------|------------------|-------------|
| <b>Total Households</b> | <b>22,775</b>    | <b>100%</b> |
| <b>Median Income</b>    | <b>\$37,593</b>  | <b>-</b>    |
| <b>Owner-Occupied</b>   | <b>6,284</b>     | <b>28%</b>  |
| Less than \$25,000      | 857              | 4%          |
| \$25,000 to \$49,999    | 1,028            | 5%          |
| \$50,000 to \$74,999    | 1,570            | 7%          |
| \$75,000 to \$99,999    | 1,004            | 4%          |
| \$100,000 to \$149,999  | 1,121            | 5%          |
| \$150,000 or more       | 704              | 3%          |
| <b>Median Income</b>    | <b>\$68,883</b>  | <b>-</b>    |
| <b>Renter-Occupied</b>  | <b>16,491</b>    | <b>72%</b>  |
| Less than \$25,000      | 7,158            | 31%         |
| \$25,000 to \$49,999    | 5,063            | 22%         |
| \$50,000 to \$74,999    | 2,348            | 10%         |
| \$75,000 to \$99,999    | 1,033            | 5%          |
| \$100,000 to \$149,999  | 668              | 3%          |
| \$150,000 or more       | 221              | 1%          |
| <b>Median Income</b>    | <b>\$28,561</b>  | <b>-</b>    |

Source: U.S. Census Bureau, 2018 American Community Survey 5-Year Estimates



The largest household cohort by age and income range was the under 25 years, less than \$25,000 at 4,662, a 20% share of households in San Marcos. These households are almost entirely made up of Texas State students.

The next largest cohorts by age and income range was:

- 25-44 years, \$25,000 to \$49,999 with 11% (2,489) of households.
- Under 25 years, \$25,000 to \$49,999 with 9% (2,002) of households.
- 25-44 years, \$50,000 to \$74,999 with 8% (1,777) of households.

The 25-44 years, \$25,000 to \$49,999 and \$50,000 to \$74,999 household income cohorts combined made up 20% of San Marcos households.

Interviews with many local real estate agents and brokers revealed that buyers as well as renters desire a greater supply of existing and new inventory in core neighborhoods and especially in and around the downtown and square.

According to interview information the types of housing desired by non-student prospective buyers and renters was low to mid rise apartments, condos, townhomes, patio homes, garden homes, rowhouses, duplexes, fourplexes and eightplexes located in and around established and core neighborhoods surrounding downtown, targeted at 25-44 years \$25,000 to \$74,999 households.

In addition, there was a strong desire from prospective owners and renters for improved bicycle and pedestrian infrastructure and safety connecting housing to entertainment, employment, and outdoor activity nodes

Prospective San Marcos owner households with incomes from \$49,000 to \$75,000 could afford for-sale unit prices ranging from \$150,000 to \$240,000 without exceeding 30% of household income.

*Table 6.28, 2018 Household Income by Age of Householder*

| Households                | San Marcos Count | Share       |
|---------------------------|------------------|-------------|
| <b>Total Households</b>   | <b>22,775</b>    | <b>100%</b> |
| <b>Median Income</b>      | <b>\$37,593</b>  | <b>-</b>    |
| <b>Under 25 Years</b>     | <b>7,330</b>     | <b>32%</b>  |
| Less than \$25,000        | 4,662            | 20%         |
| \$25,000 to \$49,999      | 2,002            | 9%          |
| \$50,000 to \$74,999      | 506              | 2%          |
| \$75,000 to \$99,999      | 88               | 0%          |
| \$100,000 to \$149,999    | 16               | 0%          |
| \$150,000 or more         | 56               | 0%          |
| <b>25-44 Years</b>        | <b>8,309</b>     | <b>36%</b>  |
| Less than \$25,000        | 1,581            | 7%          |
| \$25,000 to \$49,999      | 2,489            | 11%         |
| \$50,000 to \$74,999      | 1,777            | 8%          |
| \$75,000 to \$99,999      | 1,169            | 5%          |
| \$100,000 to \$149,999    | 1,040            | 5%          |
| \$150,000 or more         | 253              | 1%          |
| <b>45-64 Years</b>        | <b>4,703</b>     | <b>21%</b>  |
| Less than \$25,000        | 1,082            | 5%          |
| \$25,000 to \$49,999      | 1,179            | 5%          |
| \$50,000 to \$74,999      | 1,010            | 4%          |
| \$75,000 to \$99,999      | 508              | 2%          |
| \$100,000 to \$149,999    | 502              | 2%          |
| \$150,000 or more         | 422              | 2%          |
| <b>65 Years and Older</b> | <b>2,433</b>     | <b>11%</b>  |
| Less than \$25,000        | 690              | 3%          |
| \$25,000 to \$49,999      | 421              | 2%          |
| \$50,000 to \$74,999      | 625              | 3%          |
| \$75,000 to \$99,999      | 272              | 1%          |
| \$100,000 to \$149,999    | 231              | 1%          |
| \$150,000 or more         | 194              | 1%          |

Source: U.S. Census Bureau, 2018 American Community Survey 5-Year Estimates



Prospective San Marcos renter households with incomes from \$25,000 to \$75,000 could afford monthly rental unit prices ranging from \$625 to \$1,875 per month.

It is well known that San Marcos has a significant share of householders 25 years and younger due to the presence of Texas State.

But, households 25 years and older actually made up nearly 70% of households in San Marcos. In addition, 33% (7,558) of all households in San Marcos were in the 35 to 64 years old cohort.

Households 25 years and older tend to be made up of local worker households that are not willing to reside in off campus student-oriented apartment properties.

Households in San Marcos 25 and older making \$50,000 to \$99,999 made up nearly 25% (5,361) of all households. This group of homeowners are most likely to afford the purchase of a single-family home priced from \$150,000 to \$320,000 and monthly rental prices of \$1,250 to \$2,475.

Households in San Marcos 25 and older making less than \$50,000 made up 33% (7,442) of all households and are most likely to be renters who can afford rental rates of \$1,250 and less per month. Rental units in these as well as all price ranges that are not marketed to or heavily occupied with students are in very low supply.

**Table 6.29, 2018 Household Income by Household Type, Under 25 and 25 and Older**

| Households                | San Marcos Count | Share      |
|---------------------------|------------------|------------|
| <b>Under 25 Years</b>     | <b>7,330</b>     | <b>32%</b> |
| Less than \$25,000        | 4,662            | 20%        |
| \$25,000 to \$49,999      | 2,002            | 9%         |
| \$50,000 to \$74,999      | 506              | 2%         |
| \$75,000 to \$99,999      | 88               | 0%         |
| \$100,000 to \$149,999    | 16               | 0%         |
| \$150,000 or more         | 56               | 0%         |
| <b>25 Years and Older</b> | <b>15,445</b>    | <b>68%</b> |
| Less than \$25,000        | 3,353            | 15%        |
| \$25,000 to \$49,999      | 4,089            | 18%        |
| \$50,000 to \$74,999      | 3,412            | 15%        |
| \$75,000 to \$99,999      | 1,949            | 9%         |
| \$100,000 to \$149,999    | 1,773            | 8%         |
| \$150,000 or more         | 869              | 4%         |

Source: U.S. Census Bureau, 2018 American Community Survey 5-Year Estimates



Family households made up 42% (9,648) of all households in the City.

Family households had significantly higher incomes than non-family households.

Non-family households in San Marcos had the lowest median household income, even lower than the overall median household income for the city because this group also includes Texas State University students.

This was likely due in large part to the ability of family households to pool incomes and non-family student households that have low incomes.

The presence of non-family households with multiple unrelated residents occupying one housing unit cannot be accounted for by Census data.

Due to a San Marcos ordinance disallowing more than two unrelated in a single-family home plus the great lack of traditional non-student multi-family rental products, the supply of housing for more than two unrelated residents in a household appeared to be low.

*Table 6.30, 2018 Household Income by Household Type*

| Households                   | San Marcos      |             |
|------------------------------|-----------------|-------------|
|                              | Count           | Share       |
| <b>Total Households</b>      | <b>22,775</b>   | <b>100%</b> |
| <b>Median Income</b>         | <b>\$37,593</b> | <b>-</b>    |
| <b>Family Households</b>     | <b>9,648</b>    | <b>42%</b>  |
| Less than \$25,000           | 2068            | 9%          |
| \$25,000 to \$49,999         | 2,235           | 10%         |
| \$50,000 to \$74,999         | 2,162           | 9%          |
| \$75,000 to \$99,999         | 1207            | 5%          |
| \$100,000 to \$149,999       | 1286            | 6%          |
| \$150,000 or more            | 690             | 3%          |
| <b>Median Income</b>         | <b>\$53,096</b> | <b>-</b>    |
| <b>Non-Family Households</b> | <b>13,127</b>   | <b>58%</b>  |
| Less than \$25,000           | 6,358           | 28%         |
| \$25,000 to \$49,999         | 3,880           | 17%         |
| \$50,000 to \$74,999         | 1516            | 7%          |
| \$75,000 to \$99,999         | 752             | 3%          |
| \$100,000 to \$149,999       | 399             | 2%          |
| \$150,000 or more            | 222             | 1%          |
| <b>Median Income</b>         | <b>\$25,924</b> | <b>-</b>    |

Source: U.S. Census Bureau, 2018 American Community Survey 5-Year Estimates

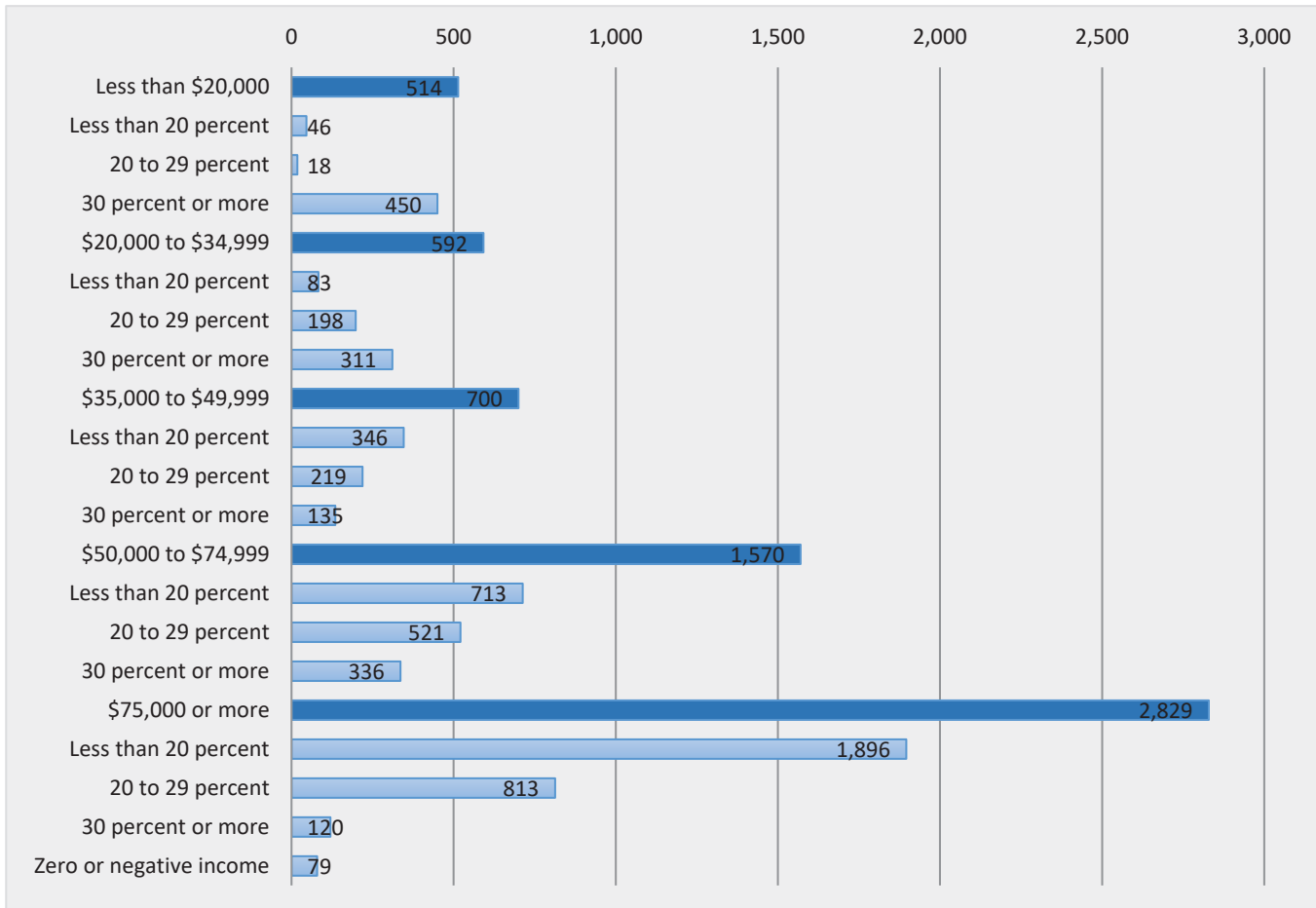




## Housing Cost-Burdened Households

In 2018 there was a total of 22,775 households, of which 6,284 were owner-occupied. The chart below shows owner-occupied housing in San Marcos for 2018. The darker blue bars represent the number of owner-occupied households in each household income bracket. The lighter blue lines show the number of owner-occupied households within each income bracket who were paying various percent shares of their household income on housing.

**Figure 6.10, 2018 Housing Costs as a Percentage of Household Income – Owner-Occupied Housing by Income**



Source: U.S. Census Bureau, 2018 American Community Survey 5-Year Estimates

Overall, just 6% (1,352) of owners out of all households, 22% of all owner-occupied households in San Marcos were housing cost burdened.

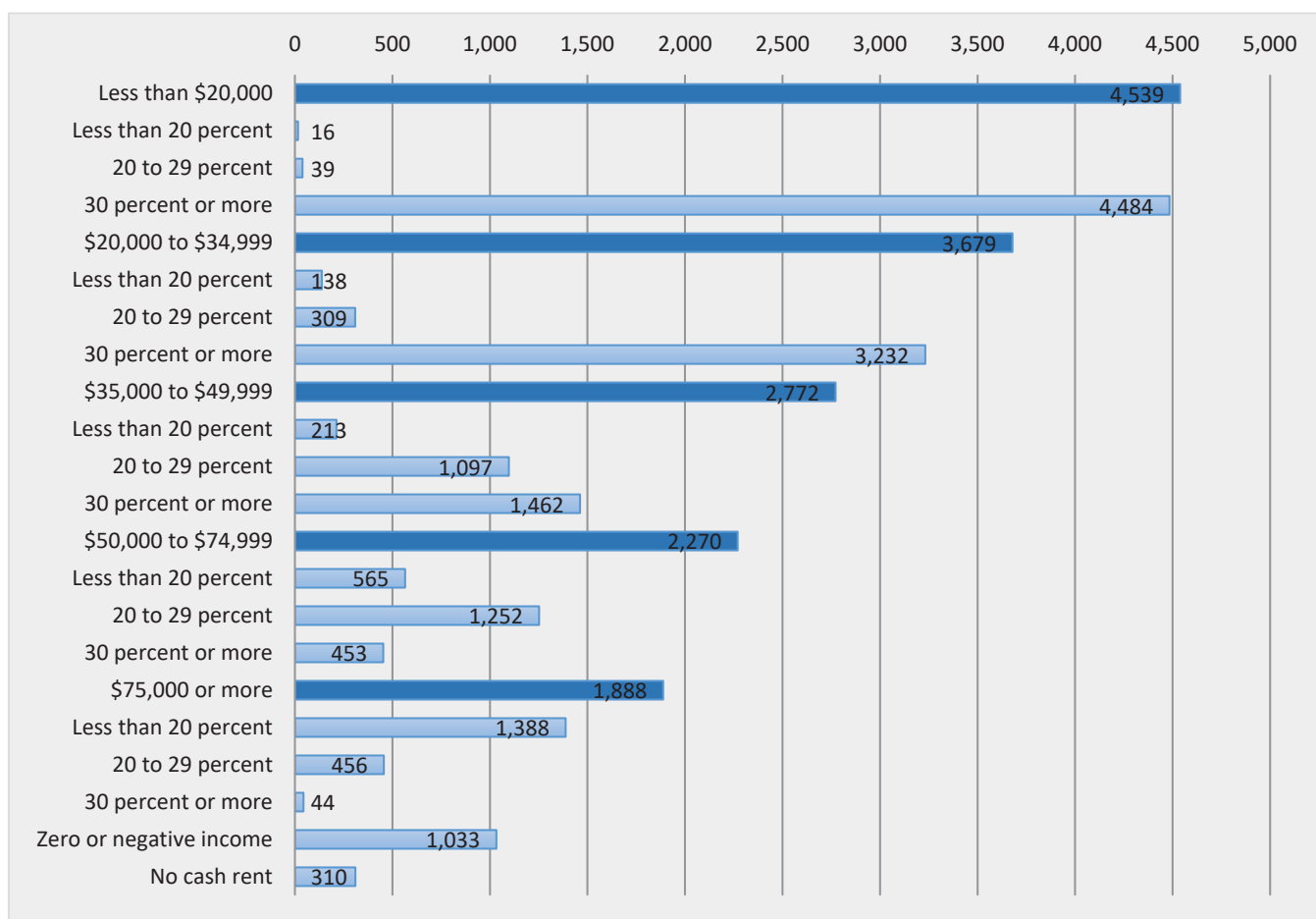
Of owner households making less than \$50,000, 4% (896) of total households, 14% of all owner households, were housing cost burdened.

Housing cost burdened owner households were most prevalent in the:

- less than \$20,000 cohort with 450 owner households
- \$50,000 to \$74,999 with 336 owner households
- \$20,000 to \$34,999 with 311 owner households

In 2018 there was a total of 22,775 households, of which 16,491 were renter-occupied. The chart below shows renter-occupied housing in San Marcos for 2018. The darker blue bars represent the number of renter-occupied households in each household income bracket. The lighter blue lines show the number of renter-occupied households within each income bracket who were paying various percent shares of their household income on housing.

**Figure 6.11, 2018 Housing Costs as a Percentage Of Household Income – Renter-Occupied Housing by Income**



Source: U.S. Census Bureau, 2018 American Community Survey 5-Year Estimates

Overall, 42% (9,675) of renters out of all households, 59% of all renter-occupied households in San Marcos were housing cost burdened.

Unaffordable housing costs tend to cause affected households to spend less on other basic necessities such as health care, food, and child care, and to invest less in important assets like education or retirement savings.

Of renter households making less than \$50,000, 40% (9,178) of total households, 56% of all renter households, were housing cost burdened.

Note that 34% (7,716) of renters out of total households, 47% of all renter households in San Marcos making less than \$35,000 paid 30% or greater of their income in housing costs.

As household incomes for renters increased, those \$50,000 and greater had a much lower share of housing cost burden.



As previously stated, renter households age 24 and younger had the largest shares of their income dedicated to housing costs in San Marcos, yet it can safely be assumed that almost all of those are students attending Texas State.

Renter households aged 25 to 34 and 35 to 64 had identical shares of housing cost burden and together totaled 4,017, which represented 24% of all renters and 18% of total households.

As previously stated, it can be inferred that spending patterns and disposable income for housing cost burdened households typically means lower spending on health care, food, child care, education, or retirement savings.

According to the estimates by ACS San Marcos had a very low share of 65 and older households with just 2,433 total renter and owner households in that age cohort. This represented a combined 11% of total households in the City.

In total there were 11,027 housing cost burdened households in San Marcos, 42% (9,675) were renter households and 6% (1,352) were owner households. This translated to an overall share of 48% of all households in the City being cost burdened. Approximately 5,241 almost 50% of the estimated total housing cost burdened households in San Marcos were students below 25 years of age.

*Table 6.31, 2018 Housing Costs As A Percentage of Household Income – San Marcos Only by Age*

| San Marcos                           | Renter-Occupied |            | Owner-Occupied |            |
|--------------------------------------|-----------------|------------|----------------|------------|
|                                      | Count           | Share      | Count          | Share      |
| <b>Total</b>                         | <b>16,491</b>   | <b>72%</b> | <b>6,284</b>   | <b>28%</b> |
| <b>Householder 15 to 24 Years</b>    | <b>7,121</b>    | <b>43%</b> | <b>209</b>     | <b>3%</b>  |
| Less than 20.0 percent               | 317             | 2%         | 98             | 2%         |
| 20.0 to 24.9 percent                 | 379             | 2%         | 0              | 0%         |
| 25.0 to 29.9 percent                 | 494             | 3%         | 0              | 0%         |
| 30.0 to 34.9 percent                 | 321             | 2%         | 0              | 0%         |
| 35.0 percent or more                 | 4,820           | 29%        | 100            | 2%         |
| Not computed                         | 790             | 5%         | 11             | 0%         |
| <b>Householder 25 to 34 Years</b>    | <b>4,520</b>    | <b>27%</b> | <b>934</b>     | <b>15%</b> |
| Less than 20.0 percent               | 965             | 6%         | 462            | 7%         |
| 20.0 to 24.9 percent                 | 748             | 5%         | 205            | 3%         |
| 25.0 to 29.9 percent                 | 441             | 3%         | 124            | 2%         |
| 30.0 to 34.9 percent                 | 607             | 4%         | 63             | 1%         |
| 35.0 percent or more                 | 1,479           | 9%         | 80             | 1%         |
| Not computed                         | 280             | 2%         | 0              | 0%         |
| <b>Householder 35 to 64 Years</b>    | <b>3,959</b>    | <b>24%</b> | <b>3,599</b>   | <b>57%</b> |
| Less than 20.0 percent               | 859             | 5%         | 1,712          | 27%        |
| 20.0 to 24.9 percent                 | 606             | 4%         | 727            | 12%        |
| 25.0 to 29.9 percent                 | 323             | 2%         | 414            | 7%         |
| 30.0 to 34.9 percent                 | 439             | 3%         | 197            | 3%         |
| 35.0 percent or more                 | 1,492           | 9%         | 497            | 8%         |
| Not computed                         | 240             | 1%         | 52             | 1%         |
| <b>Householder 65 Years and over</b> | <b>891</b>      | <b>5%</b>  | <b>1,542</b>   | <b>25%</b> |
| Less than 20.0 percent               | 179             | 1%         | 812            | 13%        |
| 20.0 to 24.9 percent                 | 55              | 0%         | 225            | 4%         |
| 25.0 to 29.9 percent                 | 107             | 1%         | 74             | 1%         |
| 30.0 to 34.9 percent                 | 47              | 0%         | 88             | 1%         |
| 35.0 percent or more                 | 470             | 3%         | 327            | 5%         |
| Not computed                         | 33              | 0%         | 16             | 0%         |

Source: U.S. Census Bureau, 2018 American Community Survey 5-Year Estimates



Householders younger than 25 made up 32% (7,330) of all households while householders 25 and older made up 68% (15,445) of all households in San Marcos.

Among renter-occupied households 43% (7,121) were younger than 25 years and 57% (9,370) were 25 years and over.

Among owner-occupied households 3%

(209) were less than 25 years and 97% (6,075) were 25 years and over.

**Table 6.32, 2018 Housing Costs As A Percentage of Household Income — San Marcos Only by Under 25 and 25 and Older**

| San Marcos                            | Renter-Occupied |            | Owner-Occupied |            |
|---------------------------------------|-----------------|------------|----------------|------------|
|                                       | Count           | Share      | Count          | Share      |
| <b>Total</b>                          | <b>16,491</b>   | <b>72%</b> | <b>6,284</b>   | <b>28%</b> |
| <b>Householder less than 25 Years</b> | <b>7,121</b>    | <b>43%</b> | <b>209</b>     | <b>3%</b>  |
| Less than 20.0 percent                | 317             | 2%         | 98             | 2%         |
| 20.0 to 24.9 percent                  | 379             | 2%         | 0              | 0%         |
| 25.0 to 29.9 percent                  | 494             | 3%         | 0              | 0%         |
| 30.0 to 34.9 percent                  | 321             | 2%         | 0              | 0%         |
| 35.0 percent or more                  | 4,820           | 29%        | 100            | 2%         |
| Not computed                          | 790             | 5%         | 11             | 0%         |
| <b>Householder 25 Years and over</b>  | <b>9,370</b>    | <b>57%</b> | <b>6,075</b>   | <b>97%</b> |
| Less than 20.0 percent                | 2,003           | 12%        | 2,986          | 48%        |
| 20.0 to 24.9 percent                  | 1,409           | 9%         | 1,157          | 18%        |
| 25.0 to 29.9 percent                  | 871             | 5%         | 612            | 10%        |
| 30.0 to 34.9 percent                  | 1,093           | 7%         | 348            | 6%         |
| 35.0 percent or more                  | 3,441           | 21%        | 904            | 14%        |
| Not computed                          | 553             | 3%         | 68             | 1%         |

Source: U.S. Census Bureau, 2018 American Community Survey 5-Year Estimates

The greatest rates of housing cost burden (households paying 30% or more) can be found in the renter-occupied households less than 25 years which made up 31% (5,610) of all renter-occupied households.

The lowest rates of housing cost burden can be found in the owner-occupied 25 years and over households, which made up 20% (1,262) of owner-occupied households.





## Owners

Out of the estimated 22,775 total households in San Marcos 28% (6,284) were owner occupied.

Approximately 15% (934) of home owners with a mortgage in San Marcos were housing cost burdened (paid 30% or greater of their income on housing costs).

For homeowners without a mortgage 7% (418) were housing cost burdened.

Approximately 21% (1,346) of home owners with a mortgage paid less than 20% of their income in housing costs.

For those without a mortgage, 28% paid less than 20% of their income in housing costs.

This data shows that 40% (2,525) of all homeowners in San Marcos have paid off their mortgage.

These households are typically longtime residents of the City.

At the same time, owners with a mortgage, presumably those that are more recent owners, are facing higher margins of income dedicated to housing cost than longtime owners without a mortgage.

Of all owner-occupied units in San Marcos 22% (1,352) were housing cost burdened.

*Table 6.33, 2018 Monthly Owner Costs as a Percentage Of Household Income*

|   | San Marcos   |             |
|---|--------------|-------------|
|   | Count        | Share       |
| <b>Total Owner-Occupied</b>             | <b>6,284</b> | <b>100%</b> |
| <b>Housing units with a mortgage</b>    | <b>3,759</b> | <b>60%</b>  |
| Less than 10.0 percent                  | 188          | 3%          |
| 10.0 to 14.9 percent                    | 534          | 8%          |
| 15.0 to 19.9 percent                    | 624          | 10%         |
| 20.0 to 24.9 percent                    | 945          | 15%         |
| 25.0 to 29.9 percent                    | 461          | 7%          |
| 30.0 to 34.9 percent                    | 288          | 5%          |
| 35.0 to 39.9 percent                    | 212          | 3%          |
| 40.0 to 49.9 percent                    | 191          | 3%          |
| 50.0 percent or more                    | 243          | 4%          |
| Not computed                            | 73           | 1%          |
| <b>30.0 percent or more</b>             | <b>934</b>   | <b>15%</b>  |
| <b>Housing units without a mortgage</b> | <b>2,525</b> | <b>40%</b>  |
| Less than 10.0 percent                  | 980          | 16%         |
| 10.0 to 14.9 percent                    | 434          | 7%          |
| 15.0 to 19.9 percent                    | 324          | 5%          |
| 20.0 to 24.9 percent                    | 212          | 3%          |
| 25.0 to 29.9 percent                    | 151          | 2%          |
| 30.0 to 34.9 percent                    | 60           | 1%          |
| 35.0 to 39.9 percent                    | 66           | 1%          |
| 40.0 to 49.9 percent                    | 139          | 2%          |
| 50.0 percent or more                    | 153          | 2%          |
| Not computed                            | 6            | 0%          |
| <b>30.0 percent or more</b>             | <b>418</b>   | <b>7%</b>   |

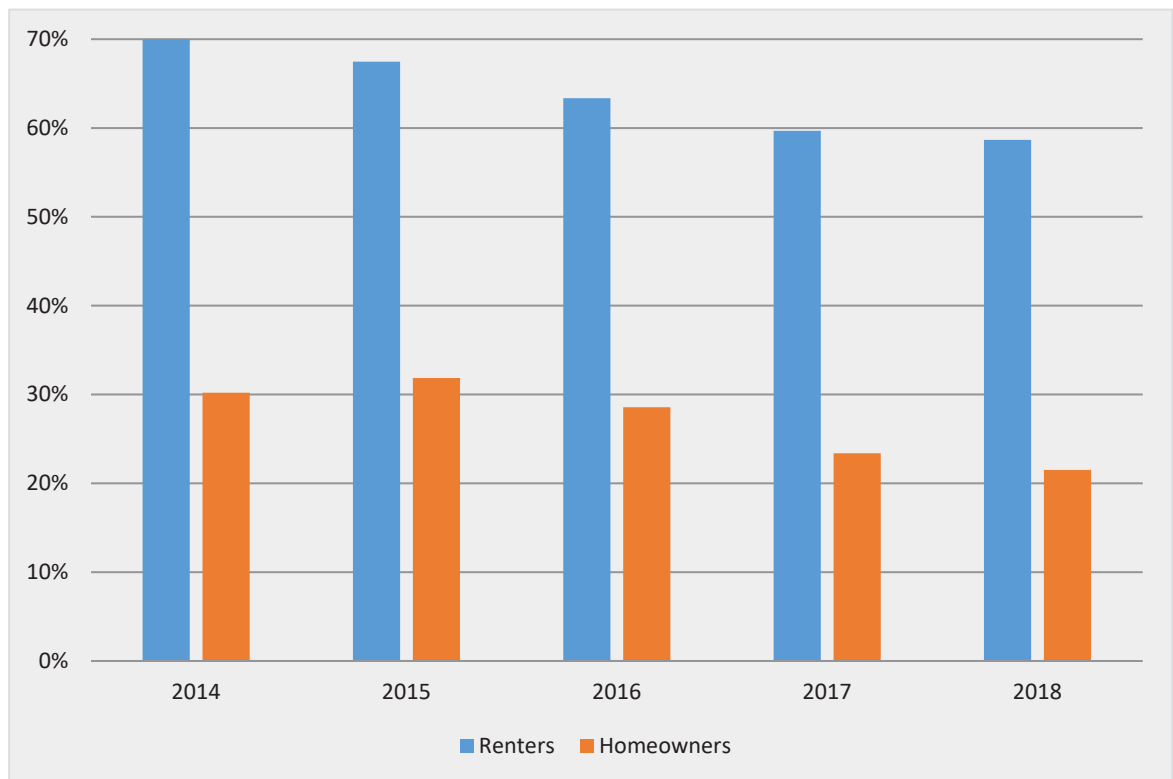
Source: U.S. Census Bureau, 2018 American Community Survey 5-Year Estimates



The chart below shows the percent of renter and owner households paying 30% or more of household income towards housing.

Since 2014 the shares of housing cost burdened households in renter and owner households has decreased.

**Figure 6.12, 2014-2018 Shares of Renter and Owner Occupied Cost Burdened Households**



Source: U.S. Census Bureau, 2014-2018 American Community Survey 5-Year Estimates



The share of home owners who pay 30% or greater of their income on housing is concentrated heavily to 35 to 64 years householder group.

The estimates show that only 18% (1,142) of owner-occupied householders were under 35.

**Table 6.34, 2018 Monthly Owner Costs Greater Than 30% Percent of Household Income by Age**

| Owner-Occupied                | San Marcos   |             |
|-------------------------------|--------------|-------------|
|                               | Count        | Share       |
| <b>Total Owner-Occupied</b>   | <b>6,284</b> | <b>100%</b> |
| <b>Total In Age Range</b>     | <b>6,284</b> | <b>100%</b> |
| Householder 15 to 24 years    | 209          | 3%          |
| Householder 25 to 34 years    | 934          | 15%         |
| Householder 35 to 64 years    | 3,599        | 57%         |
| Householder 65 years and over | 1,542        | 25%         |
| <b>30% or more of Income</b>  | <b>1,352</b> | <b>22%</b>  |
| Householder 15 to 24 years    | 100          | 2%          |
| Householder 25 to 34 years    | 143          | 2%          |
| Householder 35 to 64 years    | 694          | 11%         |
| Householder 65 years and over | 415          | 7%          |

Source: U.S. Census Bureau, 2018 American Community Survey 5-Year Estimates

**Table 6.35, 2018 Monthly Owner Costs Greater Than 30% Percent of Household Income by Income**

| Owner-Occupied               | San Marcos   |             |
|------------------------------|--------------|-------------|
|                              | Count        | Share       |
| <b>Total Owner-Occupied</b>  | <b>6,284</b> | <b>100%</b> |
| <b>Total In Income Range</b> | <b>6,284</b> | <b>100%</b> |
| Less than \$10,000           | 307          | 5%          |
| \$10,000 to \$19,999         | 286          | 5%          |
| \$20,000 to \$34,999         | 592          | 9%          |
| \$35,000 to \$49,999         | 700          | 11%         |
| \$50,000 to \$74,999         | 1,570        | 25%         |
| \$75,000 to \$99,999         | 1,004        | 16%         |
| \$100,000 or more            | 1,825        | 29%         |
| <b>30% or more of Income</b> | <b>1,352</b> | <b>22%</b>  |
| Less than \$10,000           | 214          | 3%          |
| \$10,000 to \$19,999         | 236          | 4%          |
| \$20,000 to \$34,999         | 311          | 5%          |
| \$35,000 to \$49,999         | 135          | 2%          |
| \$50,000 to \$74,999         | 336          | 5%          |
| \$75,000 to \$99,999         | 92           | 1%          |
| \$100,000 or more            | 28           | 0%          |

Source: U.S. Census Bureau, 2018 American Community Survey 5-Year Estimates

Just 30% (1,885) of owner-households in San Marcos had less than \$50,000 in household income.

Housing cost burden for owner households was most prevalent in the \$50,000 to \$74,999 and \$20,000 to \$34,999 cohorts.

**Census ACS data utilized here and throughout this report is now several years old and it must be understood that housing cost burden and demand for affordable housing is likely much greater than shown in this report.**



## Renters

Compared to home owners, renters pay greater than 30% of their income on housing costs at a significantly higher rate.

Just 1,352 total owner households were housing cost burdened while 9,675 total renter households were housing cost burdened.

About 36% of San Marcos renter households spent 50% or more of their income on housing, something only 6% of home owners did.

The implications of such high levels of housing cost burden in renter households means that in San Marcos renter households are not likely to expend disposable income on non-essential or higher priced retail and entertainment.

In addition, very heavily cost burdened renter households would benefit greatly from expanded and improved bicycle and pedestrian connectivity throughout the city to facilitate greater rates of bicycle and pedestrian traffic and lessen car dependence as car ownership costs are typically a significant cost to cost burdened households. Overall, environmental, economic, and personal health benefits can also be result from expanded pedestrian and bicycle infrastructure and planning, which would also greatly benefit heavily cost burdened renter households.

The median gross rent as a share of income for San Marcos was 38.9%.

Estimates for the United States showed 30.1% median gross rent as a percentage of household income and 29.5% for Texas.

*Table 6.36, 2018 Gross Rent as a Percentage Of Household Income*

| Renter-Occupied  | San Marcos    |             |
|--|---------------|-------------|
|  | Count         | Share       |
| <b>Total Renter-Occupied</b>                                 | <b>16,491</b> | <b>100%</b> |
| Less than 10.0 percent                                       | 287           | 2%          |
| 10.0 to 14.9 percent   | 928           | 6%          |
| 15.0 to 19.9 percent   | 1,105         | 7%          |
| 20.0 to 24.9 percent   | 1,788         | 11%         |
| 25.0 to 29.9 percent   | 1,365         | 8%          |
| 30.0 to 34.9 percent   | 1,414         | 9%          |
| 35.0 to 39.9 percent   | 876           | 5%          |
| 40.0 to 49.9 percent   | 1,460         | 9%          |
| 50.0 percent or more   | 5,925         | 36%         |
| Not computed   | 1,343         | 8%          |
| <b>30.0 percent or more</b>                                  | <b>9,675</b>  | <b>59%</b>  |
| <b>Median gross rent as a percentage of household income</b> | <b>38.9%</b>  |             |

Source: U.S. Census Bureau, 2018 American Community Survey 5-Year Estimates





The share of renters paying greater than 30% of their income on housing costs decreased by age.

It is important to note that the under 25 age group are likely made up almost completely of Texas State University students.

When subtracting the under 24 age cohort housing cost burden renters with householders 25 and older made up 27% (4,534) of renter households in San Marcos.

Again, ignoring the under 24 cohort, the main renter groups by age that were housing cost burdened was the 25 to 34 and 35 to 64 years householder cohort.

Much like with home owners, as incomes rise the share of renters paying than 30% or more of their income in rent decreases.

**Table 6.37, 2018 Monthly Renter Costs Greater Than 30% Percent of Household Income by Age**

| Renter-Occupied               | San Marcos    |             |
|-------------------------------|---------------|-------------|
|                               | Count         | Share       |
| <b>Total Renter-Occupied</b>  | <b>16,491</b> | <b>100%</b> |
| <b>Total In Age Range</b>     | <b>16,491</b> | <b>100%</b> |
| Householder 15 to 24 years    | 7,121         | 43%         |
| Householder 25 to 34 years    | 4,520         | 27%         |
| Householder 35 to 64 years    | 3,959         | 24%         |
| Householder 65 years and over | 891           | 5%          |
| <b>30% or more of Income</b>  | <b>9,675</b>  | <b>59%</b>  |
| Householder 15 to 24 years    | 5,141         | 31%         |
| Householder 25 to 34 years    | 2,086         | 13%         |
| Householder 35 to 64 years    | 1,931         | 12%         |
| Householder 65 years and over | 517           | 3%          |

Source: U.S. Census Bureau, 2018 American Community Survey 5-Year Estimates

**Table 6.38, 2018 Monthly Renter Costs Greater Than 30% Percent of Household Income by Income**

| Renter-Occupied              | San Marcos    |             |
|------------------------------|---------------|-------------|
|                              | County        | Share       |
| <b>Total</b>                 | <b>16,491</b> |             |
| <b>Total In Income Range</b> | <b>16,491</b> | <b>100%</b> |
| Less than \$10,000           | 3,054         | 19%         |
| \$10,000 to \$19,999         | 2,612         | 16%         |
| \$20,000 to \$34,999         | 3,777         | 23%         |
| \$35,000 to \$49,999         | 2,778         | 17%         |
| \$50,000 to \$74,999         | 2,348         | 14%         |
| \$75,000 to \$99,999         | 1,033         | 6%          |
| \$100,000 or more            | 889           | 5%          |
| <b>30% or more of Income</b> | <b>9,675</b>  | <b>59%</b>  |
| Less than \$10,000           | 1,982         | 12%         |
| \$10,000 to \$19,999         | 2,502         | 15%         |
| \$20,000 to \$34,999         | 3,232         | 20%         |
| \$35,000 to \$49,999         | 1,462         | 9%          |
| \$50,000 to \$74,999         | 453           | 3%          |
| \$75,000 to \$99,999         | 44            | 0%          |
| \$100,000 or more            | 0             | 0%          |

Source: U.S. Census Bureau, 2018 American Community Survey 5-Year Estimates

Also, as with home owners, renter households making \$50,000 or more pay greater than 30% of their income toward housing costs at significantly lower rates than those with lower incomes.

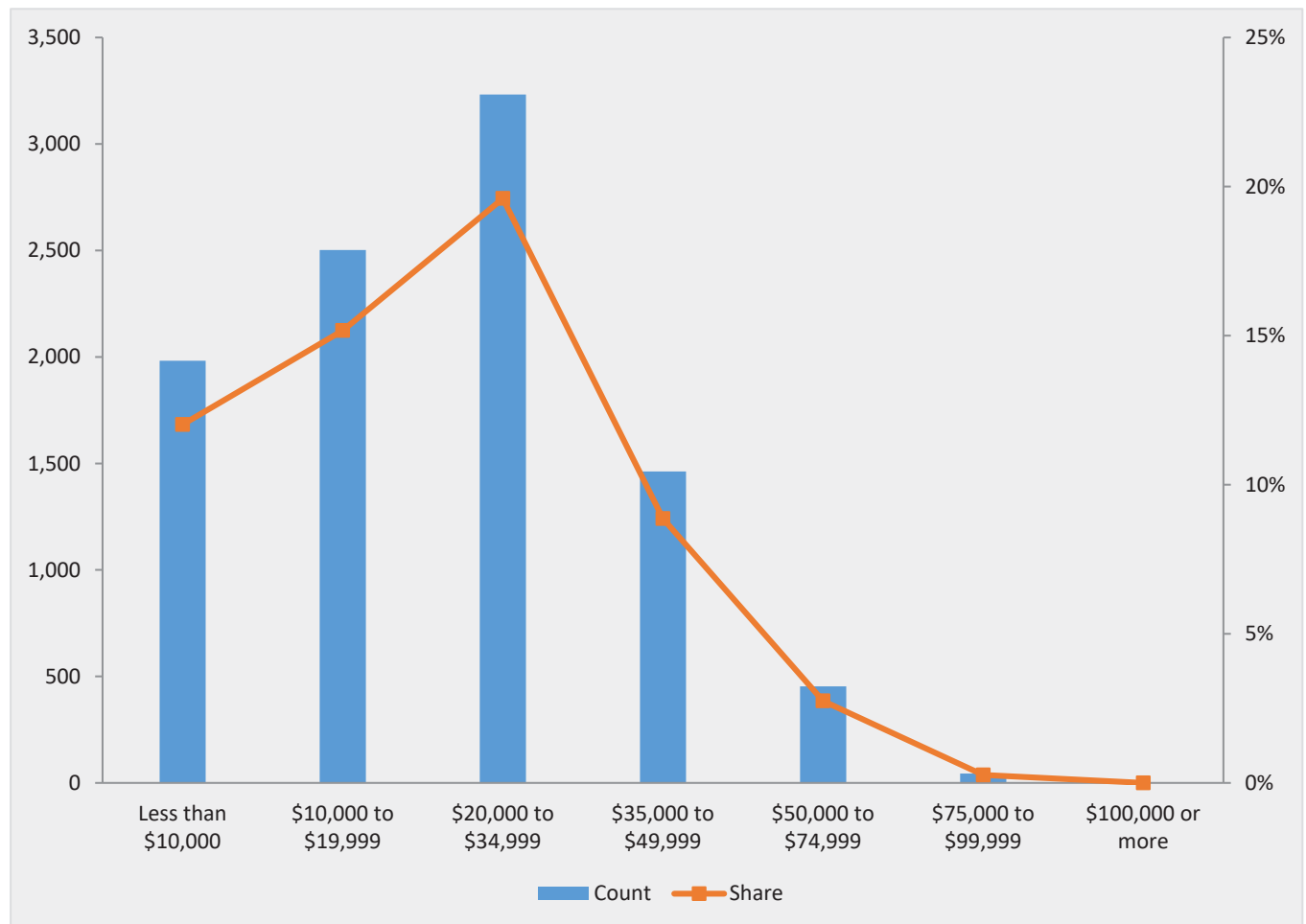
The rate of housing cost burden for renter households in the \$35,000 to \$49,999 income bracket appeared to be surprisingly low with only 3% (453) households.

**Census ACS data utilized here and throughout this report is now several years old and it must be understood that housing cost burden and demand for affordable housing is likely much greater than shown in this report.**

In San Marcos in 2018 there were an estimated 22,775 households, of which 16,491 (72%) were renter-occupied.

Out of the 16,491 renter-occupied households 9,675 (59%) were housing cost burdened.

The chart below shows count and share of renter-occupied cost-burdened households in San Marcos for 2018.



**Figure 6.13, 2018 Cost Burdened Renter Households by Household Income**

Source: U.S. Census Bureau, 2018 American Community Survey 5-Year Estimates

The \$20,000 to \$34,999 renter household income cohort had the largest count (3,232) and share (20%) experiencing housing cost burdens of 30% or more income spent on housing.

As stated earlier in this section, Fall 2019 Texas State enrollment data showed 38,187 students of which 29,795 lived off campus and 6,433 lived on campus.

Assuming that college students fall mostly within the less than \$10,000 and the \$10,000 to \$19,999 income ranges, the chart shows that renter households making \$20,000 to \$34,999 are likely made up mostly of non-students and are experiencing the greatest share of housing cost burden of any other cohort.

Therefore, renters in San Marcos in the \$20,000 to \$34,999 household incomes should be considered as the City moves forward developing and finalizing their official housing strategy.



## SAN MARCOS HOUSING SUPPLY ASSESSMENT

### Existing Home Market – Multi-family, Rental Units

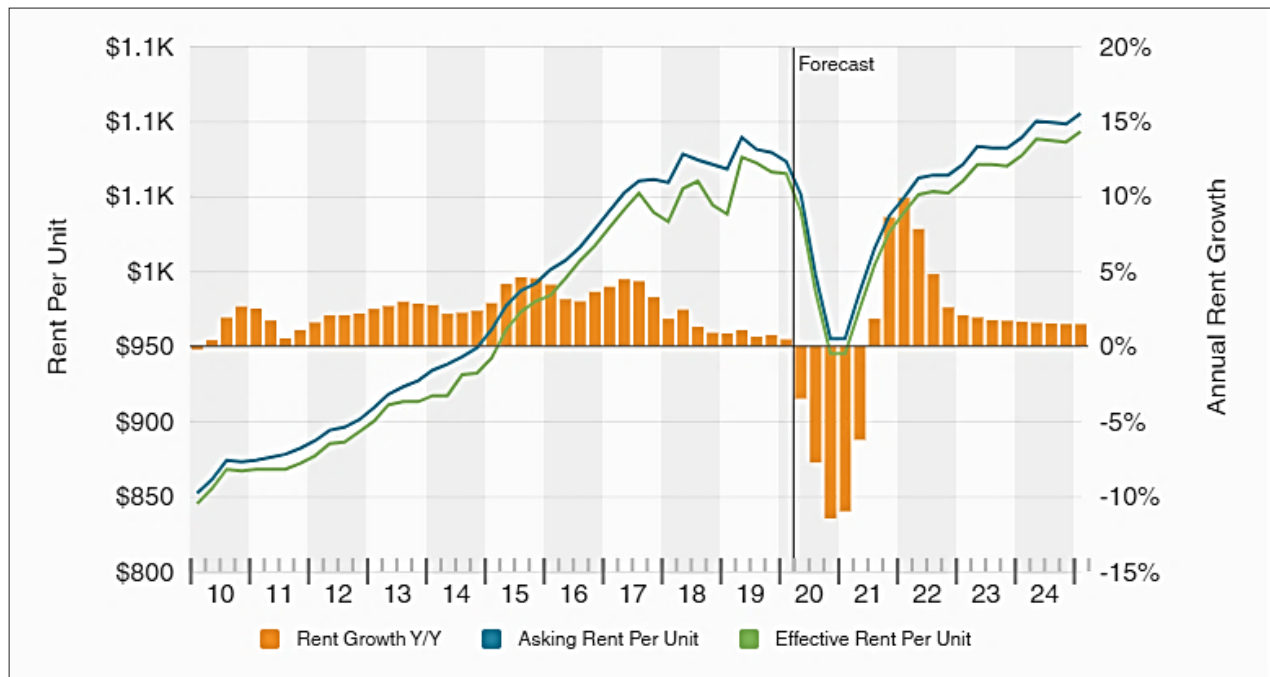
Based on 2019 PCensus estimates there were 23,963 total housing units in San Marcos with 7,249 (32%) owner occupied and 15,452 (68%) renter occupied units. Also, in San Marcos multi-family units (properties with 5 or more units) accounted for 10,270 (43%) of the total units in San Marcos.

The unit amounts from 2019 PCensus estimates differ from 2018 ACS unit amount estimates because PCensus uses past Census data and trends to estimate future years. PCensus figures are sited to provide the most recent estimates available of housing units in San Marcos as well as the CMA. Also, PCensus data is utilized due to the inability of 2018 ACS data to be geographically customized to the CMA and Study Area.

The following section will provide figures and data as of 1Q2020 from CoStar for the multi-family apartment housing market in San Marcos and the CMA. This data may not include every multi-family property in San Marcos as some complexes refuse to share property performance information. However, the data represents the most optimal and up to date multi-family apartment market data available.

## San Marcos Multi-family Apartment Trends

Figure 6.14, San Marcos Multi-family Apartment Rent Per Unit and Growth



Source: Costar

The asking rent is the listed monthly unit rental rate and the effective rent for renters is the monthly unit rental rate after deducting concession values. Concessions include months of free rent, or amenities paid for by the landlord.

Current asking rent per unit in San Marcos is around \$1,100 per unit with effective rent per unit nearly the same. Rent growth year over year was greatest in 2015 and 2017 and has since been on a consistent decrease to 2020.

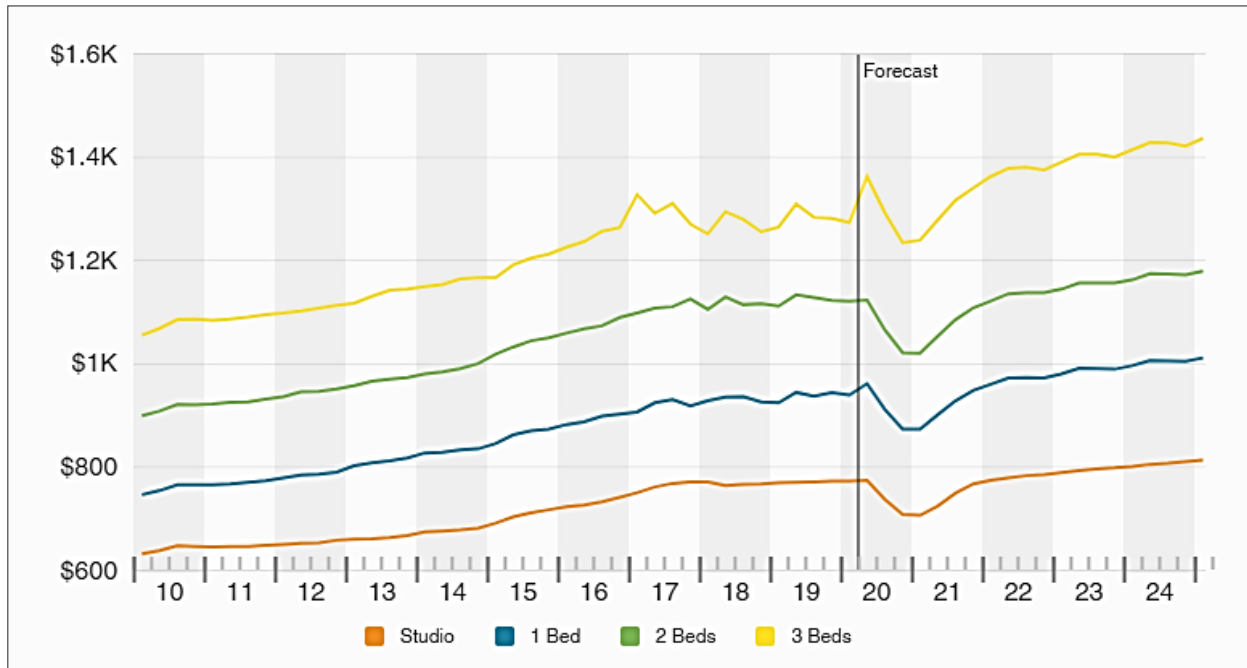
Asking and effective rent per unit are forecast to drop precipitously, likely due to COVID-19 to around \$950 per unit and returning back to the current \$1,100 rate starting 2022.

The bounce back to pre-pandemic rent levels assumes that it will take an estimated eight quarters from 1Q2020 through 1Q2022 until employment and economic activity in San Marcos return to levels seen in late 2019 and early 2020.





**Figure 6.15, 1Q2020 San Marcos Multi-family Asking Rent Per Unit By Bedroom**



Source: Costar

Studio units had an asking price of just under \$800, 1 bed units had an asking price of just under \$1,000, and 2 bed units had an asking price of around \$1,100 per month.

In San Marcos asking rent was greatest for 3 bedroom units at around \$1,300 per month.

The table below shows fair market rent per unit by bedroom for the San Antonio-New Braunfels HUD Metro Fair Market Area (HMFA), Austin-Round Rock MSA and Texas.

The San Antonio-New Braunfels HUD Metro Fair Market Area (HMFA) include Bandera, Bexar, Comal, Guadalupe, and Wilson Counties. The Austin-Round Rock MSA includes Bastrop, Caldwell, Hays, Travis, and Williamson Counties.

Fair Market Rent is HUD’s best estimate of what a household seeking a modest rental home in a short amount of time can expect to pay for rent and utilities in the current markets. This data was used because it was the most up to date multi-family market rental unit data available.

**Table 6.39, FY2020 Fair Market Rent Per Unit by Bedroom**

| Fair Market Rent | San Antonio-New Braunfels HMFA | Austin-Round Rock MSA | Texas   |
|------------------|--------------------------------|-----------------------|---------|
| ZERO-BEDROOM     | \$702                          | \$988                 | \$793   |
| ONE-BEDROOM      | \$851                          | \$1,134               | \$892   |
| TWO-BEDROOM      | \$1,051                        | \$1,356               | \$1,087 |
| THREE-BEDROOM    | \$1,372                        | \$1,763               | \$1,449 |
| FOUR-BEDROOM     | \$1,691                        | \$2,128               | \$1,805 |

Source: US Department of Housing and Urban Development



## **SAN MARCOS** Transportation Corridors Study

For comparison, asking rents in San Marcos for studio, 1 bed, and 2 bed units were greater than in the San Antonio-New Braunfels HMFA and Texas, but slightly less than the Austin-Round Rock MSA.



Vacancy in San Marcos at the time of this report was just more than 10% showing 90% occupancy. Vacancy was lowest in 2016 and has increased slightly since and is forecasted to increase to 16% or 84% occupancy.

**Figure 6.16, San Marcos Multi-family Market Vacancy**



Source: Costar

For comparison, multi-family apartment market data for the Austin MSA as of 1Q2020 according to Transwestern showed an occupancy of 90%. Data collected and analyzed by CDS in early 2019 showed that the combined average occupancy rate for Seguin, Converse, Live Oak, Schertz, Selma, Universal City and Windcrest was at 95% and New Braunfels was around 90%.

Occupancy is important because 90% occupancy shows strong demand for multi-family apartment rental units in San Marcos and surrounding communities.

Typically, this might signal future demand for additional new multi-family units. However, new construction of apartment units does not appear feasible as apartment vacancies are forecasted to increase and not return to pre-pandemic levels in San Marcos until around 1Q2023. This is likely due mostly to the uncertainty of Texas State University enrollment levels from 2020 to 2023 which are the greatest demand segment for apartment rental units in San Marcos.

This means that the existing inventory of apartment rental units will meet current and future projected apartment demand. Also, recent construction of off-campus student multi-family properties in San Marcos as well as recent construction of market rate luxury apartments in New Braunfels, appears to be adequate to satisfy apartment demand.

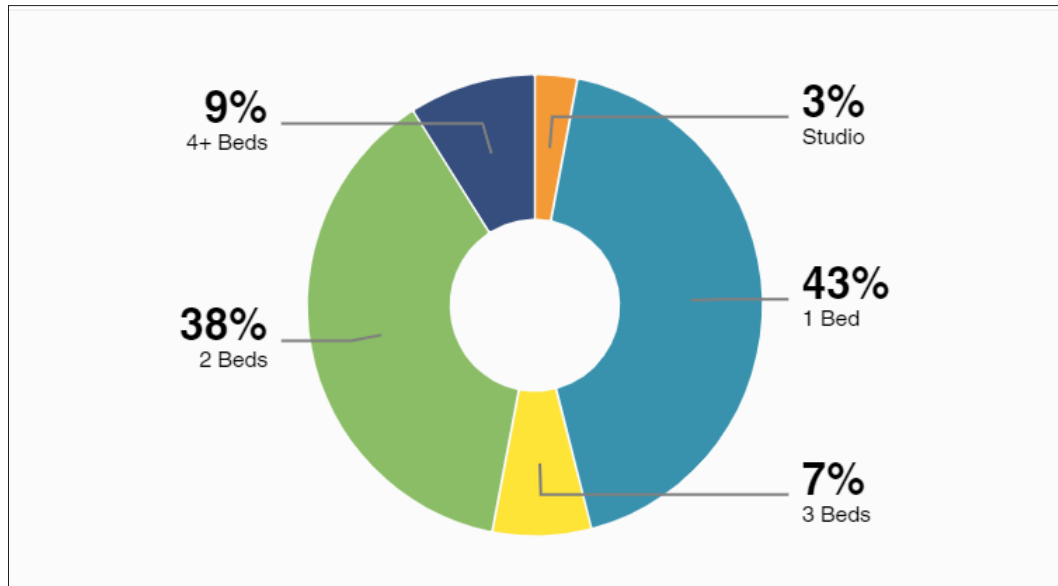
The primary rental housing type that seems to be in greatest demand and lack of supply in San Marcos was one, two and three story low to mid rise garden and courtyard apartments as well as single-family detached and attached products such as townhome, duplex, and fourplex units located in established neighborhoods and core neighborhoods in and around downtown and catalyst site areas at average monthly rental rates between \$625 to \$1,875 per month



with safe and attractive pedestrian and bicycle infrastructure connections to employment, shopping, entertainment and outdoor recreation nodes throughout San Marcos.

The multi-family market in San Marcos is dominated by 1 and 2 bedroom units. There appears to be a great lack of 3 and 4 bedroom units that are in greatest demand for young families as well as low to moderate income family households in addition to transitioning families who may be moving to San Marcos for job opportunities.

**Figure 6.17, San Marcos Multi-family Units by Bedrooms**



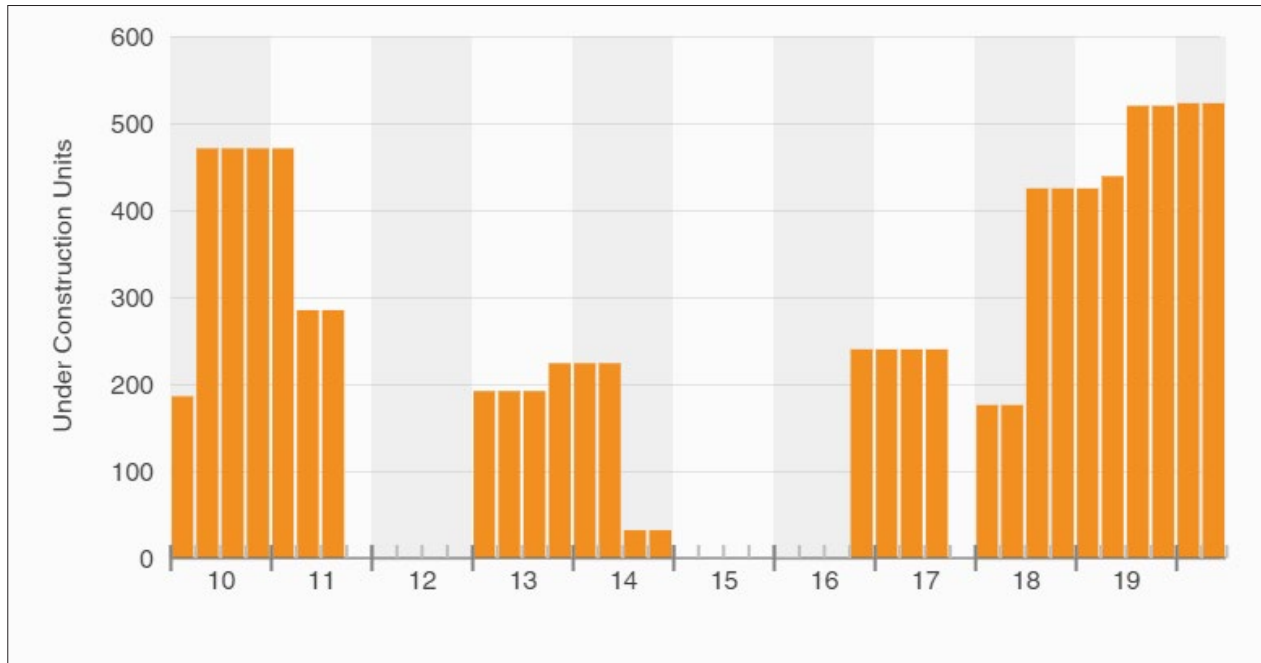
Source: Costar





According to CoStar data shown in the chart below, since the last quarter of 2016 to the second quarter of 2020 there was about 4,000 new market rate multi-family apartment units constructed in San Marcos.

**Figure 6.18, San Marcos Multi-family Units Under Construction**



Source: Costar

According to permit and multi-family data analyzed by CDS from the City of San Marcos it appears that only three apartment complexes built in San Marcos since 2016 were not designed, built and marketed exclusively to Texas State University Students.

Those complexes include the 5 unit property called 524 Condos located at 524 S LBJ completed in 2017 by Gloria and Edward Suarez, the 7 unit property called Ladybird Lane Apartments located at 311 Craddock Ave., and the 352 unit Low Income Housing Tax Credit (LIHTC) property called Mission Trails at El Camino Real, located at 3085 Hwy 123.

Based on this information this means that of the estimated 4,000 total new apartment units built in San Marcos since 2016 just 364 (9%) were not intended for university students, and of that 364 352 units were income restricted and just 12 units were conventional market rate.



The pictures on the following pages provide visual examples of the general character of multi-family apartment complexes recently constructed in San Marcos.

Redpoint Apartments (Formerly known as The Woods) — Completed 2016 — 650 River Rd — 291 units — Student Apartment

4 bed/4 bath, \$750 (per person/bed) apartment, \$695 (per person/bed) townhome

3 bed/3 bath, \$795 (per person/bed) apartment

2 bed/2 ½ bath, \$815 (per person/bed) apartment





Sadler House Apartments – (Formerly known as Residences at San Marcos) – Completed 2018 – 1271 Sadler – 240 units – Student Apartment

1 bed/1 bath, \$1,020 - \$1,450, - 674 sf.

1 bed/1 bath, \$1,054 - \$1,439, - 754 sf.

1 bed/1 bath, \$ n/a, - 828 sf.

2 bed/2 bath, \$ n/a, - 897 sf.

2 bed/ 2 bath, \$ n/a, - 990 sf.

2 bed/ 2 bath, \$1,280 - \$1,560, - 1,073 sf.

2 bed/2 bath, \$ n/a, - 1,126 sf.







The Lyndon Apartments – Completed 2019 – 200 Springtown Way – 233 units – Student Apartment

1 bed/1 bath, n/a, - 579 sf.

2 bed/2 bath, \$ n/a, - 837 sf.

2 bed/2 bath, \$ n/a, - 947 sf.

4 bed/4 bath, \$ n/a, - 1,540 sf.

4 bed/ 4 bath, \$ n/a, - 1,359 sf.





Cheatham Street Flats — Completed 2020 — 401 S Guadalupe — 120 units — Student Apartment

Studio, \$950, 326 sf.

1 bed/1 bath, \$1,020, 375 sf

2 bed/2 bath, \$800 (per person/bed) 769 sf.

3 bed/3 bath, \$725 (per person/bed) 1,015 sf.

5,500 commercial ground retail space







McCarty Commons— Completed 2020 — 1476 E McCarty — 249 units — Student Apartment

1 bed/1 bath, \$ n/a, 780 sf

1 bed/1 bath, \$ n/a, 864 sf.

2 bed/2 bath, \$ n/a, 1,174 sf.

3 bed/2 bath, \$n/a, 1,293 sf.







524 Condos — Completed 2016 — 524 S LBJ — 5 units — Market Rate

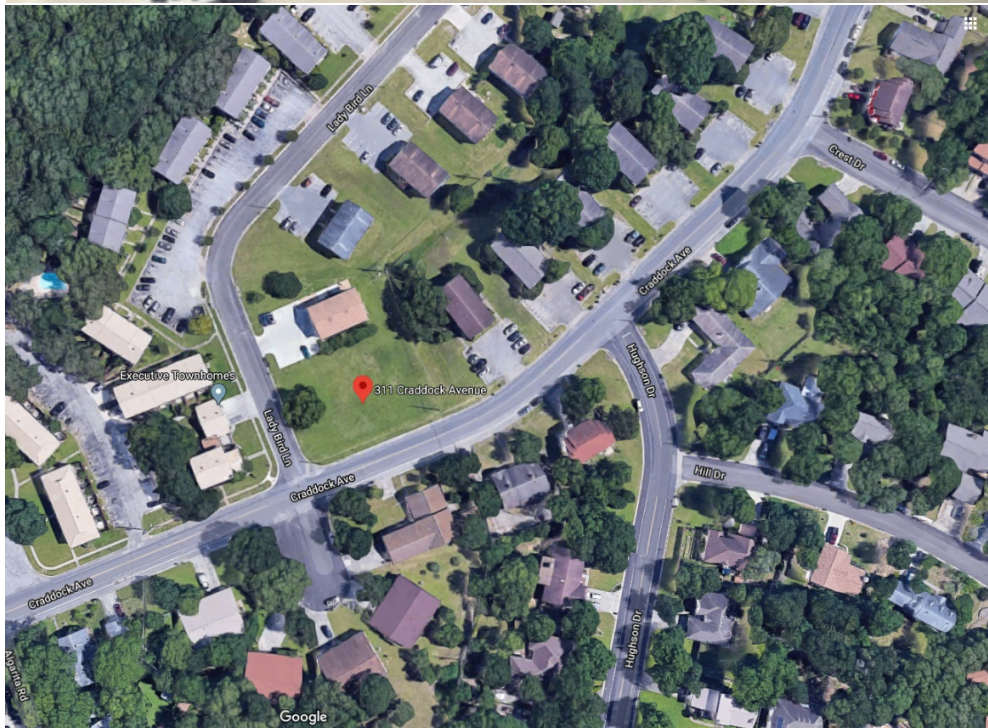
Studio, \$ n/a, 425 sf.

1 bed/1 bath, \$142,876, 950 sf. or \$900 per month rent

3 bed/2 bath, \$151,243, 950 sf.



Ladybird Lane Apartments— Completed 2019 — 311 Craddock Ave — 7 units — Market Rate  
2 bed/2 bath, \$ 1,475, 1,100 sf.







Mission Trails at El Camino (LIHTC) — Completed 2020 — 3085 Highway 123— 352 units — Income Restricted

1 bed/1 bath, \$950 - 1,050, 694 sf.

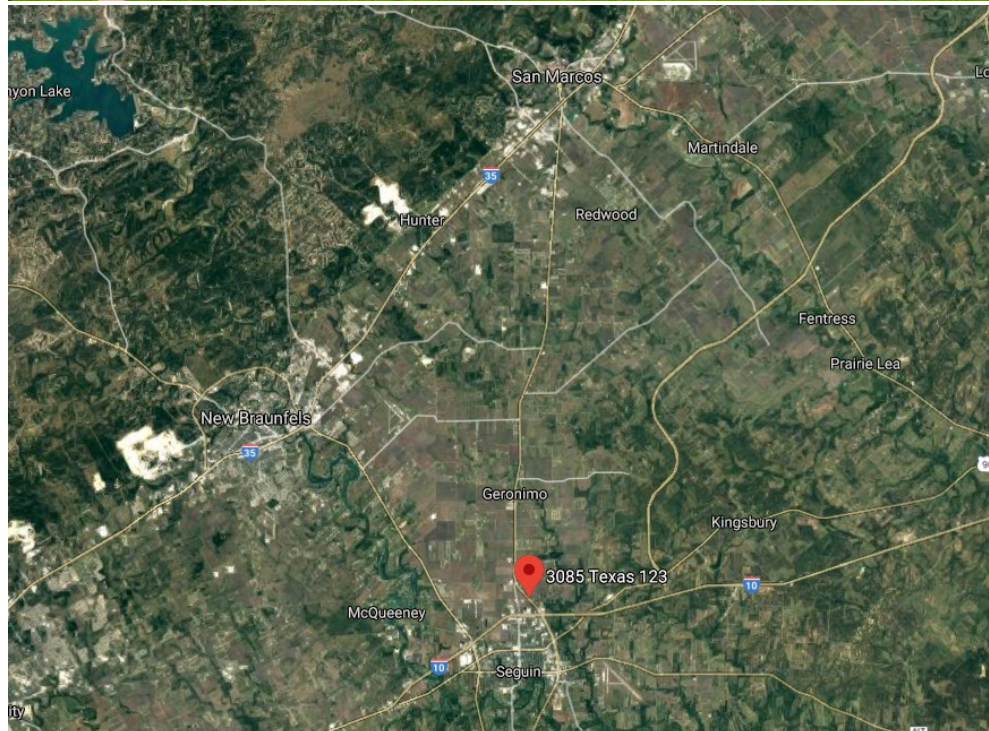
2 bed/1 bath, \$ 1,090 - \$1,130, 826 sf

2 bed/2 bath, \$1,100 - \$1,165, 830 sf.

3 bed/2 bath, \$1,275 - \$1,525, 1,100 sf.



4 bed / 2½ bath, \$1,475 - \$1,600, 1,202 sf.



## Multi-family Building Permits

The following maps provide the location of new multi-family building permits issued in San Marcos by year.

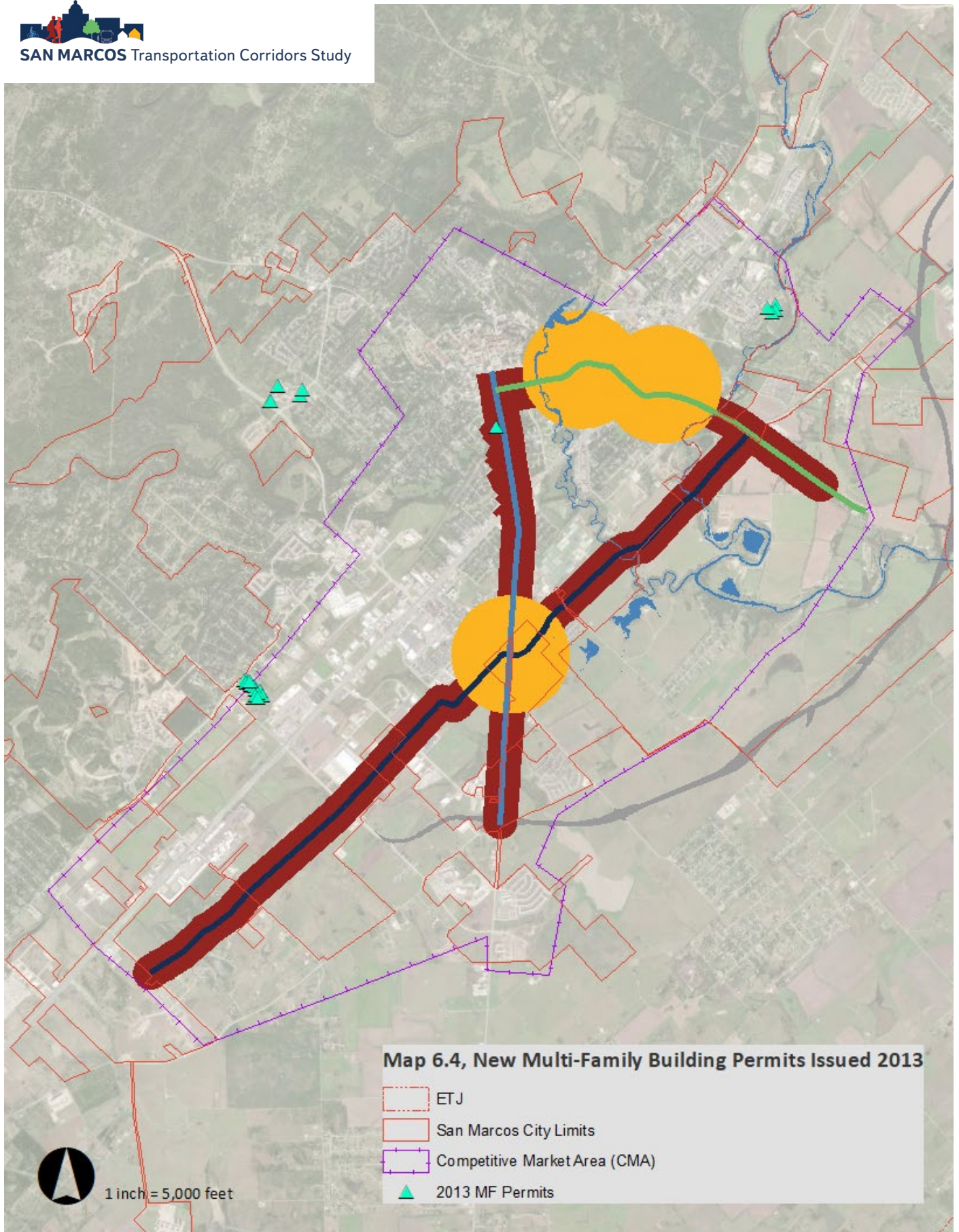
According to City of San Marcos multi-family permit data analyzed by CDS there were no multi-family permits issued for the year 2015.

The following maps shown on the next pages are titled here for reference - Map 6.4, New Multi-Family Building Permits Issued 2013, Map 6.5, New Multi-Family Building Permits Issued 2014, Map 6.6, New Multi-Family Building

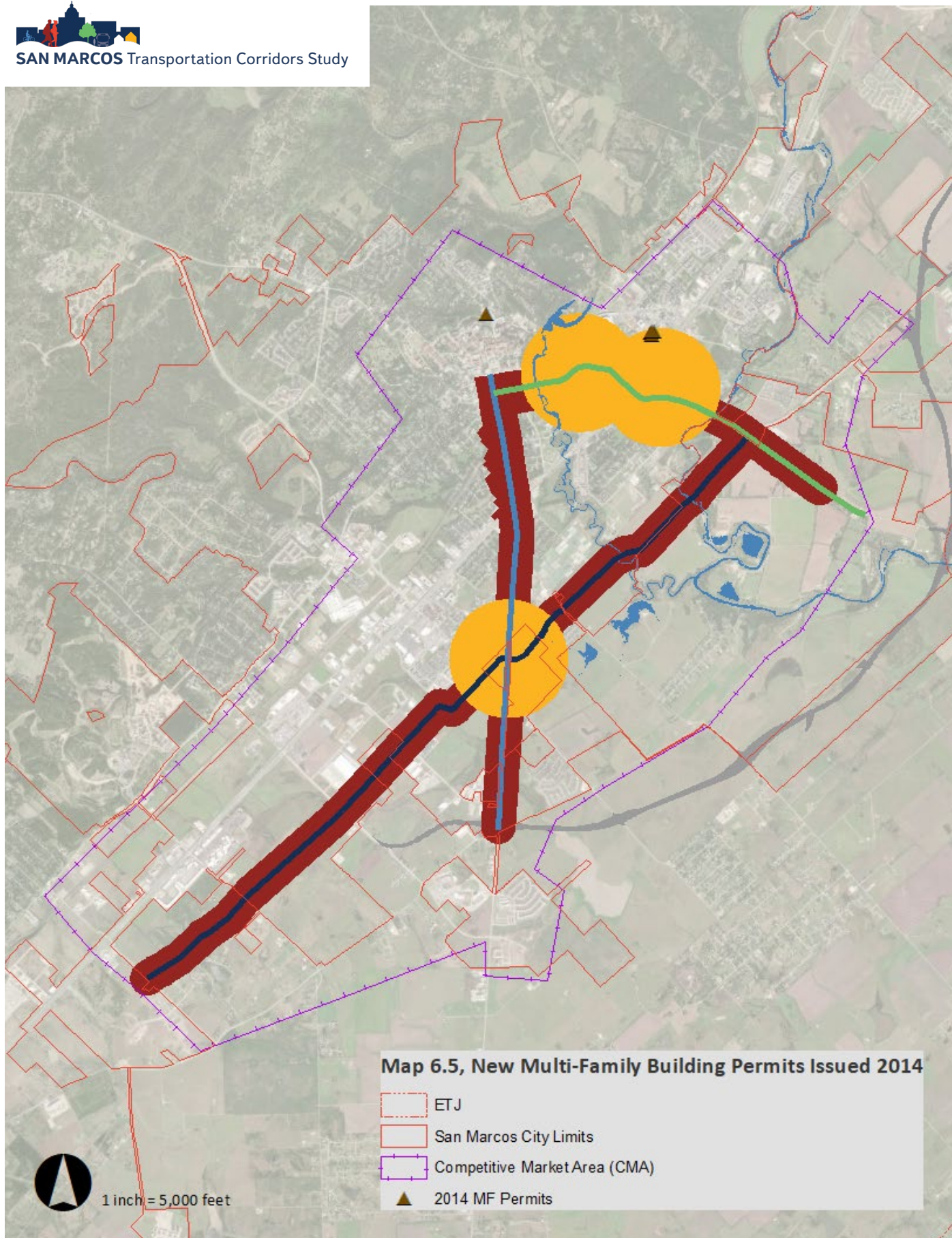




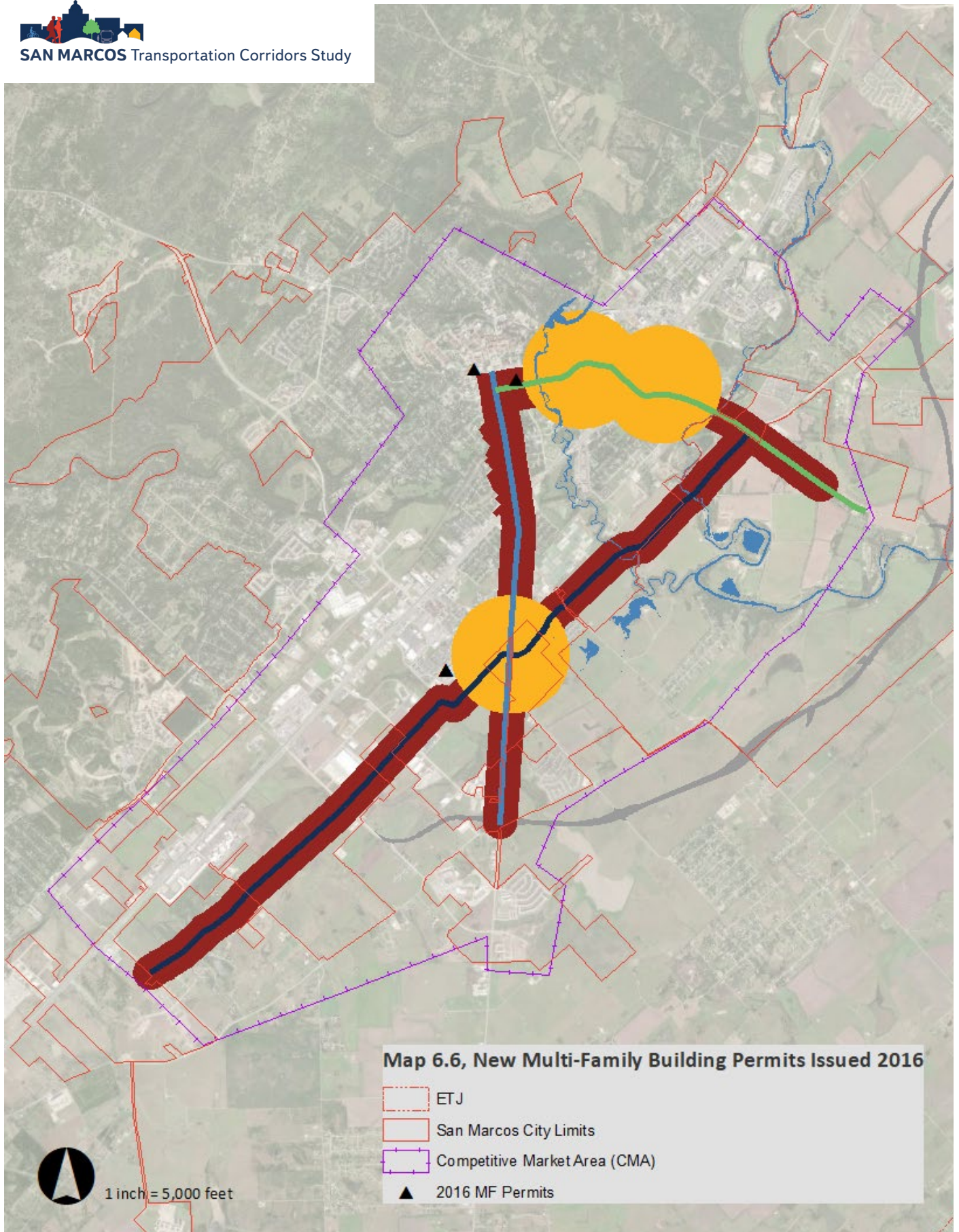
**Permits Issued 2016, Map 6.7, New Multi-Family Building Permits Issued 2017, Map 6.8, New Multi-Family Building Permits Issued 2018, Map 6.9, New Multi-Family Building Permits Issued 2019.**



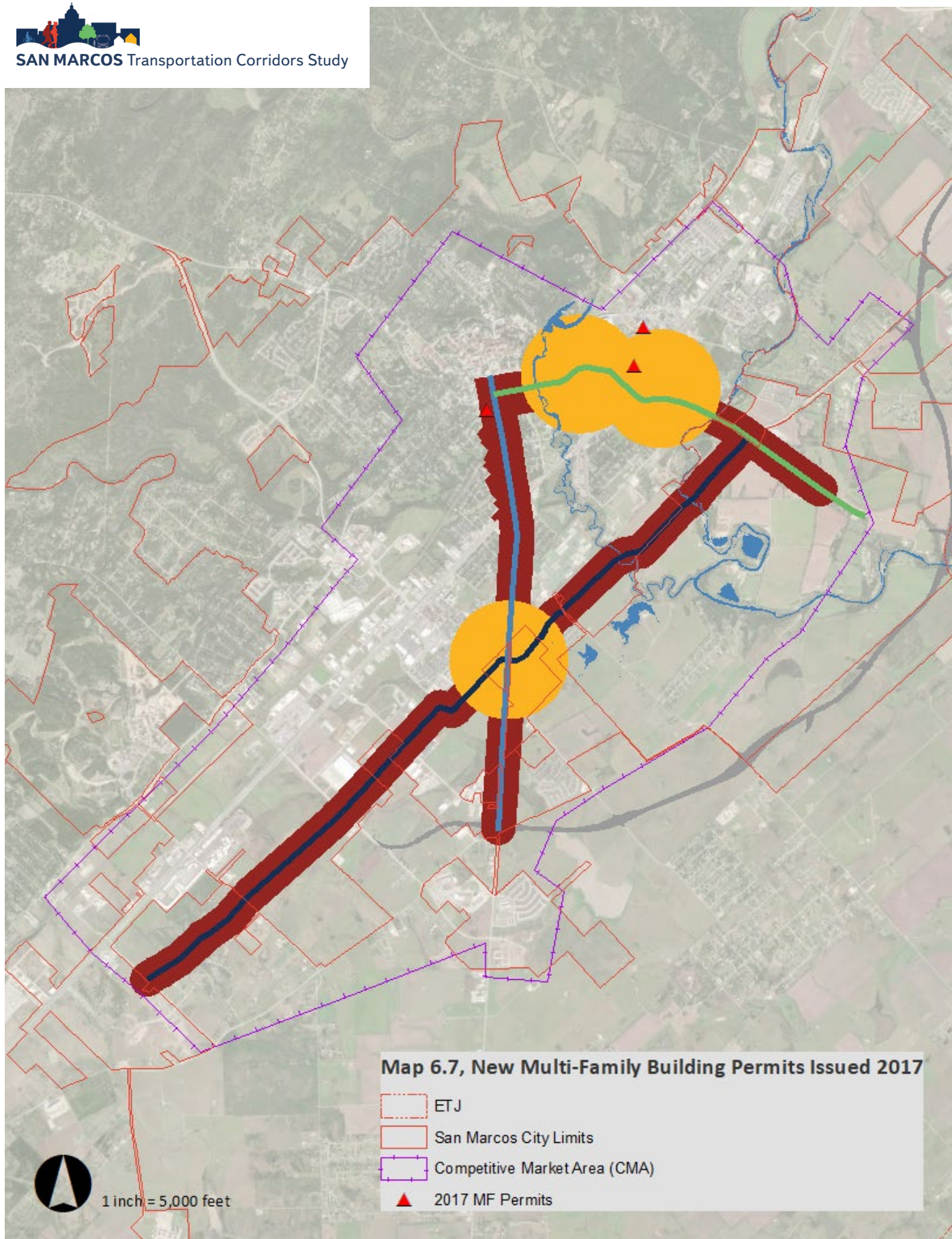




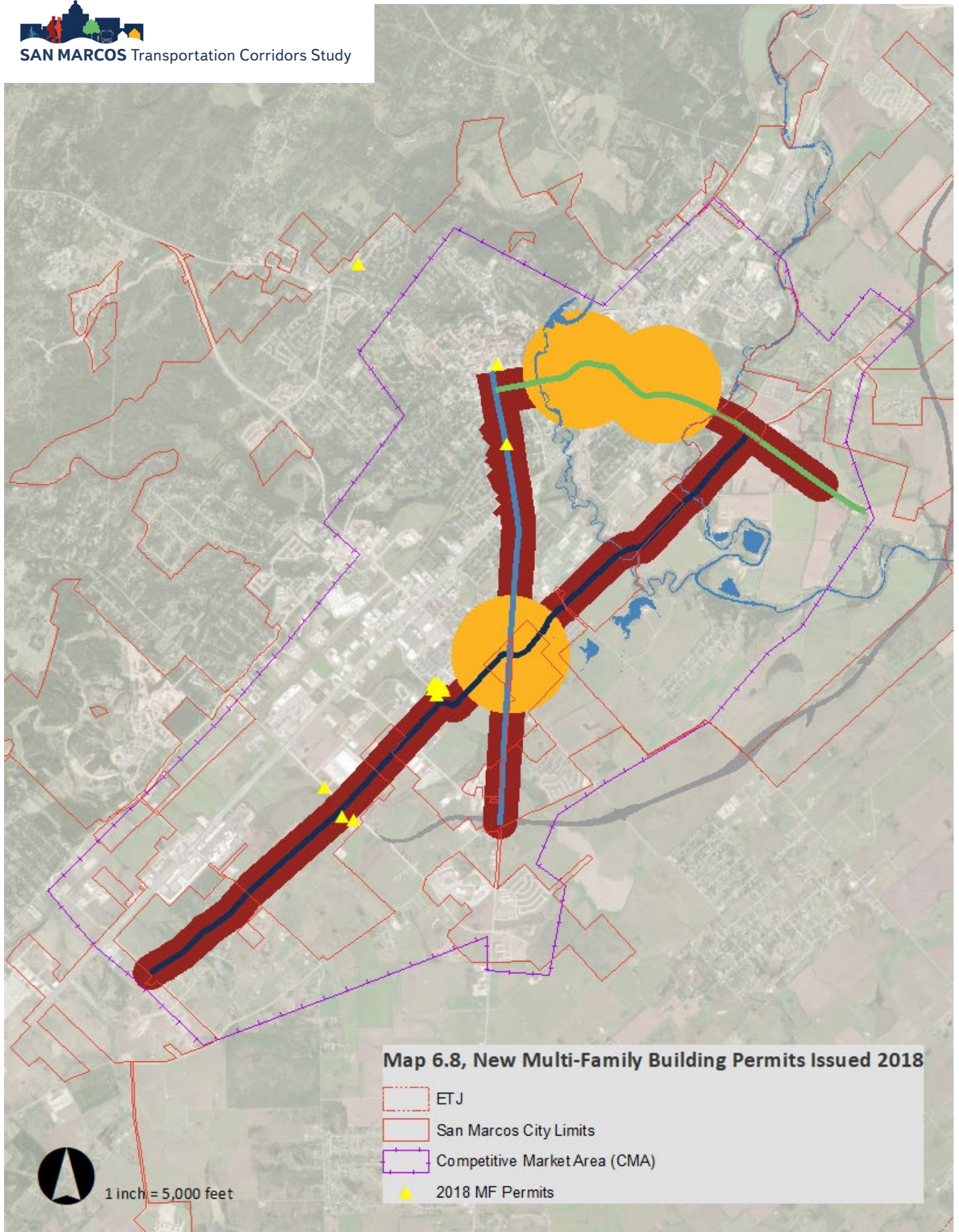




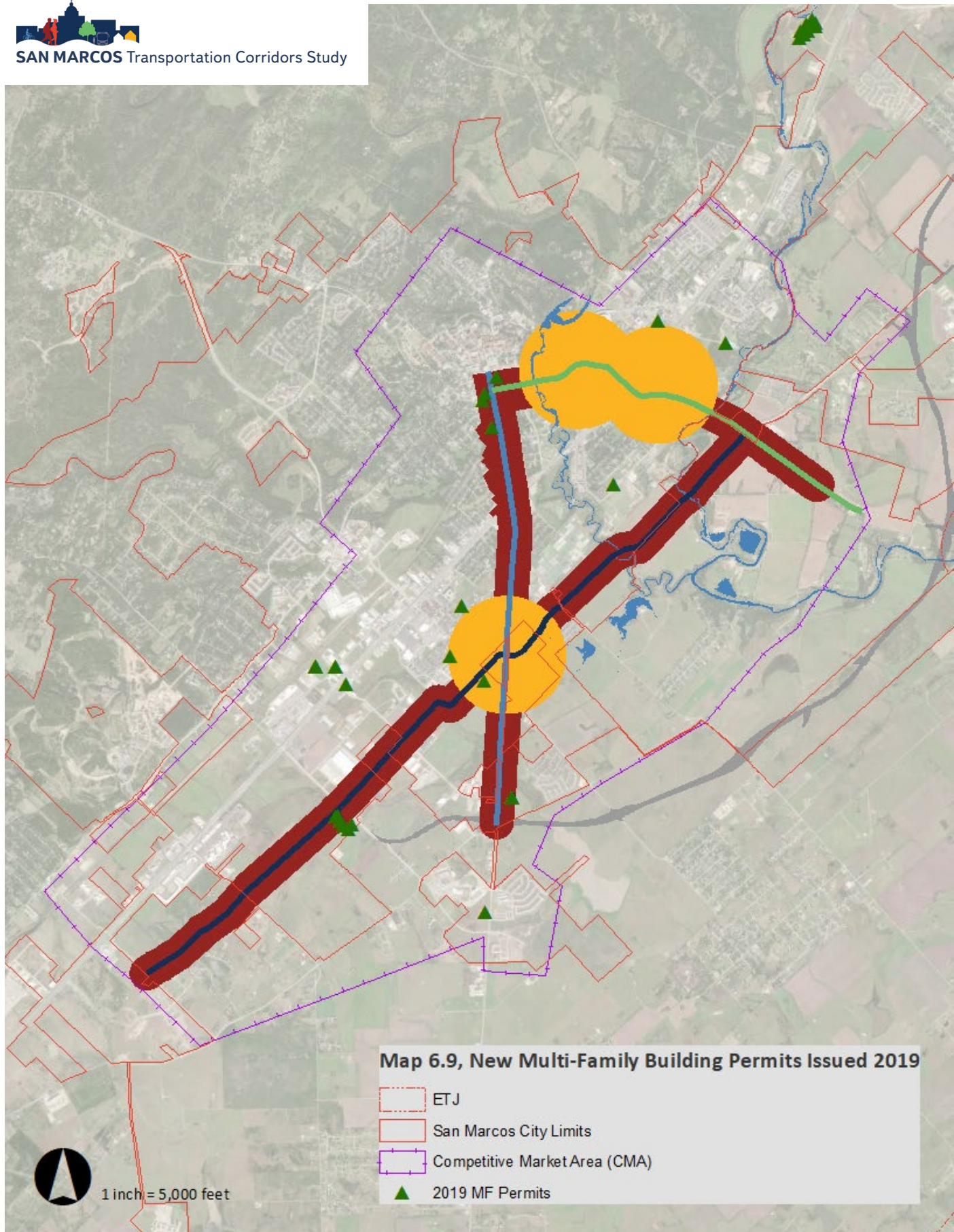














Source: City of San Marcos, CDS

In the CMA there was an estimated 17,609 total housing units, 4,387 (25%) were owner occupied and 12,225 (69%) were renter occupied. In the CMA multi-family units accounted for 8,597 (49%) of the total units in the CMA. Rates of owner occupancy in San Marcos are low compared to other college towns in Texas, though they each have a greater population and number of households than San Marcos.

Nevertheless, according to 2018 ACS 5-Year data San Marcos had a lower ownership share than Austin, Lubbock, College Station and Texas overall.

**Table 6.40, 2018 Owner and Renter Occupancy in Texas and Other Major Texas College Towns**

|                  | Texas     | Share | Austin  | Share | Lubbock | Share | College Station | Share | San Marcos | Share |
|------------------|-----------|-------|---------|-------|---------|-------|-----------------|-------|------------|-------|
| Total:           | 9,553,046 | 100%  | 370,043 | 100%  | 94,398  | 100%  | 39,908          | 100%  | 22,775     | 100%  |
| Owner occupied:  | 5,917,771 | 62%   | 167,206 | 45%   | 48,413  | 51%   | 14,623          | 37%   | 6,284      | 28%   |
| Renter occupied: | 3,635,275 | 38%   | 202,837 | 55%   | 45,985  | 49%   | 25,285          | 63%   | 16,491     | 72%   |

Source: U.S. Census Bureau, 2014-2018 American Community Survey 5-Year Estimates

Lower rates of homeownership imply a shortage of existing and new single-family homes and creates challenges for local workers and others who desire to make San Marcos their permanent residence. These rates show that the housing market in San Marcos is very oriented to student renters and therefore has not provided great opportunities for new home owners there.

CoStar was utilized in this section as a data source for multi-family apartment data in San Marcos, the CMA and the Study Area. CoStar is commonly considered by real estate market researchers and analysts as the premier real estate data source available.

Per CoStar data for the CMA shown in the table below, there were 7,586 total multi-family units at the time of this study.

**Table 6.41, CMA Multi-family Property Composition**

| Multi-family Property Type       | % of Market | # of Units   | Avg. Occupancy | Avg. SF    | Avg. Asking Rent | Avg. Asking Rent/Sf |
|----------------------------------|-------------|--------------|----------------|------------|------------------|---------------------|
| Conventional                     | 1%          | 57           | 91%            | 778        | \$807            | \$1.04              |
| Affordable/Restricted/Subsidized | 32%         | 2,440        | 95%            | 982        | \$1,019          | \$1.04              |
| Senior Living                    | 5%          | 406          | 96%            | 888        | \$890            | \$1.00              |
| Off Campus Student Multi-family  | 62%         | 4,683        | 90%            | 786        | \$983            | \$1.25              |
| <b>Totals</b>                    | <b>100%</b> | <b>7,586</b> | <b>93%</b>     | <b>858</b> | <b>\$924</b>     | <b>\$1.08</b>       |

Source: CoStar, City of San Marcos, CDS Community Development Strategies

The multi-family housing market in San Marcos and the CMA is dominated by multi-family student housing complexes which made up 62% (4,683) of all multi-family units in the CMA.



Based on interpretation of multi-family property data there appeared to be just 57 total multi-family rental units in the CMA that were not completely designed, built, operated, and marketed specifically for Texas Student University students.

Legally if someone can afford the monthly rent and wants to reside in off student multi-family apartment complexes they can.

Due to DJ's, pool parties, the presence of alcohol consumption and other programmed events (many of which happen on week days as well as weekends) at many of the off campus student apartments in San Marcos as well as rent per room arrangements with randomly chosen roommates, many non-students simply will not live at these properties, especially for families with school age children.

This can also be gathered from observing the design of floorplans and amenity packages of multi-family complexes. Almost all multi-family complexes in San Marcos and the CMA have resort style pools, game rooms and programmed social event such as crawfish boils, volleyball tournaments, DJ, or other live music, which cater mostly to 21 to 25 year old student demographic. Although data in this report refers to unit rent and rent per square foot, almost all student multi-family complexes rent by the bed, with each bedroom paying individually to make up the collective monthly unit rental rate.

Although these units are legally eligible to be rented by non-students — the floorplan design, rental arrangements paid by the room paired up with potential strangers, as well as surrounding residents and programmed social events do not appeal to non-student single or family occupants.

About 32% (2,440) of the units in the CMA were income-restricted units i.e. restricted for low-and moderate-income renters. These units included multi-family developments by San Marcos Housing Authority, Texas Department of Housing and Community Affairs (TDHCA), and some market-rate multi-family developments with income-restricted units.

The data shows that overall average multi-family occupancy was high at 93% across all multi-family types in the CMA. This shows that demand for multi-family rental units in the CMA was strong.





## Existing Multi-family Market Rate Units Supply and Inventory

The table below provides a sample of existing student multi-family apartment units in San Marcos. The most expensive rents range in the \$1,500 to \$1,300 for the newest and largest units and the lowest in the \$600 to \$700 range for older units without amenities like onsite resort pools, media rooms and gyms.

In San Marcos, the newest off campus student apartment complex are typically the most desired and boast the highest occupancy. These properties also tend to have the highest rents and largest square footage living spaces. This is due the preference of many students to prefer brand new construction. Plus, for the most part the newest properties have the latest and obviously newest amenities such as ever more glamorous resort style pools, gyms, dog parks, basketball, and volleyball areas.

One developer of a recently completed off campus student apartment complex stated that they aimed for top of market rental rates because they believed students with wealthy parents typically were not bothered by paying top of the market rents for brand new construction and amenities. A lesson they learned developing off campus student apartments in nearby Austin, Texas in recent years.

**Table 6.42, Existing Off Campus Student Apartment Complexes in CMA**

| Property Name             | Units | Ave. Unit Size | Year Built | Ave. Rent | Ave. Rent/SF | Occupancy |
|---------------------------|-------|----------------|------------|-----------|--------------|-----------|
| The Palazzo               | 300   | 884            | 1997       | \$1,134   | \$1.28       | 90%       |
| SYNC at Purgatory Creek   | 285   | 959            | 2011       | \$1,376   | \$1.43       | 87%       |
| Autumn Chase              | 258   | 746            | 1986       | \$940     | \$1.26       | 96%       |
| McCarty Commons           | 249   | 907            | 2020       | \$1,295   | \$1.43       | 45%       |
| Sadler House              | 240   | 891            | 2017       | \$1,170   | \$1.31       | 96%       |
| Springmarc Apartments     | 240   | 880            | 2008       | \$1,102   | \$1.25       | 97%       |
| Parkway Grande            | 192   | 833            | 2014       | \$1,069   | \$1.28       | 92%       |
| Blanco River Lodge        | 186   | 836            | 2011       | \$1,160   | \$1.39       | 89%       |
| Savannah Club             | 180   | 911            | 2005       | \$1,186   | \$1.30       | 94%       |
| Townwood Apartments       | 176   | 757            | 1983       | \$798     | \$1.05       | 99%       |
| Fitzroy at San Marcos     | 176   | 874            | 2019       | \$1,285   | \$1.47       | 66%       |
| Park Hill                 | 168   | 814            | 2001       | \$1,038   | \$1.28       | 89%       |
| Cedars of San Marcos      | 168   | 908            | 1985       | \$1,105   | \$1.22       | 90%       |
| Aqua 16                   | 162   | 724            | 1974       | \$958     | \$1.32       | 88%       |
| Verandah                  | 156   | 736            | 1982       | \$730     | \$0.99       |           |
| Clarewood Apartments      | 142   | 786            | 1987       | \$1,006   | \$1.28       | 97%       |
| Avalon Apartments         | 136   | 762            | 1982       | \$741     | \$0.97       |           |
| Village Green Apartments  | 125   | 730            | 1984       | \$848     | \$1.16       |           |
| Hill Country              | 120   | 678            | 1985       | \$919     | \$1.35       | 94%       |
| Nest Apartments           | 104   | 759            | 1970       | \$973     | \$1.28       | 81%       |
| Englebrook Apartments     | 102   | 400            | 1983       | \$760     | \$1.90       |           |
| The Colony of San Marcos  | 88    | 809            | 1975       | \$933     | \$1.15       | 89%       |
| The Palms                 | 88    | 550            | 1980       | \$650     | \$1.18       | 98%       |
| The Wellington Apartments | 78    | 868            | 1999       | \$1,305   | \$1.50       | 97%       |
| Stadium View Apartments   | 70    | 668            | 1980       | \$845     | \$1.27       | 90%       |
| Florencia Villas          | 64    | 1,000          | 1984       | \$1,050   | \$1.05       | 75%       |
| Mosscliff Apartments      | 59    | 885            | 1983       | \$901     | \$1.02       | 85%       |
| Post Oak Villa Apartments | 58    | 578            | 1997       | \$729     | \$1.26       | 95%       |
| The Oaks Apartments       | 34    | 688            | 1981       | \$737     | \$1.07       | 94%       |
| Sundance Apartments       | 32    | 750            | 1972       | \$833     | \$1.11       | 94%       |





| Property Name              | Units        | Ave. Unit Size | Year Built  | Ave. Rent    | Ave. Rent/SF  | Occupancy  |
|----------------------------|--------------|----------------|-------------|--------------|---------------|------------|
| Green Spring Apartments    | 32           | 931            | 2015        | \$1,113      | \$1.19        | 94%        |
| The Courtyard              | 30           | 724            | 1973        |              |               | 93%        |
| Stonegate Apartments       | 26           | 687            | 1965        | \$836        | \$1.22        | 92%        |
| The Monarch                | 24           |                |             |              |               | 92%        |
| Herndon House              | 24           | 675            | 1972        | \$881        | \$1.30        | 96%        |
| Lindsay Oaks Apartments    | 23           | 600            | 1968        | \$670        | \$1.12        | 96%        |
| Chestnut Place Apartments  | 20           | 750            | 1975        | \$788        | \$1.05        | 85%        |
| Woodstone Apartments       | 14           | 631            | 1967        | \$602        | \$0.95        | 94%        |
| Heritage Square Apartments | 13           |                | 1984        |              |               | 93%        |
| Cornerstone Apartments     | 12           | 875            |             |              |               | 92%        |
| River Road Apartments      | 12           | 1,100          | 2001        | \$1,151      | \$1.05        |            |
| 165 Lofts                  | 10           | 1,076          | 1985        | \$1,596      | \$1.48        | 92%        |
| Dunbar Townhomes           | 5            |                |             |              |               | 90%        |
| Bldg B                     | 2            | 500            |             |              |               | 90%        |
| 1801 Uhland                |              |                | 1900        |              |               | 88%        |
|                            | <b>4,683</b> | <b>783</b>     | <b>1987</b> | <b>\$979</b> | <b>\$1.24</b> | <b>90%</b> |

Source: CoStar

Occupancy across the CMA was high which can put upward pressure on rents. However, property owners and managers in all non-income restricted apartment properties and units in San Marcos require acceptable credit history as well as income three times the monthly rent in order to qualify for a lease.

Consequently, local wages and household incomes effectively cap how high older existing apartment units can command even with a short supply and high demand for conventional, market rate, non-student rental units.

**Table 6.43, Existing Conventional Apartment Complexes in CMA**

| Property Name        | Units     | Ave. Unit Size | Year Built  | Ave. Rent    | Ave. Rent/SF  | Occupancy  |
|----------------------|-----------|----------------|-------------|--------------|---------------|------------|
| Duplexes on Haynes   | 18        | 648            |             |              |               | 94%        |
| Scott Street Apts    | 10        |                |             |              |               | 90%        |
| Baynebridge Condos   | 8         | 960            | 1985        |              |               | 88%        |
| Mitchell Street Apts | 6         | 1,000          |             | \$1,051      | \$1.05        |            |
| 1644 Old Post Rd     | 4         | 503            | 1983        | \$562        | \$1.12        |            |
| 100 Uhland Rd        | 4         |                |             |              |               |            |
| 200 Uhland Rd        | 4         |                |             |              |               |            |
| 605 W Hutchison St   | 3         |                |             |              |               |            |
|                      | <b>57</b> | <b>778</b>     | <b>1956</b> | <b>\$807</b> | <b>\$1.09</b> | <b>91%</b> |

Source: CoStar

There appeared to be just 57 non-student multi-family units in the CMA.

On the following page are examples of several of these properties CDS deemed to be non-student multi-family complexes.

Most conventional market rental rates for Class B and C units was \$690 for studio units (440 sf.), and \$750-\$800 for 1 bed (600 sf.) units.



Class B and C properties can be defined as older existing market rate complexes which usually lack amenities such as resort style pools, gyms, basketball courts, game rooms, parking garages. In many communities these units represent Naturally Occurring Affordable Housing (NOAH) and can be very important to local worker households in occupations such as teaching, healthcare, first responders, retail, and food and accommodation.

Prices were increasing for a while but in past two years did not seem to be pushing higher based on the desire to retain residents and renew leases in lieu of increased rents. Most units typically rotate about 30% to 50% of units each year but the main benchmark for most owners and managers was 20%. So far in 2020 renewals appeared to be up.

If COVID-19 had not occurred many believe market rents would have increased about \$10 - \$50 per month.

The following pictures provide an example of older, existing Class B and C market rate multi-family properties in San Marcos.



205 S Mitchell St. Apartments



126 Scott St. Apartments



100 Uhland Apartments



## Existing Multi-family Assisted Units

Market rate housing refers to multi-family housing that was constructed or purchased with 100% private dollars and does not have a ceiling on allowable tenant incomes. Income, rent, age restricted, and subsidized rental units are terms that include several types of housing such as income restricted housing, rent subsidized housing, supportive housing, public housing, and others.

Like regular market rate housing, most of the affordable housing that is developed today is privately built and owned, either by non-profit organizations, private businesses and corporations or public housing authorities. These organizations use a combination of private funding and public subsidies, often in the form of tax credits and/or special loans, to construct new apartments that are affordable for low- and moderate-income families. These apartments are typically regulated by State and/or Federal agencies.

There were about 2,440 assisted units in 19 complexes in the City. The table below shows the number of units and occupancy of these units. Additionally, there were two assisted age 55 restricted projects totaling 406 units.

All unit types had very high occupancy with waiting lists for units ranging from 6 months to 3 years.

**Table 6.44, Income, Rent Restricted, Subsidized and Age Restricted Multi-family**

| Property Name                                     | Total Units  | Year Built  | Occupancy  |
|---|--------------|-------------|------------|
| <b>General</b>                                    |              |             |            |
| Mission Trail at El Camino Real                   | 352          | 2020        | -          |
| River Oaks Villas                                 | 200          | 1996        | 96%        |
| Summit  | 112          | 1985        | -          |
| Windmill Townhomes and Duplexes                   | 81           | 1982        | -          |
| Riverview Apartments                              | 54           | 1971        | 94%        |
| <b>Total/Avg.</b>                                 | <b>799</b>   | <b>1991</b> | <b>95%</b> |
| <b>TDHCA</b>                                      |              |             |            |
| Encino Pointe                                     | 252          | 2010        | 93%        |
| Sienna Pointe                                     | 228          | 2014        | 88%        |
| Mariposa Apartment Homes at Hunter Road           | 182          | -           | 92%        |
| Country Oaks Apartments                           | 160          | 1986        | 93%        |
| Champions Crossings                               | 156          | -           | 94%        |
| Villas at Willow Springs                          | 135          | 2001        | 98%        |
| Sunrise Village Phase I (HOME)                    | 135          | 1996        | 99%        |
| Asbury Place Apartments                           | 64           | 1971        | 91%        |
| Sunrise Village II                                | 40           | 1996        | 90%        |
| <b>Total/Avg.</b>                                 | <b>1,352</b> | <b>1996</b> | <b>93%</b> |
| <b>San Marcos Housing Authority</b>               |              |             |            |
| Allen Woods Homes                                 | 125          | -           | 98%        |
| CM Allen Homes                                    | 100          | -           | 98%        |
| Chapultec Homes (Family Self-Sufficiency Program) | 30           | -           | 98%        |
| New Development                                   | 26           | -           | 98%        |
| Porter Homes                                      | 8            | -           | 98%        |
| <b>Total/Avg.</b>                                 | <b>289</b>   |             | <b>98%</b> |
| <b>Age Restricted</b>                             |              |             |            |
| Stone Brook Seniors Community                     | 206          | 2000        | 95%        |
| La Vista  | 200          | 1999        | 97%        |
| <b>Total/Avg.</b>                                 | <b>406</b>   | <b>2000</b> | <b>96%</b> |

Source: CDS Community Development Strategies





Single-family Detached and Duplex Rental Units

The smallest and oldest units tended to be smaller 2 bed 1 bath homes in the 900-sf. range and rent for \$875 to \$1,100 per month. Renovated single-family units and duplexes are renting for around \$1,250 to \$1,500 per month. Due to a lack of homes for sale priced below \$180,000, this too has increased single-family renter demand, especially those with children or family members. Units with 3 bedrooms are in very low supply and are priced \$1,050-\$1,600 with some higher end units renting in the \$1,600 to \$1,700 range.

Research contacts indicated that improved accountability between landlords and the City would be helpful as some owners and landlords have tenants living in very unsafe and unacceptable conditions and refuse to repair or upgrade. On the other hand, this could mean increasing rates which could displace residents.

Very few of the rental houses are listed on the MLS and most are only advertised on specific internet sites making quantitative property and pricing data on these properties difficult to ascertain. A Multiple Listing Service (MLS) is a database established by cooperating real estate brokers to provide data about properties listed for sale or rent as well as historical sales and rents. An MLS allows brokers, agents, and market analysts to see residential property listings of properties for sale with the goal of connecting homebuyers to sellers.

Table 6.45, San Marcos House Leasing Price Range

| Bed/Bath                             | Price Range \$   |
|--------------------------------------|------------------|
| Oldest Houses/Minimal Rehabilitation |                  |
| 2/1                                  | \$875 - \$1,100  |
| 2/2                                  | \$1,050-\$1,250  |
| 3/1                                  | \$1,050-\$1,250  |
| Rehabilitated Houses                 |                  |
| 2/2                                  | \$1,250-\$1,500  |
| 3/2                                  | \$1,500-\$1,600  |
| Larger, Newer Houses                 |                  |
| 4/2                                  | \$1,600-\$1,700+ |

Source: CDS

To estimate the scale of single-family rental units out of the estimated 4,392 single-family parcels located within the CMA, CDS analyzed Hays County Appraisal District Data. Several methods were employed which included summation of single-family parcels without a homestead exemption (2,110), and a property tax mailing address different from the parcel address (1,509).

This method estimates anywhere from 2,110 to 1,509 single-family rental units located in the CMA.

Interviews from property managers of single-family rentals revealed that owners are made up of owners and operators, investors, parents of university students, and retired cohorts with some in the latter group somewhat dependent on property cash flow. A fair portion of owners appear to live in and around San Marcos based on interview feedback as well as analysis of Hays County Appraisal District property owner data.

The City of San Marcos by ordinance does not allow more than two unrelated individuals living together in a single-family rental unit.

As a result, most student renters are either blood relatives with a roommate, or two unrelated individuals but still were said to make up the largest group of single-family renters in San Marcos. The remaining pool of single-family renters were young professionals, and couples.



Feedback from single-family rental management also shared that local moderate to low wage worker households appeared to have strong demand for single-family rental products, however, they have a difficult time competing against others with higher wages. It was especially difficult for local worker households with two to three young children and require a minimum of 1,500 square feet who would seem to be best served by the single-family rental market.

An influx of new, more diverse types of rental housing such as townhomes, two, four, six and eight unit properties with smaller yards and lot sizes could have the potential to attract students, graduate students, and researchers away from single-family rentals and make single-family rental units more accessible to local worker households and families.

Rents in single-family rentals have not climbed dramatically in the last several years. However, continued interest from investors and a lack of new or existing conventional market rate multi-family rental units has put somewhat of a premium on single-family rental units, especially those located in established core neighborhoods.

Many landlords and property managers stated that they believe if new more diverse single-family for-sale and rental along with medium sized conventional multi-family complexes were built then prices for existing single-family rentals would likely stay flat as investors would not be able to garner as high of prices as new units would provide more appeal and likely be around the same average price range of \$1,600 a month for an existing 1,500 square foot 2 or 3 bedroom home rental, the average single-family rental price of such properties cited to CDS during research.

All multi-family and single-family rental products had a high occupancy based on market data and backed up by feedback from interviews.

Smaller 20 unit and less apartments were fully leased and appeared to be the lowest priced market rate rental products on the market.

Overall neighborhood and property conditions, even in the oldest core neighborhoods, were clean and well kept. Blight of existing homes and neighborhoods was present but fairly minimal, and no neighborhoods appeared to have a general problem with deterioration throughout the older established neighborhoods toured during field work.



## San Marcos Affordable Multi-Family Demand

Estimating the magnitude of affordable housing demand requires the establishment of standards for affordable rent levels and home purchase prices. This is relatively straightforward for rental housing, as household income levels can be directly translated into affordable monthly rents at a maximum of 30% of gross income. It should be noted that considerations such as security deposits, incarceration records, credit scores, family size, willingness to share with roommates, and other household expenses (medical payments, car-related expenses, student loan payments, etc.) are obviously important in determining the affordability levels for individual households but are beyond the basic analysis provided in this report as summarized in the table below.

**Table 6.46, Affordable Rent Calculation**

| Annual income    | \$15,080 | \$20,000 | \$25,000 | \$30,000 | \$35,000 | \$40,000 | \$45,000 | \$50,000 | \$55,000 | \$60,000 | \$65,000 | \$70,000 | \$75,000 |
|------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Hourly wage rate | \$7.25   | \$9.62   | \$12.02  | \$14.42  | \$16.83  | \$19.23  | \$21.63  | \$24.04  | \$26.44  | \$28.85  | \$31.25  | \$33.65  | \$36.06  |
| Weekly wage      | \$290    | \$385    | \$481    | \$577    | \$673    | \$769    | \$865    | \$962    | \$1,058  | \$1,154  | \$1,250  | \$1,346  | \$1,442  |
| Monthly income   | \$1,257  | \$1,667  | \$2,083  | \$2,500  | \$2,917  | \$3,333  | \$3,750  | \$4,167  | \$4,583  | \$5,000  | \$5,417  | \$5,833  | \$6,250  |
| Max. rent        | \$377    | \$500    | \$625    | \$750    | \$875    | \$1,000  | \$1,125  | \$1,250  | \$1,375  | \$1,500  | \$1,625  | \$1,750  | \$1,875  |

Notes: Hourly wage rate based on 2,080 hours/yr.

The most relevant estimate of affordable rental housing need in San Marcos is from the 2018 American Community Survey data as related in an earlier section of this report. Of the estimated 16,491 renter-occupied units, 56% (9,178) of renter-occupied households (40% of all households) in San Marcos made \$50,000 or below.

That data also showed high levels, 7,716 (47% of renter households) of housing cost burden (30% or more of income on housing) for renter households earning \$35,000 and below of annual income, which includes professional as well as low-skill, lower-rank positions in industries such as Retail, Health Care and Social Assistance, Education and Accommodation and Food Services along with large shares of lower skill or lower ranking employees across the remaining range of industries not mentioned. Housing cost burdened renter households overall accounted for 42% (9,675) of all households in San Marcos.

Based on the Affordable Rent Calculation table above, a summary of the total cost-burdened renter households as of 2018, and the maximum rent they should pay to avoid being cost-burdened, is as follows:

**Table 6.47, Estimated San Marcos Affordable Rental Housing Need by Income Range, 2018**

| Income Range         | # Cost-Burdened Households | Monthly Rent Range Needed |
|----------------------|----------------------------|---------------------------|
| Less than \$20,000   | 4,484                      | Under \$500               |
| \$20,000 to \$34,999 | 3,232                      | \$500 to \$875            |
| \$35,000 to \$49,999 | 1,462                      | \$875 to \$1,250          |
| <b>Total</b>         | <b>9,178</b>               |                           |

Source: US Census Bureau American Community Survey 2013-2017 5-Year Estimates



These estimates may be understated or insufficient because:

- Some households may have other expenses (notably children, healthcare, education and transportation) which lowers the range of rent needed to have a truly manageable household budget; their needed monthly rent range is much lower than what is reported in the table.
- Some renter households are not classified as cost-burdened because they are “doubling up” with other renters in a situation more crowded than they would prefer, but necessary to avoid being cost-burdened. This is taking place at reportedly high levels amongst lowest wage-earning workers in Retail and Food and Accommodation Services.
- These figures are based on the 2018 5-Year ACS. Given job and population growth in the City and County, the current numbers for 2020 are likely higher than those shown in the table.





The Department of Housing and Urban Development, and Texas Department of Housing and Community Affairs sets regulations that apply to income restricted housing funded through various state and federal programs such as 4%, and 9% tax credits, Tax-Exempt Bonds, HOME/TCAP RF, NSP, State Housing Trust Fund, and National Housing Trust Fund.

A subsidized housing development utilizing these funding programs in Hays County would have income eligibility criteria based on a certain percentage of the TDHCA's 2019 Area Median Family Income of \$97,600 for Hays County. Typically, these percentages range between 30 percent and 50 percent of the area median income. This means that a family of four in Hays County would require a family income between \$29,280 and \$48,800 in order to qualify for housing using these standards.

The 2019 estimated median household income for Hays County from PCensus is \$70,776 and for San Marcos was \$36,998. The 2018 ACS 5-Year household data referenced by CDS throughout this report refers to household incomes with respect to housing prices and housing cost burden in San Marcos. The estimated ACS 2018 median household income for San Marcos was \$37,593. For owner-occupied households it was \$68,883 and \$28,561 for renter-occupied households.

The table below shows the area median family income limits by number of household members as well as the correlating percent of the Area Median Family Income. Any household with a family income greater than the incomes shown in the table would not be allowed to qualify for housing under these State or HUD funded housing programs.

**Table 6.48, Texas Department of Housing and Community Affairs Income Limits (As of 4/1/2020)**

| AMFI % | Number of Household Members |          |          |          |          |          |          |           |
|--------|-----------------------------|----------|----------|----------|----------|----------|----------|-----------|
|        | 1                           | 2        | 3        | 4        | 5        | 6        | 7        | 8         |
| 20     | \$13,680                    | \$15,620 | \$17,580 | \$19,520 | \$21,100 | \$22,660 | \$24,220 | \$25,780  |
| 30     | \$20,520                    | \$23,430 | \$26,370 | \$29,280 | \$31,650 | \$33,990 | \$36,330 | \$38,670  |
| 40     | \$27,360                    | \$31,240 | \$35,160 | \$39,040 | \$42,200 | \$45,320 | \$48,440 | \$51,560  |
| 50     | \$34,200                    | \$39,050 | \$43,950 | \$48,800 | \$52,750 | \$56,650 | \$60,550 | \$64,450  |
| 60     | \$41,040                    | \$46,860 | \$52,740 | \$58,560 | \$63,300 | \$67,980 | \$72,660 | \$77,340  |
| 70     | \$47,880                    | \$54,670 | \$61,530 | \$68,320 | \$73,850 | \$79,310 | \$84,770 | \$90,230  |
| 80     | \$54,720                    | \$62,480 | \$70,320 | \$78,080 | \$84,400 | \$90,640 | \$96,880 | \$103,120 |
| 120    | \$ -                        | \$ -     | \$ -     | \$ -     | \$ -     | \$ -     | \$ -     | \$ -      |

Source: Texas Department of Housing and Community Affairs Rent and Income Limits (As of 4/1/2020)



In addition, the table below provides the rental unit limits on housing financing through State or HUD programs that can be charged for a unit to low- and moderate-income families. Low-and moderate-income families are defined as those earning less than 80 percent of the Area Median Family Income for Hays County as of April 2020.

**Table 6.49, Texas Department of Housing and Community Affairs Rent Limits (As of 4/1/2020)**

| AMFI % | Number of Household Members |         |         |         |         |         |
|--------|-----------------------------|---------|---------|---------|---------|---------|
|        | 0                           | 1       | 2       | 3       | 4       | 5       |
| 20     | \$342                       | \$366   | \$439   | \$507   | \$566   | \$625   |
| 30     | \$513                       | \$549   | \$659   | \$761   | \$849   | \$937   |
| 40     | \$684                       | \$732   | \$879   | \$1,015 | \$1,133 | \$1,250 |
| 50     | \$855                       | \$915   | \$1,098 | \$1,269 | \$1,416 | \$1,562 |
| 60     | \$1,026                     | \$1,098 | \$1,318 | \$1,523 | \$1,699 | \$1,875 |
| 65     |                             |         |         |         |         |         |
| 70     | \$1,197                     | \$1,281 | \$1,538 | \$1,777 | \$1,982 | \$2,187 |
| 80     | \$1,368                     | \$1,465 | \$1,758 | \$2,031 | \$2,266 | \$2,500 |

Source: Texas Department of Housing and Community Affairs Rent and Income Limits (As of 4/1/2020)



## New Multi-family Development

There were approximately 2,590 new multi-family units in various stages of construction from recently finished to still underway.

**Table 6.50, Recently Completed and Under Construction Multi-Family**

| Project Name                     | Address                             | Units        | Unit Type                               | Developer                         |
|----------------------------------|-------------------------------------|--------------|---|-----------------------------------|
| San Marcos Lofts 3               | 209 Pat Garrison St                 | n/a          | Market rate                             | Schenk Realty                     |
| Mission Trails at El Camino Real | 3085 Hwy 123                        | 352          | Low Income                              | Michaels Development Company      |
| Aspire San Marcos                | 101 Concho St                       | 310          | Student                                 | Casey Development                 |
| Hawthorne at Blanco Riverwalk    | 191 Cotter                          | 252          | Market rate                             | Hawthorne at Blanco Riverwalk LLC |
| McCarty Commons                  | 1400 E McCarty                      | 249          | Student                                 | SLF II, McCarty, LP               |
| The Lyndon                       | 200 Springtown Way                  | 233          | Student                                 | Endeavor Real Estate Group        |
| The River Mill Apts              | 735 River Rd                        | 180          | Student                                 | Kavi River Rd LLC                 |
| Haven at Thorpe Ln               | 1351 Thorpe Ln                      | 174          | Student                                 | Aris Real Estate Partners         |
| San Marcos Lofts 1               | 141 W Hopkins St                    | 166          | Market rate                             | Schenk Realty                     |
| Fitzroy                          | 1451 Sadler Dr                      | 146          | Student                                 | Sadler Road MF JF, LP             |
| The View on the Square           | 228 S Guadalupe St                  | 136          | Student                                 | JSDI Celmark LTD                  |
| Cheatham Street Flats            | 401 S Guadalupe                     | 120          | Student                                 | Cheatham Street Flats, LLC        |
| San Marcos Lofts 2               | 205 W San Antonio                   | 113          | Market rate                             | Schenk Realty                     |
| Investcor                        | 800 Leah                            | 92           | Low Income                              | Investcor Development             |
| 132 Jackson Ln                   | 132 Jackson Ln                      | 36           | Market Rate                             | Oman's Investments LLC            |
| Fredericksburg Condos            | 140 S Fredericksburg                | 14           | Market Rate (individual units for-sale) | Rudi & Rene, LLC                  |
| Hunter Crossing Center           | 185 Wonder World Dr                 | 10           | Market Rate                             | CBP Properties                    |
| Ladybird Lane Apts               | 100 Lady bird Ln / 311 Craddock Ave | 7            | Market Rate                             | JB Chisum Company                 |
| <b>Total</b>                     |                                     | <b>2,590</b> |   |                                   |

Source: City of San Marcos



The pictures on the following pages provide visual examples of the general character of multi-family apartment complexes under constructed in San Marcos.

Aspire San Marcos – Completion 2020 – 101 Concho – 310 units – Fully furnished – 13 floors – Student Apartments

18,000 sf. Target on ground floor

Studio, \$ n/a, 542 sf.

2 bed/2 bath, \$ n/a, 924 sf.

4 bed/4 bath, \$ n/a, 1,483 sf.

5 bed/5 bath, \$ n/a, 1,781 sf.







Haven at Thorpe Lane — 1351 Thorpe — 174 units — Student Apartments

1 bed/1 bath, \$1,299, 753 sf.

2 bed/2 bath, \$799 (per person/bed), 834 sf.

2 bed/2 bath, \$819 (per person/bed), 859 sf.

2 bed/2 bath, \$829 (per person/bed), 883 sf.

2 bed/2 bath, \$839 (per person/bed), 945 sf.

2 bed/2 bath, \$849 (per person/bed), 886 sf.



2 bed/2 bath, \$849 (per person/bed), 916 sf.



### Proposed Multi-family

There were 2,842 multi-family units proposed across eight properties.

At the time of this report no timeline for an expected completion date was provided.

These potential projects have formally submitted a development application for a known or proposed project (pre or post entitlement) to the City as of June 11th, 2020.

**Table 6.51, Proposed Multi-family**

| Project Name | Address | Units | Unit Type | Developer |
|--------------|---------|-------|-----------|-----------|
|--------------|---------|-------|-----------|-----------|



## SAN MARCOS Transportation Corridors Study

|                          |                               |              |                          |   |
|--------------------------|-------------------------------|--------------|--------------------------|---|
| Lindsey Hill             | 500 W Hutchinson              | 164          | Conventional Market Rate | Guadalupe Re, LLC                                 |
| Trace/Highpointe         | S. Posey & E. of 35           | 850          | Conventional Market Rate | JOQ San Marcos, Ventures, LP                      |
| Blanco River Village     | Hwy 21 / Newberry Trail       | 254          | Conventional Market Rate | Etheredge Development San Marcos, LP              |
| Las Colinas              | 5225 S IH 35                  | 540          | Conventional Market Rate | Las Colinas San Marcos Phase 1 LLC                |
| Vistas III/The Pointe II | 323 Lindsey St / 410 North St | 106          | Student                  | 417 North Comanche Partners, LLC & Robert Buckley |
| Lantana on Bastrop       | S Old Bastrop/Rattler Rd      | 216          | Low Income               |   |
| Reserves at San Marcos   | SH 123                        | 376          | Low Income               | Target Builders LLC                               |
| Riverstone               | 1430 Wonder World             | 336          | Low Income               | LDG Development                                   |
| <b>Total</b>             |                               | <b>2,842</b> |                          |   |

Source: City of San Marcos

Of the 2,842 units proposed Lindsey Hill, Trace, Blanco River Village, and Las Colinas appear to be oriented to non-student renters and combined make up 1,808 new units of new conventional market rate units.



## Multi-family Market Opportunities

Demand for diverse rental housing types in San Marcos, especially in areas located in the CMA and Study Area was very high and inventory was low.

Demand for new, diverse housing types of greenfield, infill, adaptive reuse, and conversion rental units was highest in older, established core neighborhoods especially south and east of downtown.

Although a large portion of the 2,590 recently completed or under construction multi-family units may be geared more to university students, at least 1,800 of the 2,357 multi-family units planned seem to be in master-planned communities and areas not optimally convenient and attractive to most current and future university students.

Therefore, with seemingly enough new larger multi-family units to satisfy current demand for that product in the near term, the greatest market opportunity for new rental units in San Marcos seem to be dense and compact single-family rental properties like townhomes, duplexes and fourplexes in addition to 6 to 20 units properties.

With education in San Marcos very high as well as an estimated 2018 ACS median household income of \$68,883 for owner-occupied households the opportunity to capture a greater share of owner-occupied residents looks to be prime. But, in order for this to happen attractive options for market rate rental units must be available in order to first allow and entice new professionals to live in San Marcos and transition from renters to permanent owners.

## Multi-family Market Constraints

As a result of the moderate median household income in San Marcos according to the 2018 ACS figure of \$37,598 and the even lower renter-occupied median household income figure of \$28,561 — many developers of rental property have chosen to appeal to off-campus student market instead of local worker households.

However, Texas State University enrollment has been flat the past 4 years after consistent year over year enrollment growth since the Great Recession and the demand for off-campus new multi-family rental market units appears to be fully met.

Many largescale multi-family developers may be initially turned off from developing in San Marcos due to the perceived low renter income. But this is due to the large volume of students in college with minimal income.

Much recent job growth in San Marcos, however, with Amazon being the best known, do offer only moderate to low wages.

San Marcos' location on the ever growing I-35 corridor between San Antonio and Austin as well as its assets have the potential to capture a larger share of local worker renter households, especially in areas close to downtown.

But, with severe lack of existing non-student conventional market rate multi-family properties overall in San Marcos coupled with a very low supply of new diverse housing types crucial to transitional populations there are gaps in the housing market that very likely detracts from the community's ability to gain shares of permanent 25-35 year old householders.

The multi-family industry has not created a consistent model for large-scale development of "workforce" housing that is targeted to the moderate-wage tier of the renter market. Thus, non-subsidized multi-family projects are nearly always priced for higher-income renters with "Class A" units such as what has been built in New Braunfels and San Marcos, which is perceived to have a more viable market at such lease rates.





Class A multi-family units and properties are defined as the highest valued multi-family property assets in a given area. They are typically brand new to 10 years old and are upscale, luxury apartments which command on average the priciest rent. In San Marcos they are located in and around downtown as well as commercial centers and exurban locations near the periphery of the city. They tend to be 3 to 13 stories tall, with high end exterior finishes, balconies, and on site amenities such as a full 24 hour gym, resort style swimming pool, outdoor furniture, gazebos, barbecue pits, dog parks, volleyball courts, basketball courts, and game rooms.

Due to these constraints, therefore, CDS does not believe that a large-scale Class A complex makes sense in the near term, both from the nature of moderate-wage job growth locally and the skepticism of the multi-family industry with regard to such product in the San Marcos market.

However, this does not mean that market demand for “nicer” rental units does not exist. Many employers cited that new hires in many cases rent a multi-family unit in New Braunfels and overall new hires tend to state they desire to live closer to the Square and downtown but rental units in those locations are very few and rarely are available and when they are quickly become occupied due to lack of inventory.

These housing types are typically what makes up the “missing middle” housing that are usually the primary housing types for local workforce, especially police, fire, EMS, teachers, healthcare, and local government staff.

Missing Middle housing can be defined as a spectrum of multi-unit housing types such as duplexes, fourplexes, bungalow courts, and mansion apartments that are not bigger than a large house.

The important distinction is that these housing types provide the greatest benefit when located within existing walkable, traditional core neighborhoods embedded within primarily single-family home neighborhoods. Allowing and creating these diverse housing types provide greater choices and generate critical mass that can support transit and locally serving commercial amenities.

Existing examples can be found in San Marcos’s pre-war building stocks, but these existing housing types have become extremely coveted, or aging and new supply has been scarce (hence the “missing”).

Furthermore, developments in Austin such as Mueller and The Triangle, and The Pearl in San Antonio, offer new and adaptive reuse examples of developing new housing development that fits within the missing middle housing spectrum.

In many cases this has been due to restrictive zoning, permitting, neighborhood opposition and building and fire codes which make the new construction of these housing types in existing single-family neighborhoods illegal.

The most aggressive approach moving forward to capitalize on high demand would be to allow these housing types to be located within single-family zones or at least on the edges between single-family and higher intensity land uses like commercial and retail.



Figure 6.19, Example of Missing Middle Housing Types



Source: Opticos Design

The following pages will provide examples of missing-middle housing types that have been successfully developed and absorbed in other cities and states outside of Texas. The intention is not for San Marcos to make exact copies of these housing types, but to provide examples of the basic housing types that could be considered for adaptation in the San Marcos housing market that can provide for more units at lower prices than housing types currently being facilitated in San Marcos

The pictures below show more examples of “gentle density” that allow for more units and residents per acre as well as flexibility to be more moderately priced and act as either for-sale or rental units.



The term “gentle density” refers to attached, ground-oriented housing that is denser than a detached house, but with a similar scale and character. As previously mentioned, and shown above, this can include duplexes, semi-detached homes, rowhouses, or stacked townhouses.



The picture to the left is an example of a previous 2,500 sf. lot which was turned into four 1,700 sf. condos (3bed/2bath) and each has one front street parking spot.

This particular property is off the grid, using passivhaus standards of energy efficiency which creates a design that requires very little energy for space heating or cooling. Products like this would be suited for downtown, near downtown, core neighborhoods (especially on the edge of commercial and residential zones).

“Passive house” (German: Passivhaus) is a voluntary standard for energy efficiency in a building, which reduces the building's ecological footprint. It results in ultra-low energy buildings that require little energy for space heating or cooling.

Passive design is not an attachment or supplement to architectural design, but a design process that integrates with architectural design. Although it is principally applied to new buildings, it has also been used for refurbishments.



### City of San Marcos Existing Single-family Supply and Inventory

Homes sales volume increased in San Marcos each year from 2011 to 2019 with an overall increase of 117% in sales volume in that time.

Also, in that span of time the share of homes sold in the lowest price range have nearly disappeared showing only 8 sales in 2019.

**Table 6.52, San Marcos Homes Sales by Price Ranges, 2011 – 2019**

| Price Ranges          | 2011       | 2012       | 2013       | 2014       | 2015       | 2016       | 2017       | 2018       | 2019       | 2011-2019 % Change |
|-----------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------------|
| \$0 - \$99,999        | 64         | 55         | 55         | 49         | 38         | 35         | 17         | 13         | 8          | -87%               |
| \$100,000 - \$199,999 | 161        | 150        | 184        | 231        | 193        | 188        | 209        | 203        | 141        | -13%               |
| \$200,000 - \$299,999 | 30         | 25         | 50         | 76         | 116        | 138        | 253        | 229        | 321        | 968%               |
| \$300,000 - \$399,999 | 11         | 11         | 15         | 19         | 23         | 35         | 53         | 84         | 98         | 798%               |
| \$400,000 - \$499,999 | 4          | 4          | 3          | 3          | 8          | 8          | 20         | 11         | 20         | 393%               |
| \$500,000 - \$749,999 | 3          | 0          | 1          | 4          | 7          | 5          | 9          | 3          | 6          | 98%                |
| \$750,000 - \$999,999 | 0          | 0          | 0          | 0          | 0          | 1          | 1          | 1          | 0          | 0%                 |
| \$1,000,000 +         | 0          | 0          | 1          | 0          | 0          | 0          | 0          | 0          | 0          | 0%                 |
| <b>Total</b>          | <b>273</b> | <b>245</b> | <b>309</b> | <b>382</b> | <b>385</b> | <b>410</b> | <b>562</b> | <b>544</b> | <b>594</b> | <b>117%</b>        |

Source: The Real Estate Center at Texas A&M University

The following section provides an overview of the supply of housing in San Marcos with an emphasis on home sales priced at levels that are possibly accessible to the most common local workers employed in the City. The data shown represents annual sales volumes, not unit sales. Consequently, this data could represent the same unit sold multiple times.





The figure below shows a chart of home sales in San Marcos by price range and percent of total sales per year. The green bars represent the lowest price sales which have steadily declined each year since 2011.

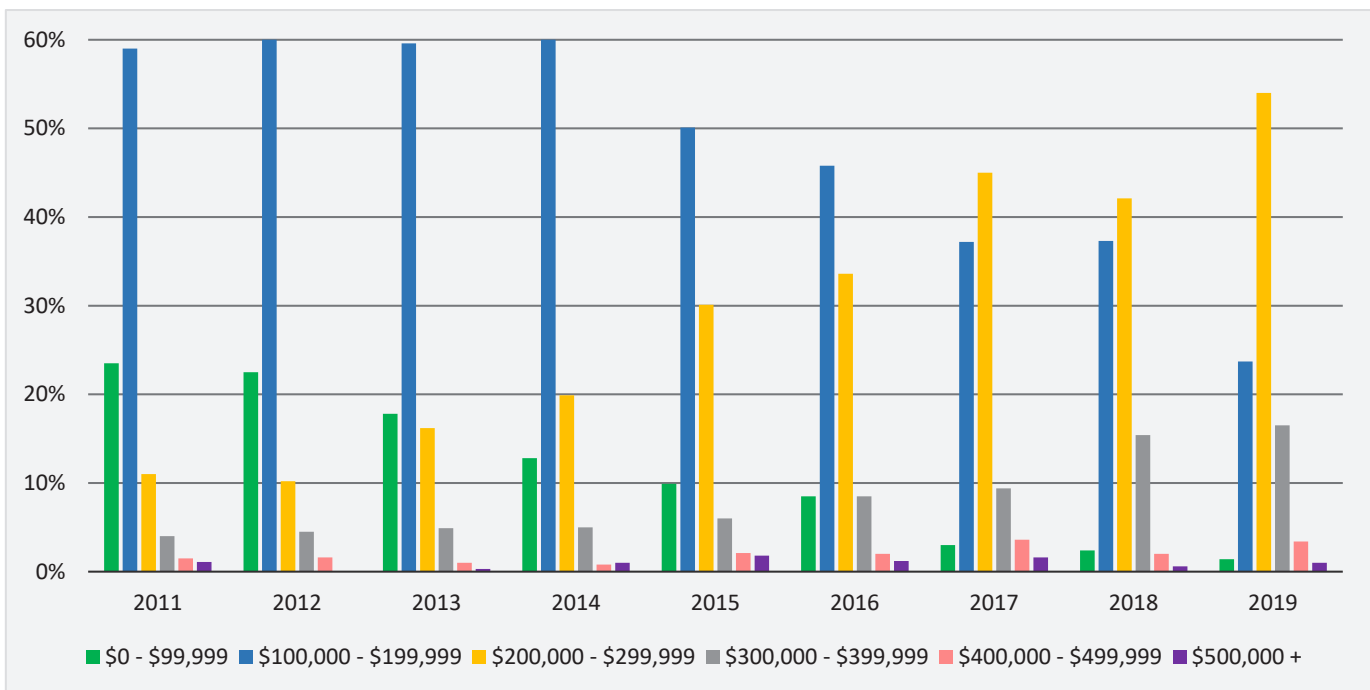
The volume of home sales in the most affordable price range, \$99,999 and less, shifted from more than 20% (64) of home sales in 2011 to just 3% (8) in 2019. The supply of homes in this price range represent the home prices most oriented to the those that can just barely afford home ownership but likely require significant rehab / renovation investment in order to be optimally appealing to most.

The majority of home sales in San Marcos shifted greatly in price from 58% (161) of sales in 2011 in the \$100,000 - \$199,999 price range to just greater than 20% (141) of all sales in 2019, a decrease of 13% since 2011.

This can be attributed first to the very strong appeal and preference for prospective and current residents living in San Marcos' established and core neighborhoods. Older, existing, lowest priced homes in San Marcos are predominately located in established and core neighborhoods and therefore offer the most affordable home buying option in the most desirable single-family locations.

Furthermore, investors have purchased these lowest priced existing homes to be repurposed as single-family rentals. Finally, interest from past Texas State Alumni and past residents who desire to return to San Marcos purchasing the lowest priced homes in desired neighborhoods was also mentioned as a driver of the recent consumption of this stock of lowest priced homes.

**Figure 6.20, San Marcos Existing Homes Sales by Price Ranges, 2011 – 2019**



Source: The Real Estate Center at Texas A&M University

The increase in higher priced home sales can be seen to start in 2013 and 2014 with the beginning of the growth in the share of homes sold in the \$200,000 - \$299,999 price range. Since 2011 home sales volume in the \$200,000 - \$299,999 price range increased from 30 to 321 in 2019, an increase of almost 1,000%. Additionally, home sales volume in the \$300,000 - \$399,999 price range increased from 11 to 98 in 2019, an increase of almost 800%.



This indicates decreasing supply of homes priced below \$200,000. These lower price categories represent “entry level” prices for first-time buyers at or below San Marcos’s owner-occupied median household income (\$68,883 according to 2018 ACS estimates). The \$0 - \$99,999 priced homes seems to have served as more of an investment or redevelopment stock in more recent years as home prices overall have risen, causing blighted or less desirable homes to justify upgrades to re-sell or rent out. This cohort of homes could also serve as lower priced opportunities for first time home buyers with resources to upgrade homes themselves and realize a nearly instant increase in home value. Therefore, in the past three to four years the occurrence of homes in this price range serving that purpose has likely dwindled greatly.

The above figure clearly shows the shrinking stock of homes priced below \$200,000 (blue and green slices). As the market becomes less affordable and home prices increase the figure above shows the increase in the share of homes sold in the \$200,000 - \$299,999 and \$300,000 - \$399,999 price ranges. The share of homes in the \$200,000 - \$299,999 price ranges has shifted from barely 20% of all sales in 2011 to 54% of all sales in 2019 while the share of homes \$300,000 - \$399,999 increased from 5% of sales in 2011 to 17% in 2019.

Although the total volume of existing home sales grew each year to the highest point in the past nine years, the total volume of homes sold less than \$200,000 has decreased from its peak in 2014 of 280 (73% of all sales in 2014) to 149 (25% of all sales in 2019). At the same time population has grown by 7,756 in that span and jobs increased as well.

The reason for the increase of home sales in the \$200,000 - \$300,000 range that grew sales in those price ranges from 30 to 321 was the introduction of new greenfield master-planned community developments to the City of San Marcos.

The type of homes sold in the \$200,000 - \$300,000 price in 2019 does not represent the same type of homes sold at \$100,000 - \$200,000 in 2011.

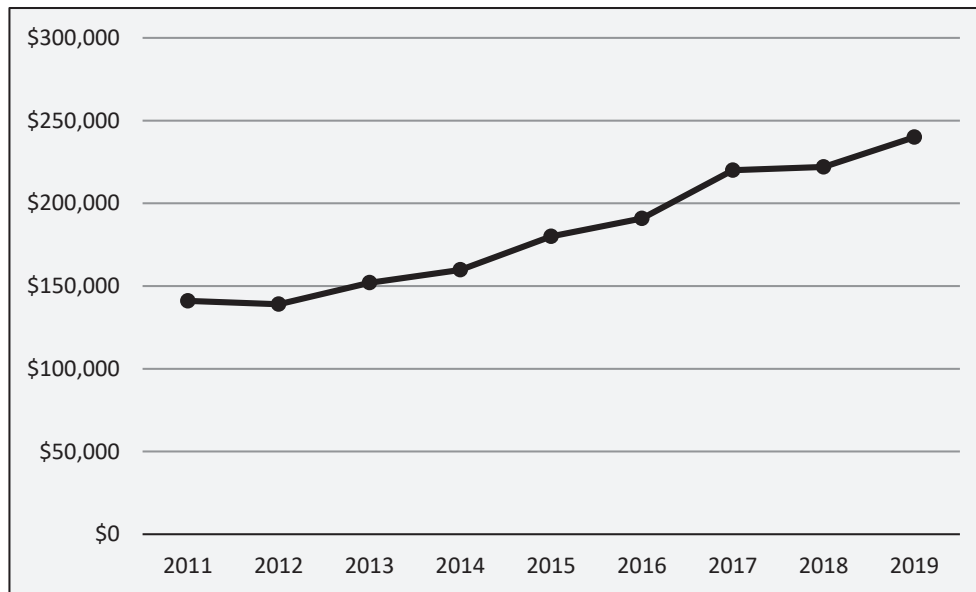
The following pages will provide maps to show where new construction of \$200,000 – mid \$400,000’s homes are being permitted and constructed in San Marcos.

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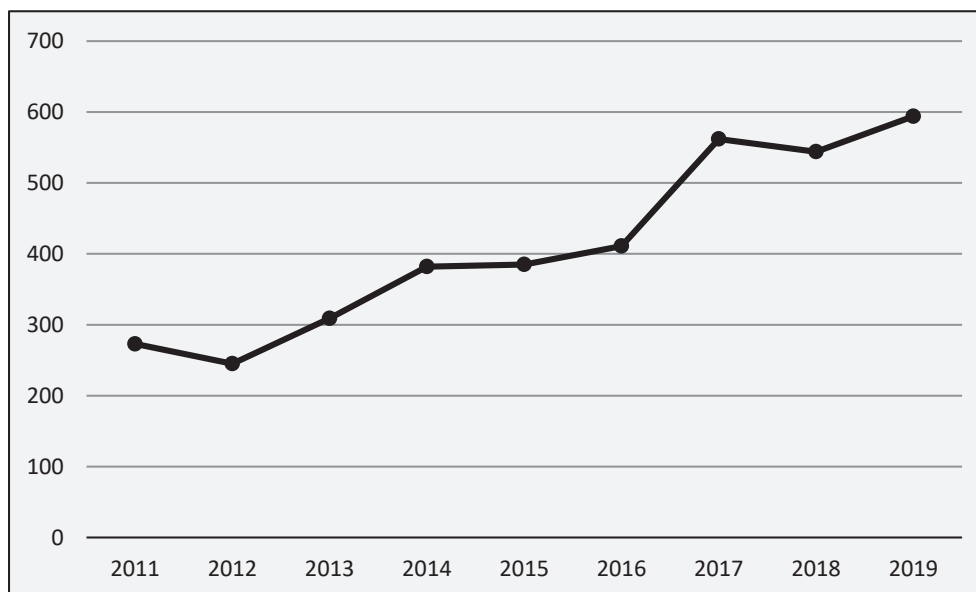


The median sold price in San Marcos increased each year since 2011 from \$141,000 to \$240,000 in 2019, an increase of 70%.

**Figure 6.21, San Marcos Median Sold Price, 2011 – 2019**



Source: The Real Estate Center at Texas A&M University

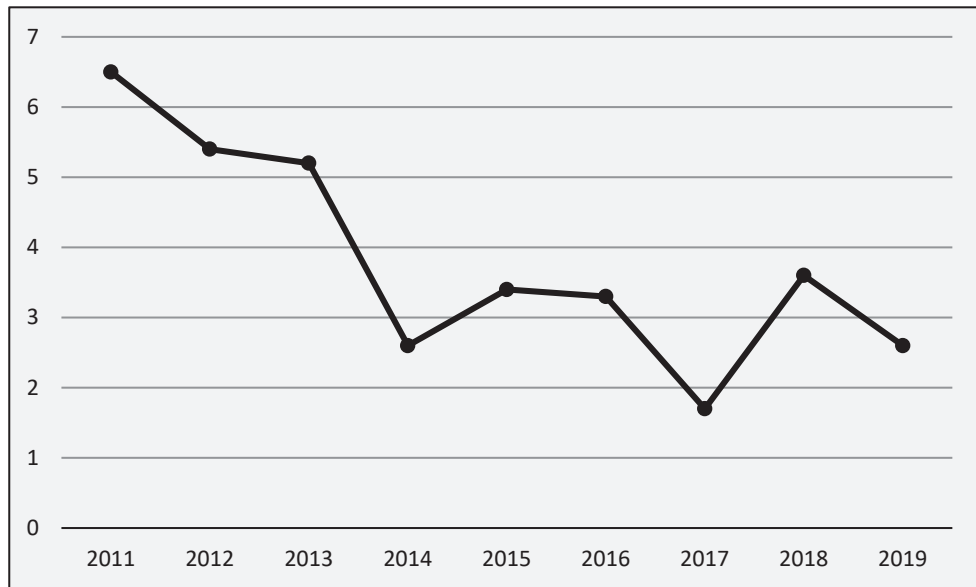


**Figure 6.22, San Marcos Sales, 2011 – 2019**

Source: The Real Estate Center at Texas A&M University

The table above displays home sales in San Marcos since 2011. As mentioned, sales volume has increased each year since 2012.

In 2019 San Marcos averaged about 50 single-family home sales per month.



**Figure 6.23, San Marcos Months of Inventory, 2011 – 2019**

Source: The Real Estate Center at Texas A&M University

Realtor's use the term "months of inventory" to describe the inventory of homes on the market. Simply put, months of inventory is the number of months it would take for the current inventory to sell out if sales continued at the current rate and no new inventory was added.

In 2019 the overall average was 2.6 months of inventory.

Generally, a supply greater than seven months is considered a buyers' market, between five to seven months is a balanced market, and less than five months is a sellers' market. The single-family residential housing market in the San Marcos area currently appears to be a sellers' market, however, the findings of this study reveal that many older San Marcos home owners, especially in the core neighborhoods, rarely put their home up for sale. And when they do hit the market they do not last long as location near the Square and downtown is highly desirable.





## San Marcos Single-family Building Permits

**Error! Reference source not found.** below shows single-family residential building permits in the CMA from 2012 to early 2020.

There was a total of 830 new single-family building permits issued since 2012.

The peak for permits was 451 in 2019.

Previous MLS sales data shows that since 2011 San Marcos had a total of 3,705 sales, an average of 411 single-family detached home sales per years and about 34 home sales per month.

New single-family building permits averaged 100 per year, an average of 8.6 per month.

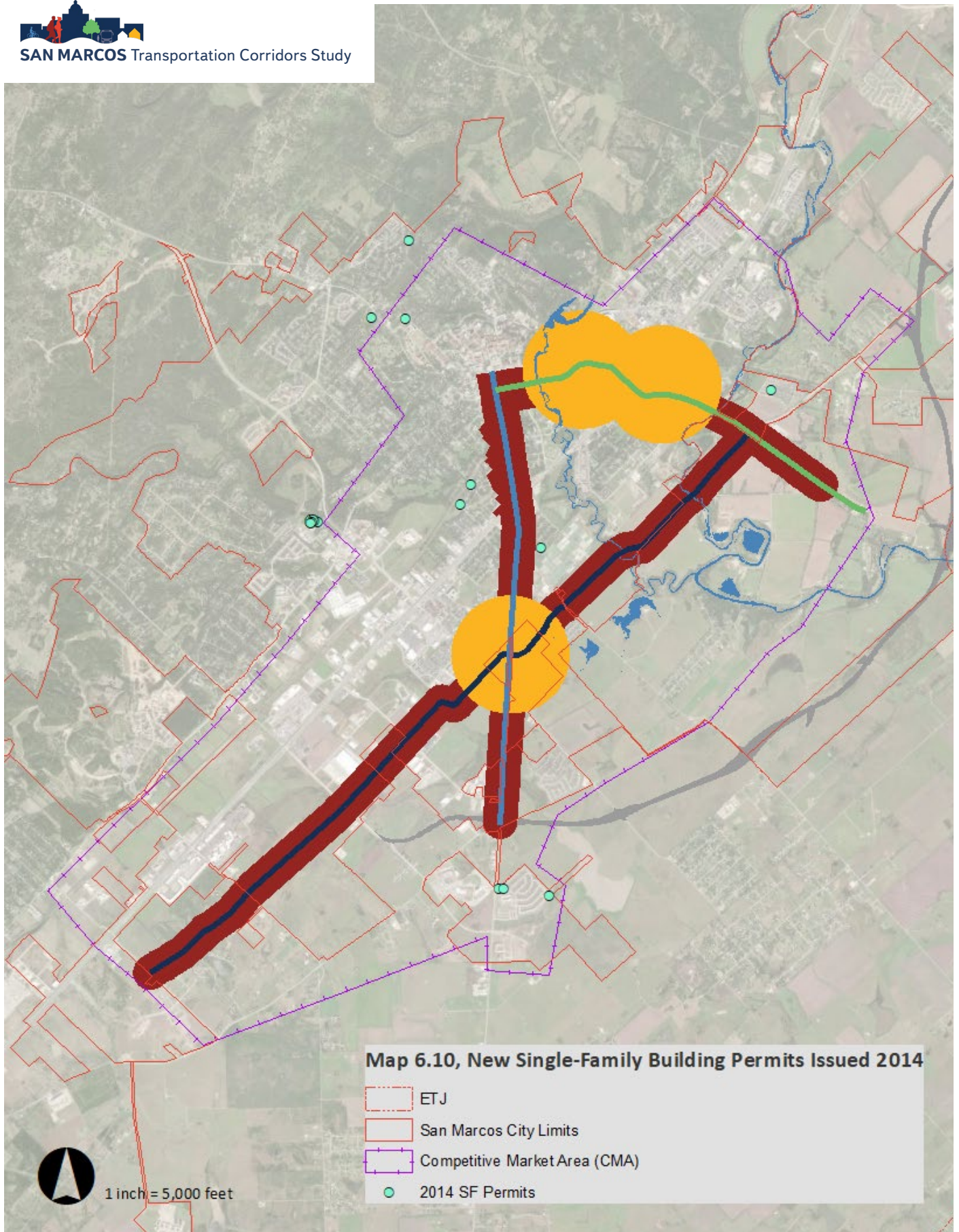
**Table 6.53, CMA New Single-family Detached Permits Issued, 2012-2020**

| Year         | Units      |
|--------------|------------|
| 2012         | 109        |
| 2013         | 102        |
| 2014         | 101        |
| 2015         | 25         |
| 2016         | 129        |
| 2017         | 67         |
| 2018         | 138        |
| 2019         | 145        |
| 2020         | 14         |
| <b>Total</b> | <b>830</b> |

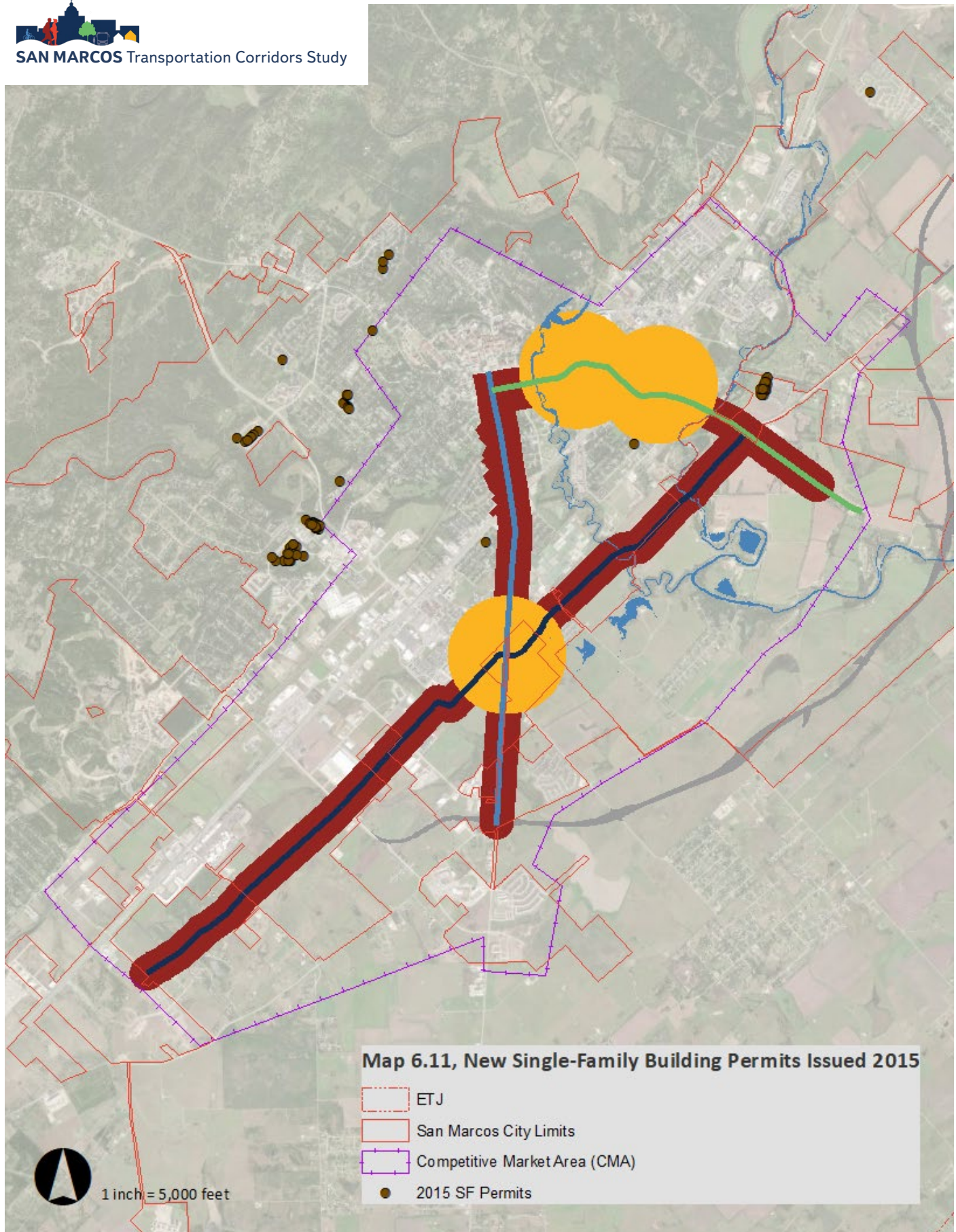
Source: The City of San Marcos

The following maps provide the location of new single-family building permits issued in San Marcos by year.

The following maps shown on the next pages are titled here for reference - Map 6.10, New Single-Family Building Permits Issued 2014, Map 6.11, New Single-Family Building Permits Issued 2015, Map 6.12, New Single-Family Building Permits Issued 2016, Map 6.13, New Single-Family Building Permits Issued 2017, Map 6.14, New Single-Family Building Permits Issued 2018, Map 6.15, New Single-Family Building Permits Issued 2019, Map 6.16, New Single-Family Building Permits Issued 2020.



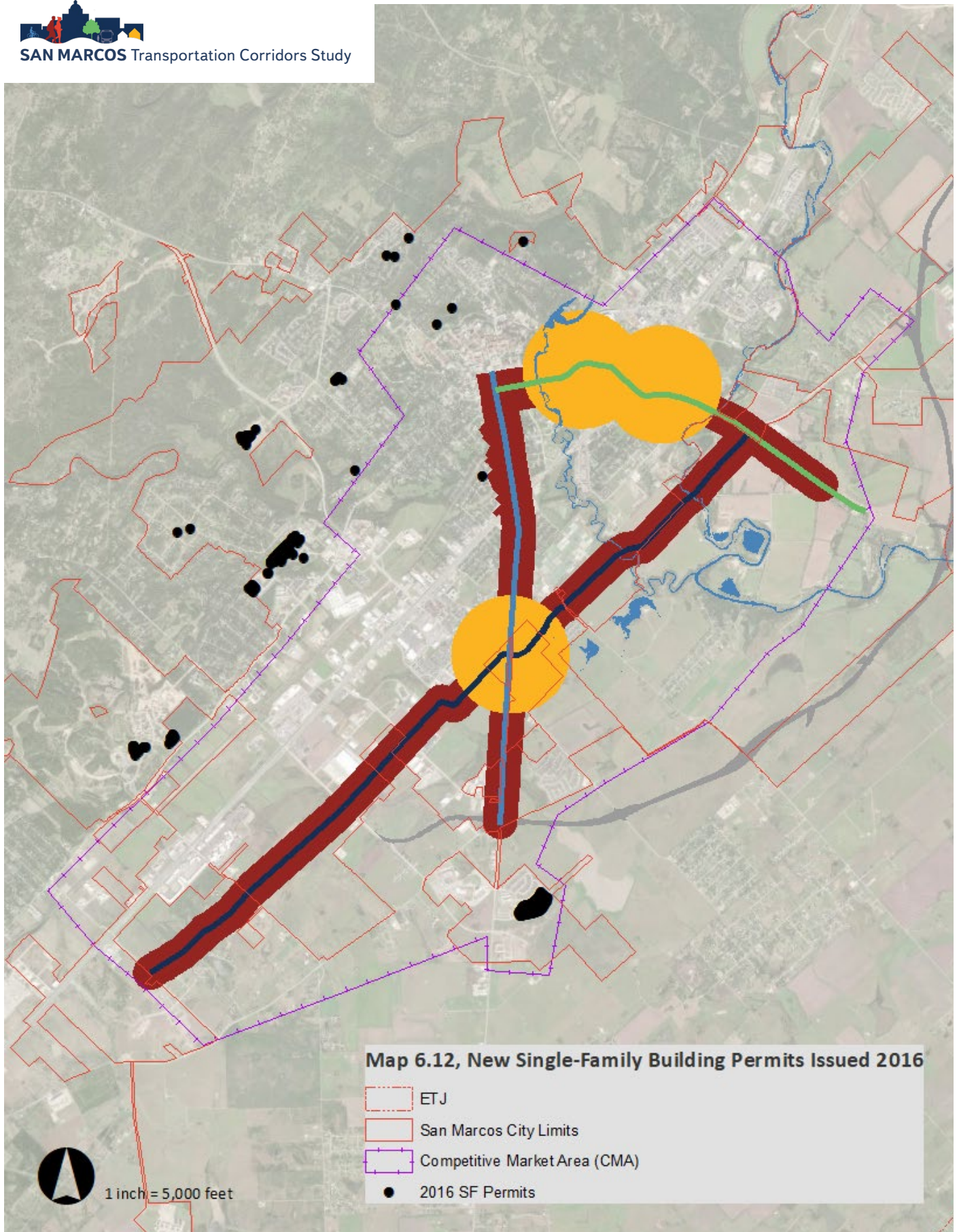




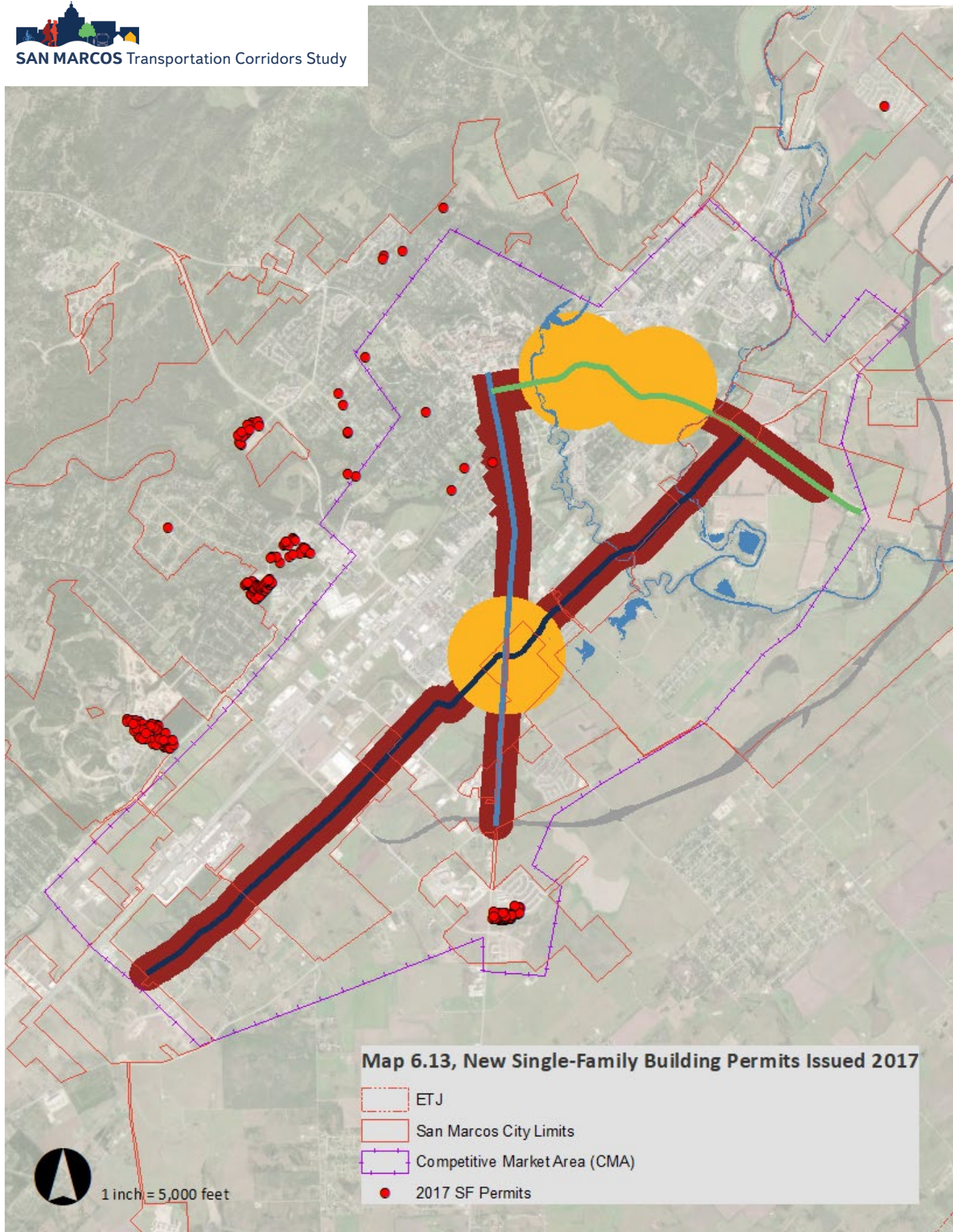
Map 6.11, New Single-Family Building Permits Issued 2015

- ETJ
- San Marcos City Limits
- Competitive Market Area (CMA)
- 2015 SF Permits

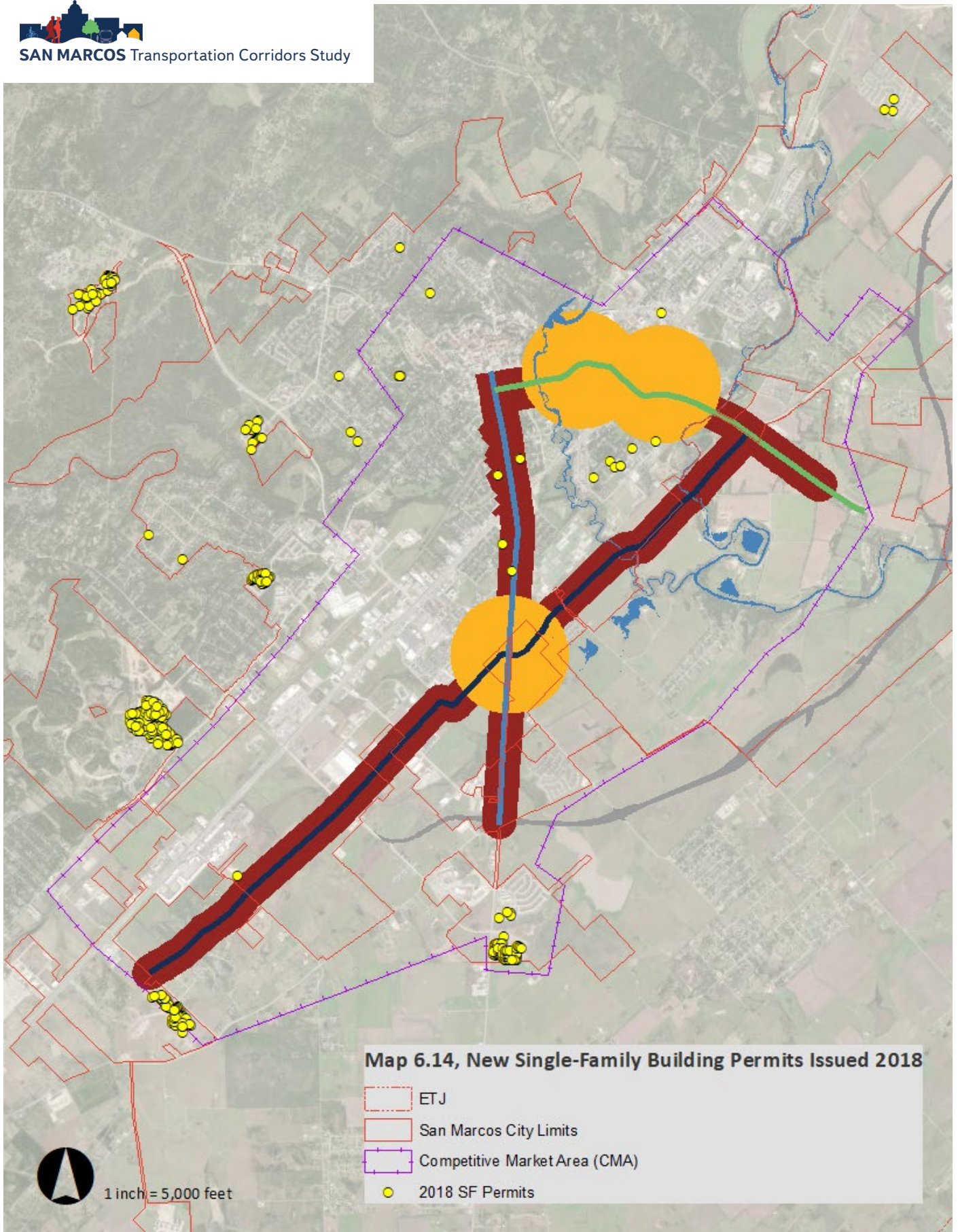




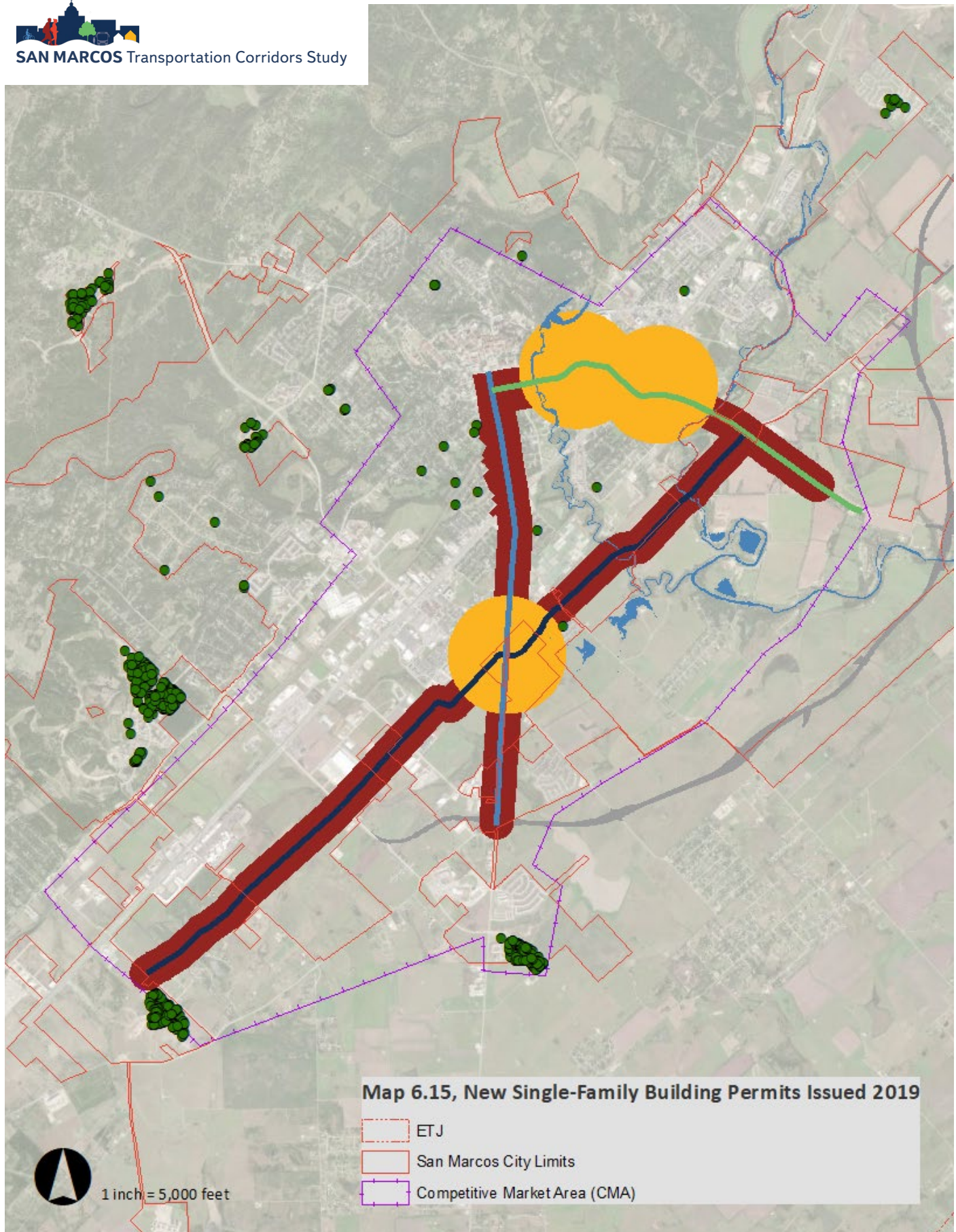




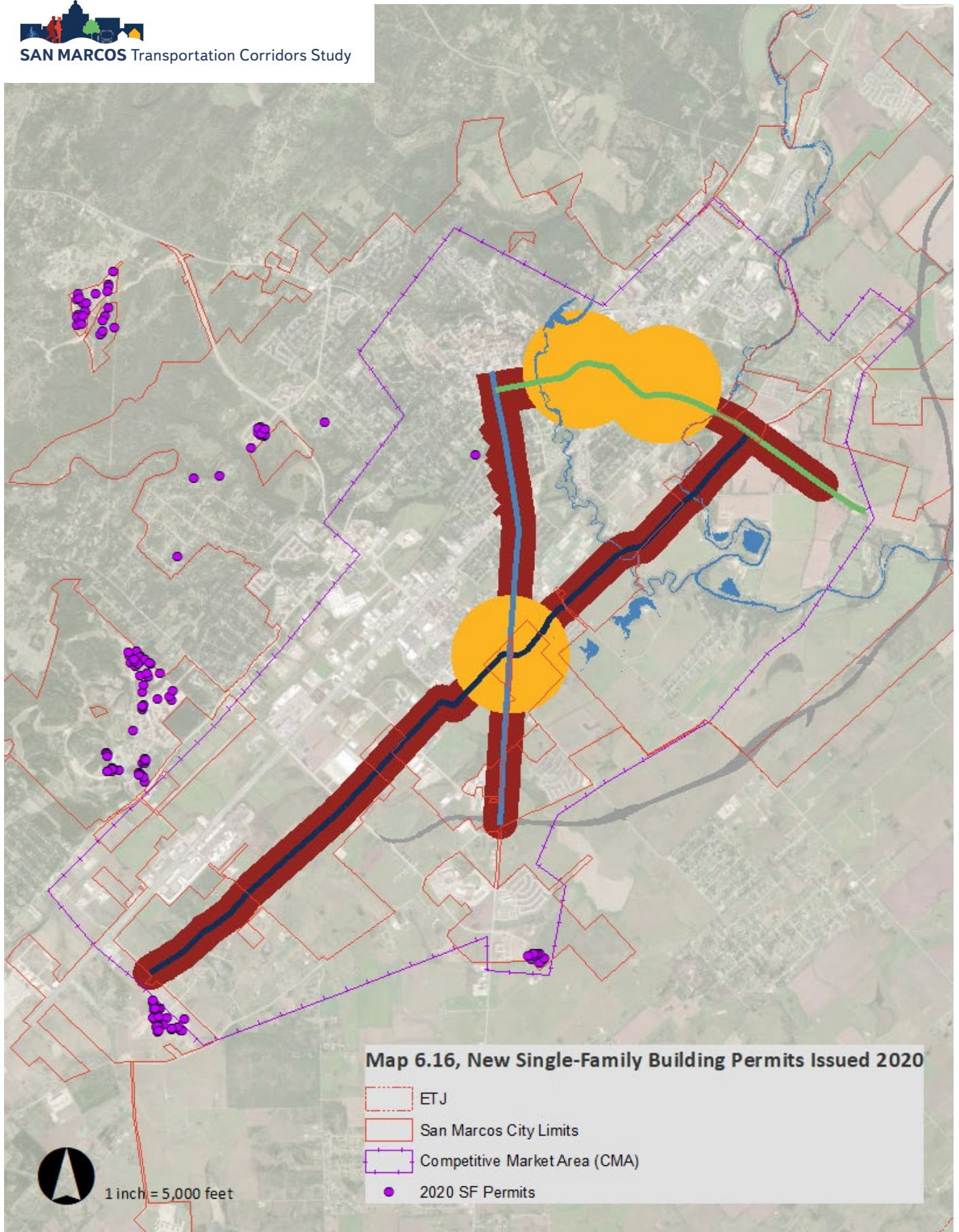
















## San Marcos Affordable Single-family Demand

Estimation of affordable home purchase prices is more involved than for rental housing, and requires additional assumptions regarding the type of mortgage, interest rates, property taxes, and other expenses such as property insurance.

As of 2019, the vast majority of first-time home buyers in moderate price categories are utilizing programs such as Federal Housing Administration (FHA) mortgage insurance, which reduces the required down payment to as low as 3.5% of purchase price.

The following tables describe an FHA mortgage scenario and other assumptions to arrive at the income levels needed for an estimated monthly housing cost below the 30% standard. The calculations indicate that a first-time home purchase for households with incomes under \$47,000 is likely unrealistic. Also, this analysis does not consider that potential buyers may have other current debt that effectively reduces their qualifying income.

### *Assumptions*

#### **Tax Rates**

| Taxing Entity                   | 2019-20  |                 |
|---------------------------------|----------|-----------------|
| City of San Marcos              | \$0.6139 |                 |
| Hays County                     | \$0.3899 |                 |
| San Marcos ISD                  | \$1.3139 |                 |
| Total                           | \$2.3177 |                 |
| Down payment                    | 3.50%    | of home price   |
| Closing costs                   | 4.00%    | of home price   |
| FHA UFMIP                       | 1.75%    | of loan amount  |
| Annual mortgage insurance       | 0.85%    | of loan amount  |
| 2020 Avg. Mortgage rate (78666) | 3.40%    | per year        |
| Mortgage term                   | 30       | years           |
| Insurance                       | \$1,500  | per year        |
| Affordability standard          | 30%      | of gross income |



**Table 6.54, Affordable For-Sale Home Price Calculation (FHA Mortgage)**

| Home price                           | \$150,000       | \$175,000       | \$200,000       | \$225,000       | \$250,000       | \$275,000       | \$285,000       | \$300,000       | \$325,000       | \$350,000        |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| Down payment                         | \$5,250         | \$6,125         | \$7,000         | \$7,875         | \$8,750         | \$9,625         | \$9,975         | \$10,500        | \$11,375        | \$12,250         |
| Closing costs                        | \$6,000         | \$7,000         | \$8,000         | \$9,000         | \$10,000        | \$11,000        | \$11,400        | \$12,000        | \$13,000        | \$14,000         |
| Total up-front costs                 | \$11,250        | \$13,125        | \$15,000        | \$16,875        | \$18,750        | \$20,625        | \$21,375        | \$22,500        | \$24,375        | \$26,250         |
| FHA Loan amount                      | \$147,283       | \$171,830       | \$196,378       | \$220,925       | \$245,472       | \$270,019       | \$279,838       | \$294,566       | \$319,113       | \$343,661        |
| Monthly mortgage                     | \$659           | \$769           | \$878           | \$988           | \$1,098         | \$1,208         | \$1,252         | \$1,317         | \$1,427         | \$1,537          |
| Monthly MIP                          | \$104           | \$122           | \$139           | \$156           | \$174           | \$191           | \$198           | \$209           | \$226           | \$243            |
| Monthly home insurance               | \$125           | \$125           | \$125           | \$125           | \$125           | \$125           | \$125           | \$125           | \$125           | \$125            |
| Monthly taxes                        | \$290           | \$338           | \$386           | \$435           | \$483           | \$531           | \$550           | \$579           | \$628           | \$676            |
| Total PITI with MIP                  | \$1,178         | \$1,353         | \$1,529         | \$1,704         | \$1,880         | \$2,055         | \$2,125         | \$2,231         | \$2,406         | \$2,581          |
| Required monthly gross income        | \$3,926         | \$4,511         | \$5,096         | \$5,680         | \$6,265         | \$6,850         | \$7,084         | \$7,435         | \$8,020         | \$8,605          |
| <b>Required annual income</b>        | <b>\$47,111</b> | <b>\$54,129</b> | <b>\$61,147</b> | <b>\$68,166</b> | <b>\$75,184</b> | <b>\$82,203</b> | <b>\$85,010</b> | <b>\$89,221</b> | <b>\$96,239</b> | <b>\$103,258</b> |
| Hourly wage equivalent @ 2,080 hours | \$22.65         | \$26.02         | \$29.40         | \$32.77         | \$36.15         | \$39.52         | \$40.87         | \$42.89         | \$46.27         | \$49.64          |

Note: Hourly wage rate based on 2,080 hours/yr.

The 2018 ACS 5-Year data provided in earlier sections of this report showed that in San Marcos 48% (11,027) of all households (renters and owners) were housing cost burdened (paying 30% or greater of income on housing costs).

Approximately 22% (1,352) of owner-occupied units were housing cost burdened. Furthermore, owner-occupied households earning \$49,999 and below annually constituted an estimated 14% (896) of all owner-occupied households 4% of total households in San Marcos.

Also, 1,106 owner-occupied units made \$35,000 or below (18% of owner-occupied units and 5% of all households); the above FHA model shows that such income levels would be very difficult to qualify as first-time buyers, because the attainable purchase price of homes would need to be at levels the market currently shows a significant shrinking supply of.

The share of homes sold in San Marcos priced \$99,999 and below represented only 1% of all homes sold in 2019 and those priced \$100,000 - \$199,999 represented 24% of all homes sold in 2019.

The ACS data also showed that for households making \$75,000 or more, only a very small amount would be considered cost-burdened at the 30% standard. So, an estimate of the magnitude of affordable for-sale housing needs should focus on households with incomes from \$49,999 and less annually, who constitute the bulk of the lower half of the “middle class” (median household income in San Marcos in 2018 was estimated to be approximately \$37,593 overall but a median of \$68,883 for owner occupied units).

It should be noted that less conventional models such as small-unit low-rise condominiums, the manufactured home and mixed-tenure model and mixed owner-renter duplexes (where the rental unit income can count toward mortgage qualification) could be residential development products that provide a more feasible pathway into affordable home ownership for household incomes \$35,000 and less. The creation of a low number of units of duplex, triplex or fourplex in the past 10 years along with very high occupancy of existing product of this type means that pent up demand for these products should realize absorption of new units. These products were not a focus of this analysis, though further



investigation of them as a future affordable option may be warranted and zoning, building and fire codes may need adjustment in order to make enough new supply to satisfy demand for more affordable housing types.

## For-Sale Supply – Homes in Affordable Price Ranges

### Existing housing

The MLS data shows that 345 homes in San Marcos were sold in the past year in the four most affordable price bands.

**Table 6.55, San Marcos MLS Sales Volumes in Lowest Price Ranges, 2019**

| Price Range            | # of Sales |
|------------------------|------------|
| \$0 to \$99,999        | 8          |
| \$100,000 to \$149,999 | 35         |
| \$150,000 to \$199,999 | 106        |
| \$200,000 to \$249,999 | 196        |
| <b>Total</b>           | <b>345</b> |

Source: The Real Estate Center at Texas A&M University

The ACS estimated that the number of cost-burdened owner households in 2017 in San Marcos is as follows, associated with the maximum home price these households could pursue without being cost-burdened:

**Table 6.56, Estimated San Marcos Affordable For-Sale Housing Need by Income Range, 2018**

| Income Range         | # Cost-Burdened Households | Home Price Range Needed |
|----------------------|----------------------------|-------------------------|
| \$20,000 to \$34,999 | 311                        | Under \$150,000         |
| \$35,000 to \$49,999 | 135                        | Under \$150,000         |
| \$50,000 to \$74,999 | 336                        | \$160,000 - \$250,000   |
| <b>Total</b>         | <b>782</b>                 |                         |

Source: US Census Bureau American Community Survey 2018 5-Year Estimates

These estimates would likely be underestimated for 2019 and the near future, for the following reasons:

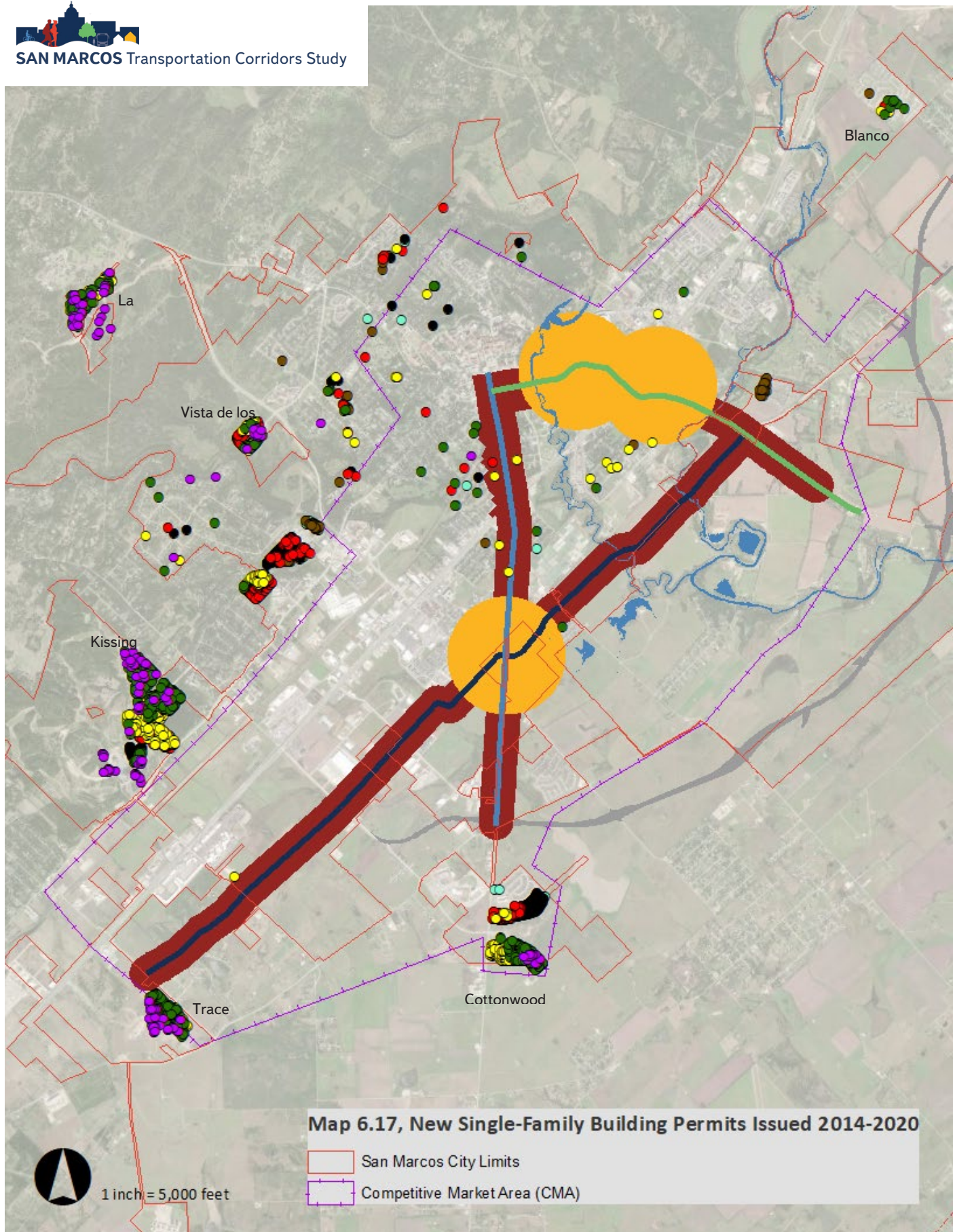
- Home prices continued escalating after 2017, while incomes likely did not keep pace.
- The overall population, households and jobs of Kerr County and San Marcos also continued to increase since 2017.



## San Marcos Single-family Housing Demand

The map below shows the single-family new construction permits issued in the City of San Marcos from 2014 to 2020. The names on the map label the general location of large, new master-planned communities under various phases of development. Details describing the home sizes, prices, bedrooms, bathrooms, amenities and price per square foot are on the following pages. The map on the next page displays the location of new single-family building permits issued in San Marcos from 2014-2020 as well as the names of new master planned communities currently under varying levels of development. The title of the following map is noted here for reference purposes, ***Map 6.17, San Marcos New Single-family Construction.***





Map 6.17, New Single-Family Building Permits Issued 2014-2020

- San Marcos City Limits
- Competitive Market Area (CMA)







## New Single-family Construction

### TRACE

TRACE is a new home master-planned community in San Marcos, Texas with homes from the \$180s to the \$280s. Builders include Buffington Homes, Pacesetter Homes and Waterloo Homes. Located on the southwestern portion of San Marcos southeast of I-35.

In total there were 24 homes in varying phases of development during the time of this study ranging from a list price of \$200,831 to \$306,419. Amenities are resort style pool, picnic pavilions, basketball, sand volleyball courts, parks, playgrounds, and open spaces. Schools are zoned to San Marcos CISD.

Pacesetter Homes provide 30, 32, 34 and 40 foot alley loaded lot courtyard products, primarily popular with single women and empty nesters, with very high absorption rates across all models at a pace of 45 to 65 homes per year over the past several years.

Lot prices were estimated to be \$1,100 to \$1,200 per front foot.

It was revealed that for entry level and first-time home buyers interest rates seemed to be a more influential factor than lot prices in absorption of the lowest priced new homes.

There are plans by Pacesetter to introduce new duplex and mini-quadplex products in the future as for-sale products.





### **Buffington Homes**

- \$263,980 - \$294,990
- 3 bed / 2 bath — 4 bed / 3 bath
- 1,384 sf. — 2,160 sf.
- \$130 psf. — \$190 psf.



### **Pacesetter Homes**

- \$200,831 - \$277,161
- 2 bed / 2 bath — 4 bed / 2.5 bath
- 1,016 sf. — 2,205 sf.
- \$126 psf. - \$198 psf.



### **Waterloo by Bohn**

- \$225,960 - \$306,419
- 3 bed / 2 bath — 5 bed / 2.5 bath
- 1,322 sf. — 2,595 sf.
- \$118 psf. - \$171 psf.







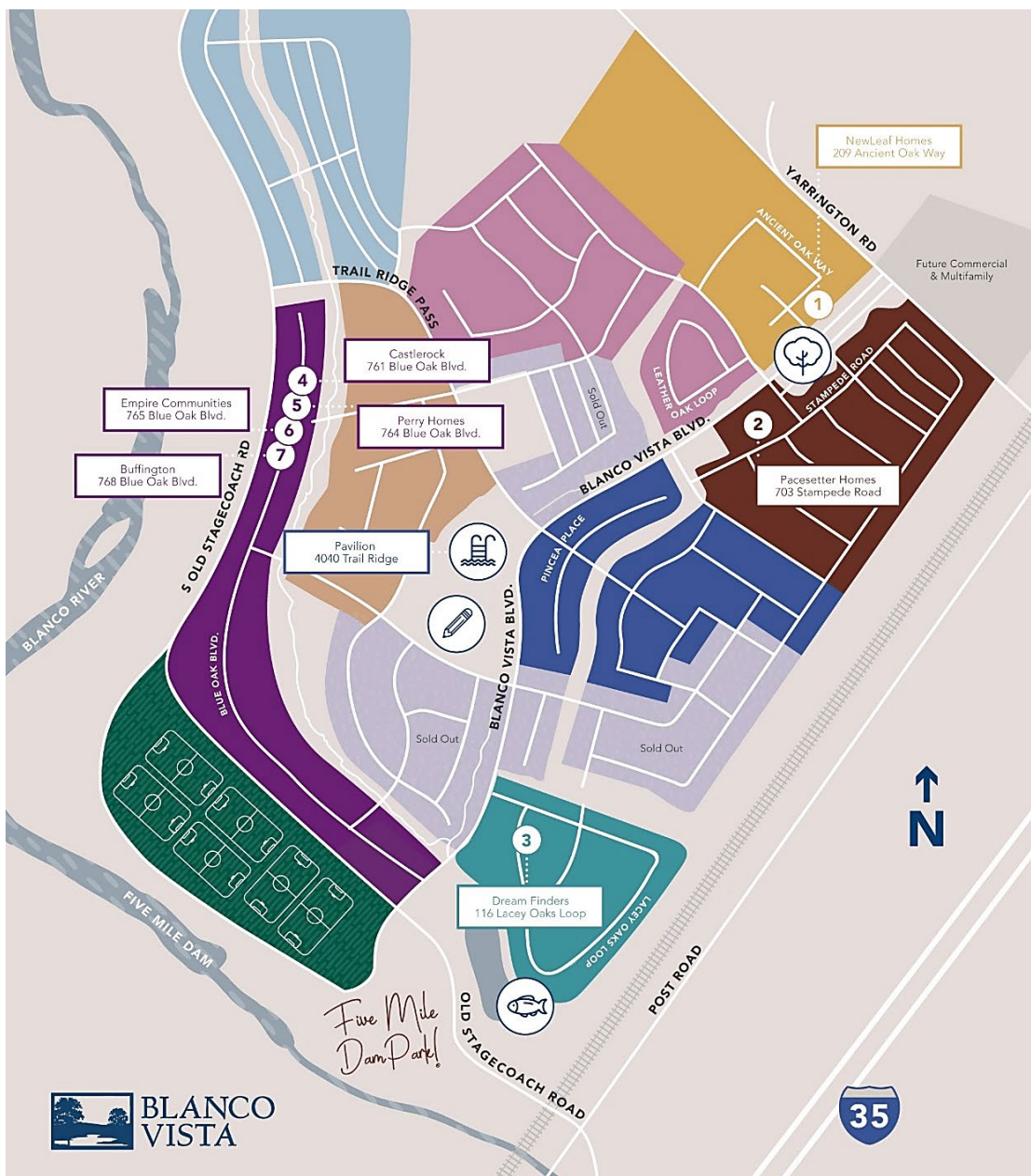
## Blanco Vista

Blanco Vista is situated on 575 acres of prime riverfront land in Northern San Marcos. A master-planned community with eight neighborhoods and seven builders. Located on the northeastern boundary of San Marcos on the west side of i-35 next to Five Mile Dam Park and in Hays County ISD.

Amenities include fully-stocked fishing pond and network of interconnected hike and bike trails.

The community is planned to have up to 1,800 homes at full build out. Prices range from the low \$200's through the upper \$400's.

Builders are Buffington Homes, CastleRock, Dream Finders Homes, Empire Communities, NewLeaf Homes, Pacesetter Homes, and Perry Homes. The homes pictured are the most affordable by each builder.





### **Buffington Homes**

- \$255,990 - \$377,990
- 3 bed / 2 bath — 5 bed / 3.5 bath
- 1,632 sf. — 3,609 sf.
- \$105 psf. - \$157 psf.
- 50' — 60' lots



### **CastleRock**

- \$269,990 - \$349,995
- 3 bed / 2 bath — 4 bed / 3.5 bath
- 1,666 sf. — 2,959 sf.
- \$123 psf. - \$163 psf.
- 50' lots



### **Dream Finder Homes**

- \$223,490 - \$287,490
- 3 bed / 2 bath — 6 bed / 4 bath
- 1,597 sf. — 2,239 sf.
- \$128 psf. - \$140 psf.





### Empire Builders

- \$259,990 - \$304,990
- 3 bed / 2 bath — 4 bed / 2.5 bath
- 1,554 — 2,430 sf.
- \$126 psf. — \$167 psf.



### NewLeaf Homes

- \$317,900 - \$409,900
- 3 bed / 2 bath — 4 bed / 3.5 bath
- 2,248 sf. — 3,515 sf.
- \$116 psf. - \$138 psf.



### Pacesetter Homes

- \$190,900 - \$283,900
- 2 bed / 2 bath — 4 bed / 3 bath
- 1,016 sf. — 2,242 sf.
- \$134 psf. - \$187 psf.



### Perry Homes

- \$287,900 - \$362,900
- 3 bed / 2 bath — 4 bed / 3 bath
- 1,500 sf. — 2,594 sf.
- \$140 psf. - \$192 psf.
- 45' lots









## SAN MARCOS Transportation Corridors Study

### La Cima

La Cima is a 2,400 acre Hill Country master-planned community in San Marcos. It offers new homes and 800 acres of open space and parkland, 10 miles of trails, and 45-acre “Central Park” area in the center of the community. Located on the far western edge of San Marcos just south of Ranch Road 12. Schools are zoned to San Marcos CISD.

Builders are Highland Homes, Scott Felder Homes, and Wilshire Homes,

Home sites are on 50 to 80 foot lots. Other amenities are central park, 8-lane junior Olympic pool, playscapes, sports fields, workout room, and activity center.

There were 8 homes available for quick move in at the time of this report ranging from \$331,116 for an 1,873 sf. home to a \$398,990 model with 2,520 sf.

Future plans include multi-family and commercial uses.





### Highland Homes

- \$303,990 - \$467,990
- 3 bed / 2 bath — 5 bed / 4 bath
- 1,601 sf. — 3,610 sf.
- \$130 psf. - \$190 psf.
- 50' and 70' lots



### Scott Felder Homes

- \$308,990 - \$366,990
- 3 bed / 2 bath — 4 bed / 3.5 bath
- 1,872 sf. — 2,901 sf.
- \$127 psf. - \$165 psf.
- 60' lots



### Wilshire Homes

- \$288,990 - \$459,990
- 3 bed / 2 bath — 5 bed / 4 bath
- 1,622 sf. — 3,623 sf.
- \$127 psf. - \$178 psf.
- 50', 60' and 70' lots





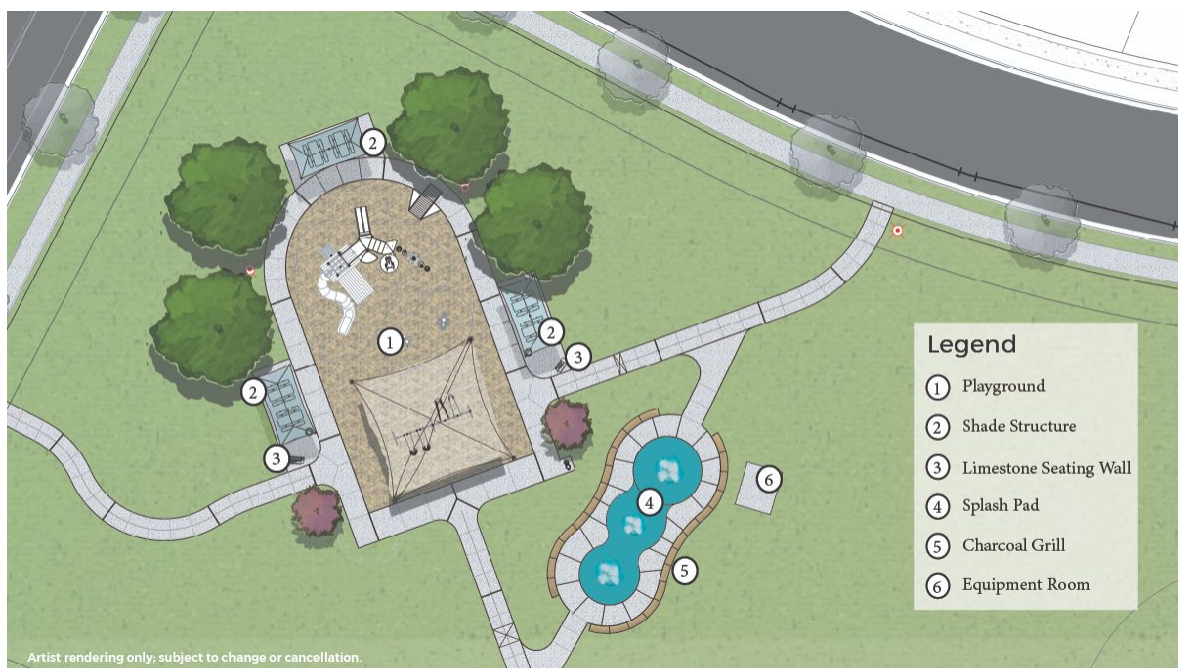


### Cottonwood Creek

The D.R. Horton development offers homes located near Bowie Elementary and San Marcos High School in San Marcos CISD.

Cottonwood Creek offers three to four bedroom homes, with floor plans ranging in size from 1,297 square feet to 2,336 square feet. Amenities include playgrounds, parks, splash pads, bbq and picnic areas.

At the time of this report there were 4 homes available ranging from \$219,990 for 1,297 square feet to \$257,490 for 2,168 square feet.





**D.R. Horton**

- \$219,990 - \$265,990
- 3 bed / 2 bath — 4 bed / 3 bath
- 1,297 sf. — 2,197 sf.
- \$114 psf. - \$170 psf.







### **Vista de los Santos**

Another D.R. Horton development featuring an exclusive Emerald Homes community located 3 miles from downtown San Marcos and Texas State University. The community is located on the northwest side of I-35 just southeast of Ranch Road 12.

Vista De Los Santos provides a boutique sized community featuring 75' home sites and a location within close proximity to the 570 acre Purgatory Natural Area.

Vista De Los Santos provides floor plans ranging from 2,109 sf. – 3,917 square feet and features four sides masonry, stainless steel appliances, brick-paved driveways/sidewalks, granite countertops, and full irrigation systems.

Prices listed at the time of this report ranged from \$499,999 for 3,385 square feet to \$340,000 for 1,907 square feet.





**D.R. Horton**

- \$340,000 - \$499,999
- 3 bed / 2 bath — 4 bed / 3.5 bath
- 1,907 sf. — 3,385 sf.
- \$147 psf. - \$178 psf.







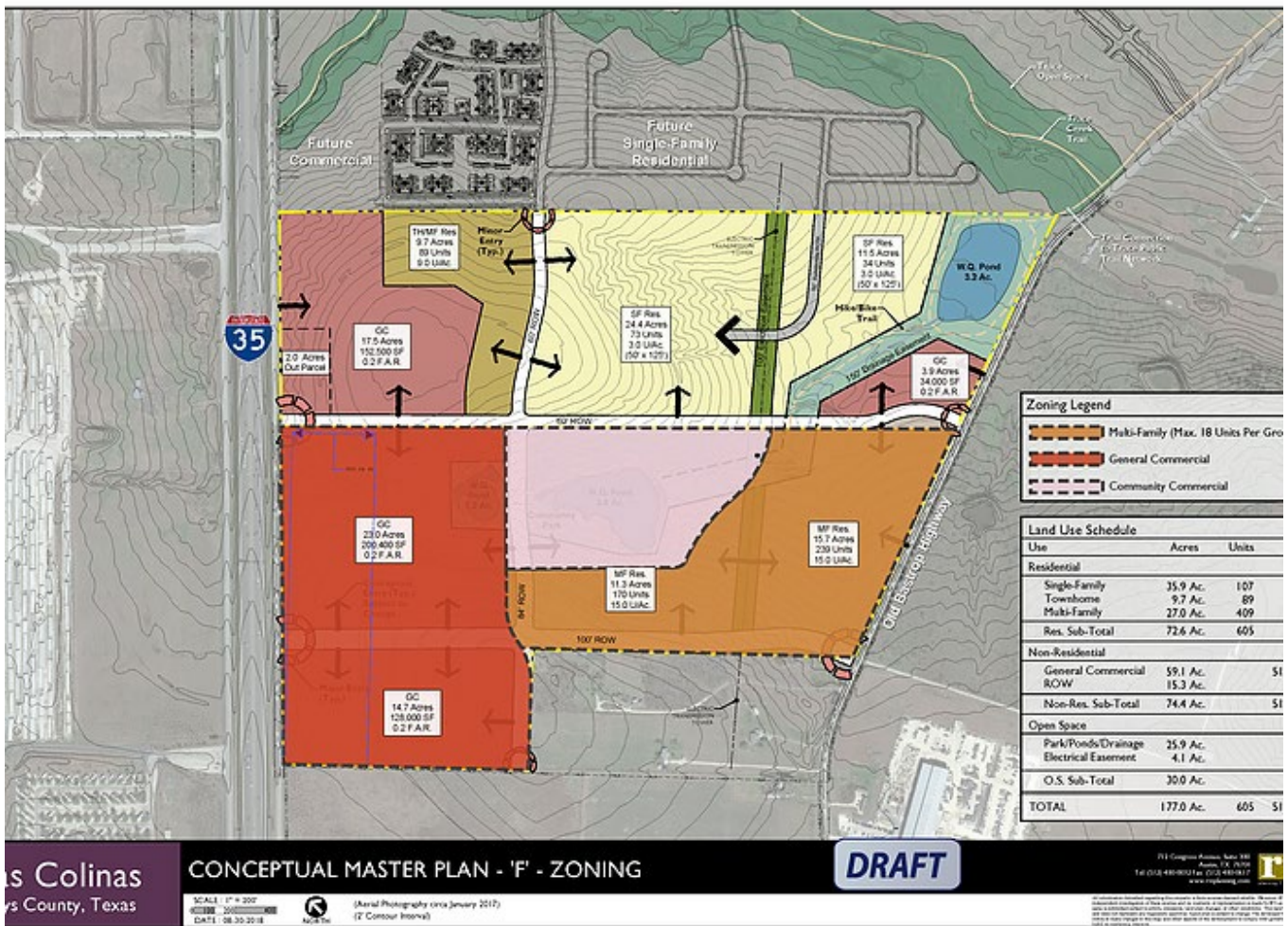
## Las Colinas

Las Colinas is planned to be an upscale location for the commercial and mixed use development.

It features 177 acres of land on Interstate 35 in San Marcos Texas situated on the southern side of San Marcos near the Hays County line located on the East side of Interstate 35 less than a mile south of the San Marcos Premium & Tanger Outlet Malls.

Development of portions of the land will be focused on providing sites for Continuing Care Retirement Communities and additional space for commercial enterprises and residential communities.

Space will be allocated in the property's central region for independent living and senior living. Starting with adult multi-family sites, then providing additional sites for both assisted living and skilled nursing facilities, the development will provide residents with a strong sense of community. Allocated along the frontage of Interstate 35 will be featured locations for hospitality, restaurant, general commercial, retail and medical office space.





### **Kissing Tree**

Kissing Tree is a 55+ community in San Marcos, TX. Brookfield Residential currently has plans to develop 3,200 single-family homes, making this community one of the largest in the state once complete. True to Brookfield Residential's reputation, Kissing Tree will have unique amenities geared towards the discerning 55+ homebuyer.

The Mix, the name of the 20-acre amenity campus, was built in 2017 to be the community's social and physical hub. Independence Hall, the community clubhouse, includes amenities rarely found in other 55+ communities. Homeowners here have the chance to enjoy a biergarten and an indoor/outdoor bar. A demonstration kitchen, community classroom, billiards tables, live-music stage, as well as a food truck, fire pits, and more are also available to residents of Kissing Tree.

The community is located on the northwest side of I-35 off Hunter Rd. and Centerpoint Rd. There are traditional homes, cottages, and villas.

### **Brookfield Residential**

- \$228,500 - \$564,900
- 1 bed / 1.5 bath — 4 bed / 3.5 bath
- 1,907 sf. — 3,513 sf.
- \$161 psf. - \$223 psf.







## Single-family Market Opportunities

Demand for a wide range of for sale housing types in San Marcos, especially in established and core neighborhoods located in the CMA and Study Area, was very high and inventory in these locations was very low.

In general agents stated that — there are either new tract homes priced \$190,000 to \$430,000 in new developments located away from downtown and not connected to bicycle or pedestrian infrastructure, or lower priced, older existing homes located in established and core neighborhoods that require renovations and upgrades to satisfy current prospective buyers.

Again, this refers back to the ‘missing middle’ where nothing much in between a new single-family home in greenfield developments and older, existing and many cases outdated homes in established neighborhoods as well as those closer to downtown.

Demand for new, diverse housing types of greenfield, infill, adaptive reuse, and conversion for-sale units was highest in older, established core neighborhoods especially in the neighborhoods surrounding downtown.

New master-planned communities are planned such as Trace, Blanco Vista, Vista de los Santos, Cottonwood Creek, and La Cima.

Some builders like Pacesetter are providing new compact single-family homes on lots from 30 to 34 feet where allowable and available and believe they will continue to produce these products as they have been highly absorbed and very popular in the San Marcos market.

The San Marcos River, Texas State University, Blanco River, the growth of the I-35 corridor, the appeal, and scenes of the Hill Country and proximity to regional amenities and attractions are all assets that will continue to create new housing demand and opportunities in the CMA and Study Area to fulfill continued demand for new single-family homes, especially of a more compact and dense nature.

## Single-family Market Constraints

There is a large lack of for-sale inventory of existing and new single-family for-sale homes located in core neighborhoods surrounding the Square as well as in other established neighborhoods.

Though there are new single-family homes being built in substantial numbers in many master-planned communities in varying stages of development, these typically appeal to empty nesters, single professionals, and younger professional couples with a split commute using San Marcos as the mid point between major employment centers of Austin and San Antonio.

Without providing homebuyers with the new homes in the most optimal appealing locations near downtown and in an established neighborhoods the City runs the risk of not capturing young professionals or singles and families employed in San Marcos and seeking to live in the City.

Many agents shared that prospective buyers express a desire to live on the east side of I-35 closer to shopping, entertainment and other amenities, yet this mostly applied to young families with children and couples with a split commute..

One challenge will be connecting new greenfield single-family developments in master-planned communities with the downtown and other San Marcos amenities and assets.



The lack of mass transit and connectivity of housing to employment and commercial nodes via modern, quality bicycle and pedestrian infrastructure were mentioned consistently as constraints to desirability and feasibility of new for-sale housing construction in all areas of the CMA and Study Area.

Newly enacted flood zones was another market constraint consistently mentioned which added an unexpected mandatory cost to homes that previously were zoned outside of the flood zone.

The prevalence of moderate pay jobs appeared to be somewhat of a constraint, but many employers stated that they believed opportunities for future higher paying job growth are feasible given Texas State University's goal to expand research and other activities as well as the proximity to Austin and San Antonio Metros.



## CAMPO TAZ 2045 FORECAST

### Future Population, Households and Employment Growth

The table below shows forecasts through 2045 for Population, Households, Average Household Size, Median Income and Total Employment in the CMA

Table 6.57, CMA CAMPO TAZ Forecasts, 2015-2045

|      | Population | Households | HH Size | Median Income | Total Employment |
|------|------------|------------|---------|---------------|------------------|
| 2015 | 31,747     | 13,881     | 1.82    | 30,139        | 41,821           |
| 2025 | 41,199     | 18,117     | 1.84    | 31,296        | 51,147           |
| 2045 | 82,127     | 37,641     | 1.53    | 34,625        | 89,973           |

Source: CAMPO 2045 TAZ Forecast

Table 6.58, Study Area CAMPO TAZ Forecasts, 2015-2045

|      | Population | Households | HH Size | Median Income | Total Employment |
|------|------------|------------|---------|---------------|------------------|
| 2015 | 15,031     | 6,388      | 1.60    | 30,139        | 27,407           |
| 2025 | 19,486     | 8,421      | 1.95    | 30,931        | 31,479           |
| 2045 | 37,726     | 17,592     | 1.67    | 31,000        | 51,769           |

Source: CAMPO 2045 TAZ Forecast

Table 6.59, CMA Forecasted Household Types and Projected Growth, 2015-2045

Under current renter / owner ratios, the following projection of households of each type in the CMA are as follows:

| Tenure | Share | CMA Households |        |        | Projected Growth |           |
|--------|-------|----------------|--------|--------|------------------|-----------|
|        |       | 2015           | 2025   | 2045   | 2015-2025        | 2025-2045 |
| Total  | 100%  | 13,881         | 18,117 | 37,641 | 4,236            | 19,524    |
| Renter | 74%   | 10,272         | 13,407 | 27,854 | 3,135            | 14,448    |
| Owner  | 26%   | 3,609          | 4,710  | 9,787  | 1,101            | 5,076     |

Source: CAMPO 2015-2045 TAZ Forecast, CDS

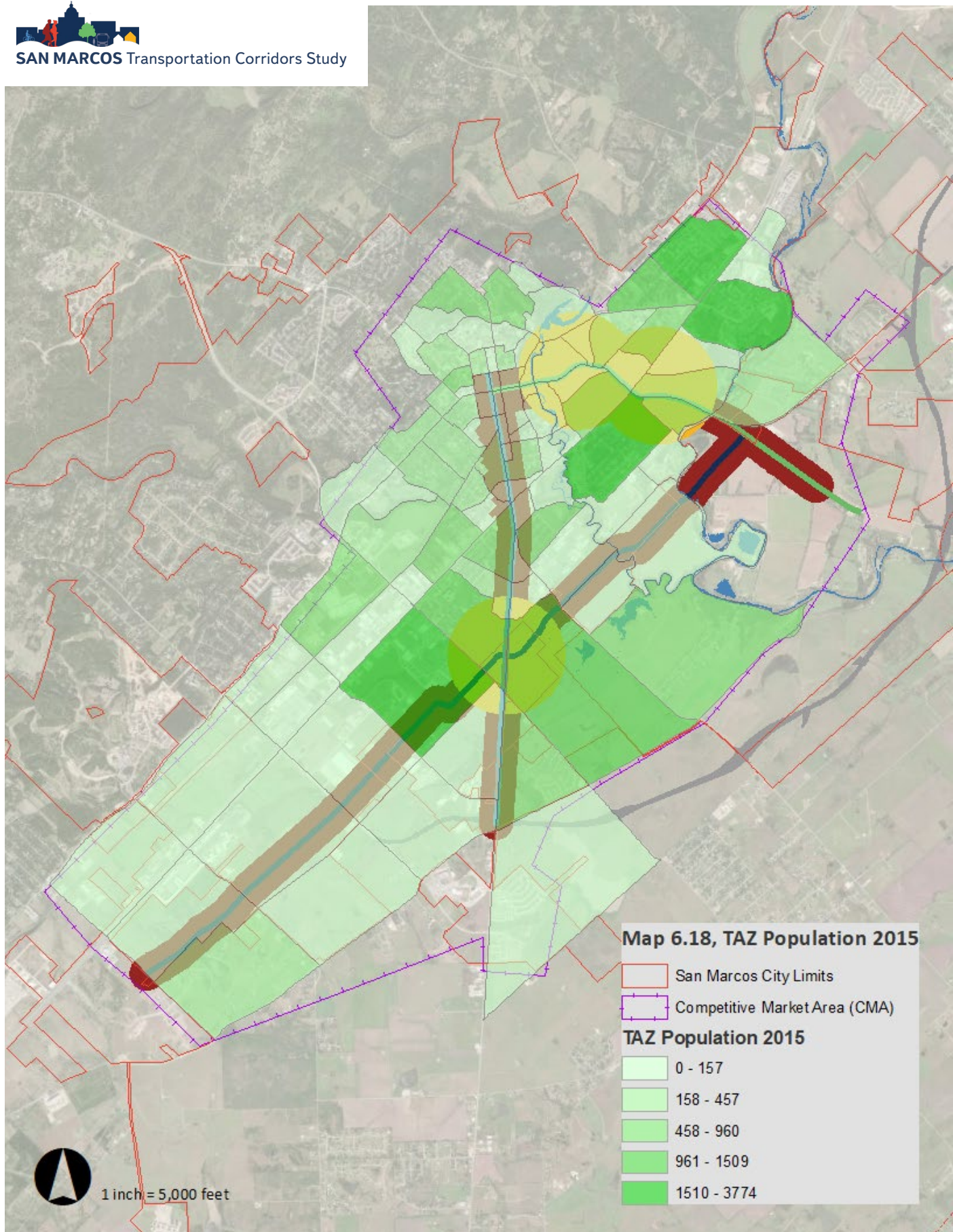
Decisions on zoning and other government policies as well as shifts in market and development trends could cause this tenure split to change over time.

Maps on the following pages show CAMPO TAZ forecast data for the CMA and Study Area for 2015, 2025 and 20145 to provide a geographical distribution of forecast data into Traffic Analysis Zones on the map.

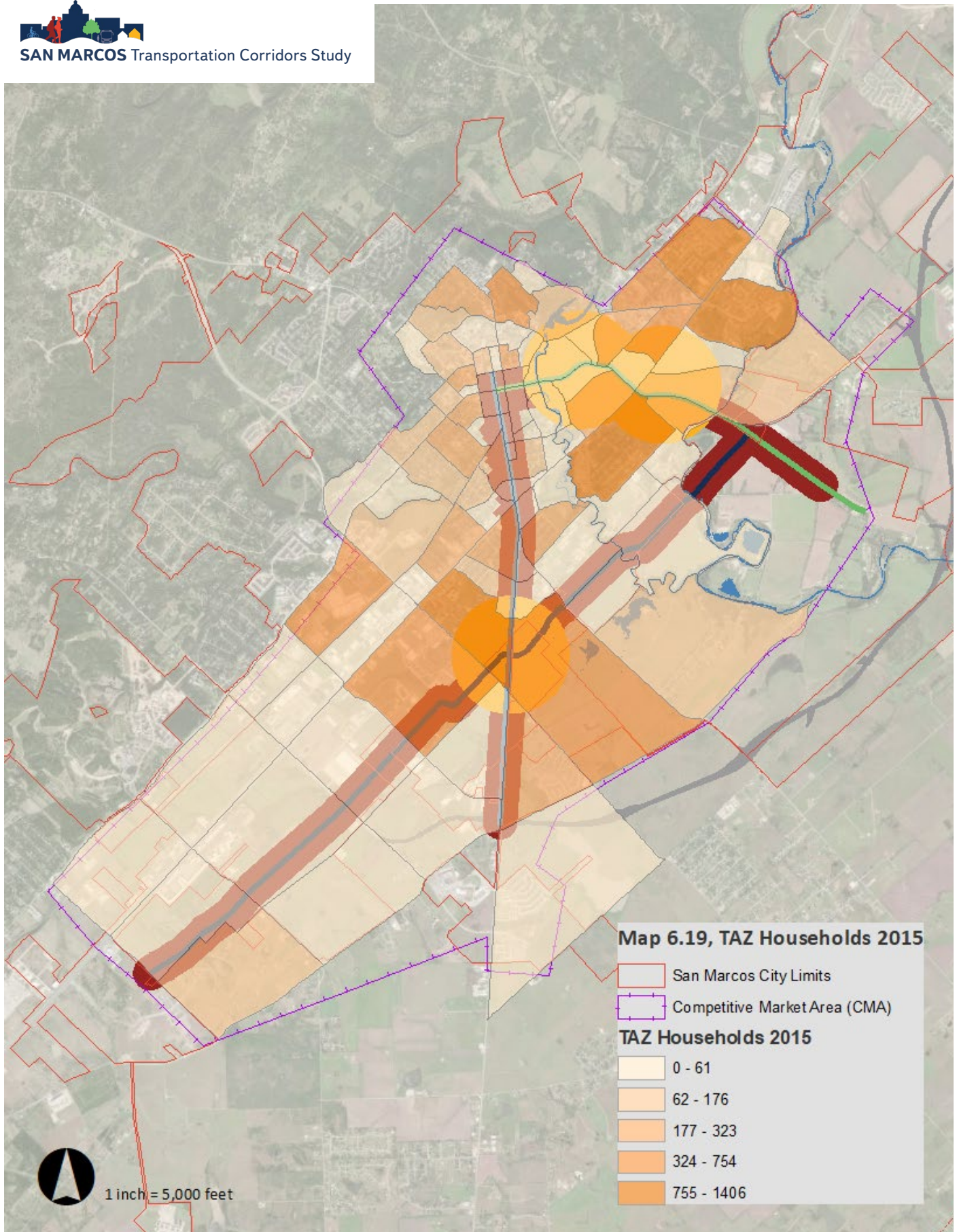
The map titles are listed here for reference purposes —

Map 6.18, TAZ Population 2015, Map 6.19, TAZ Households 2015, Map 6.20, TAZ Employment 2015, Map 6.21, TAZ Population 2025, Map 6.22, TAZ Households 2025, Map 6.23, TAZ Employment 2025, Map 6.24, TAZ Population 2045, Map 6.25, TAZ Households 2045, Map 6.26, TAZ Employment 2045.

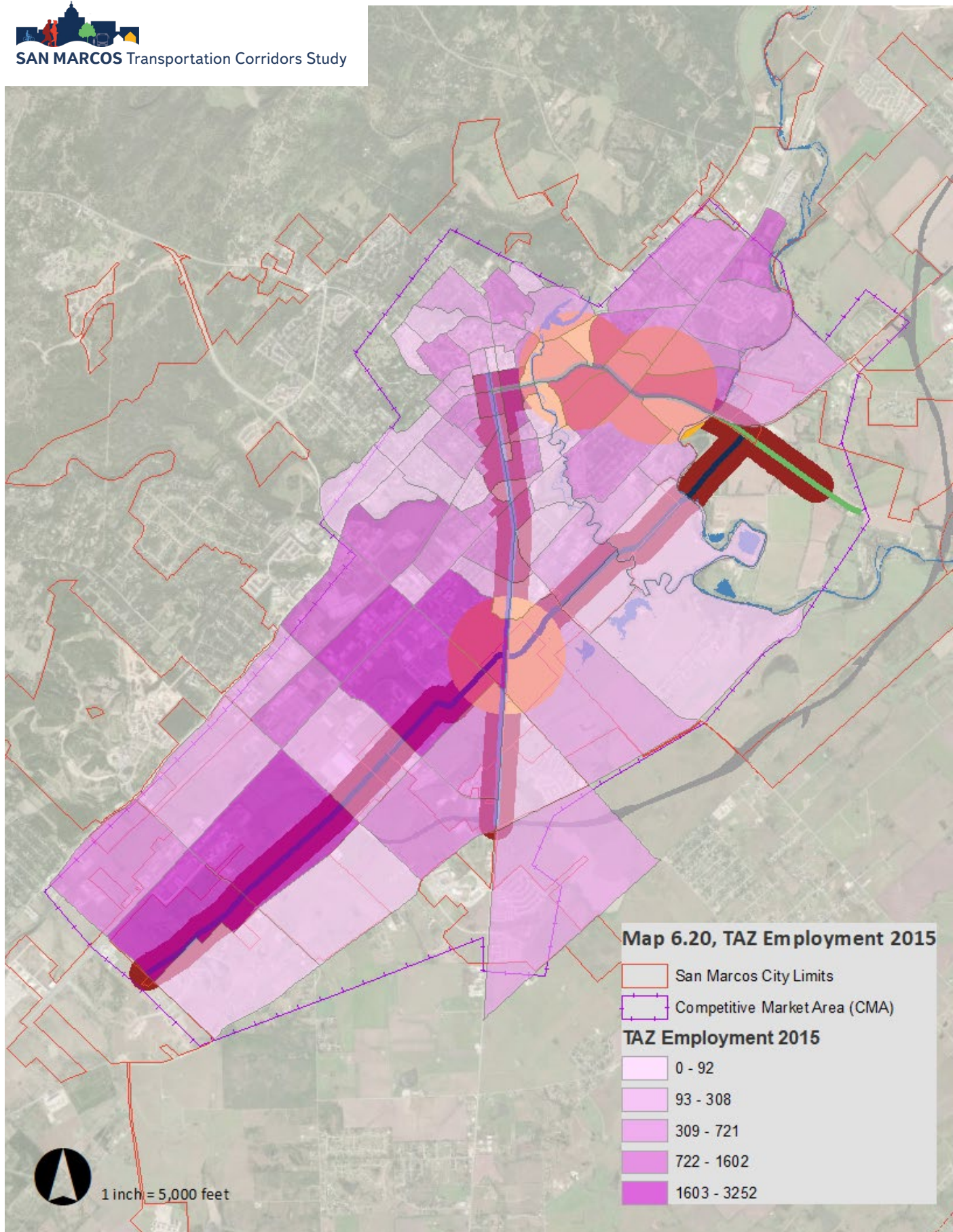




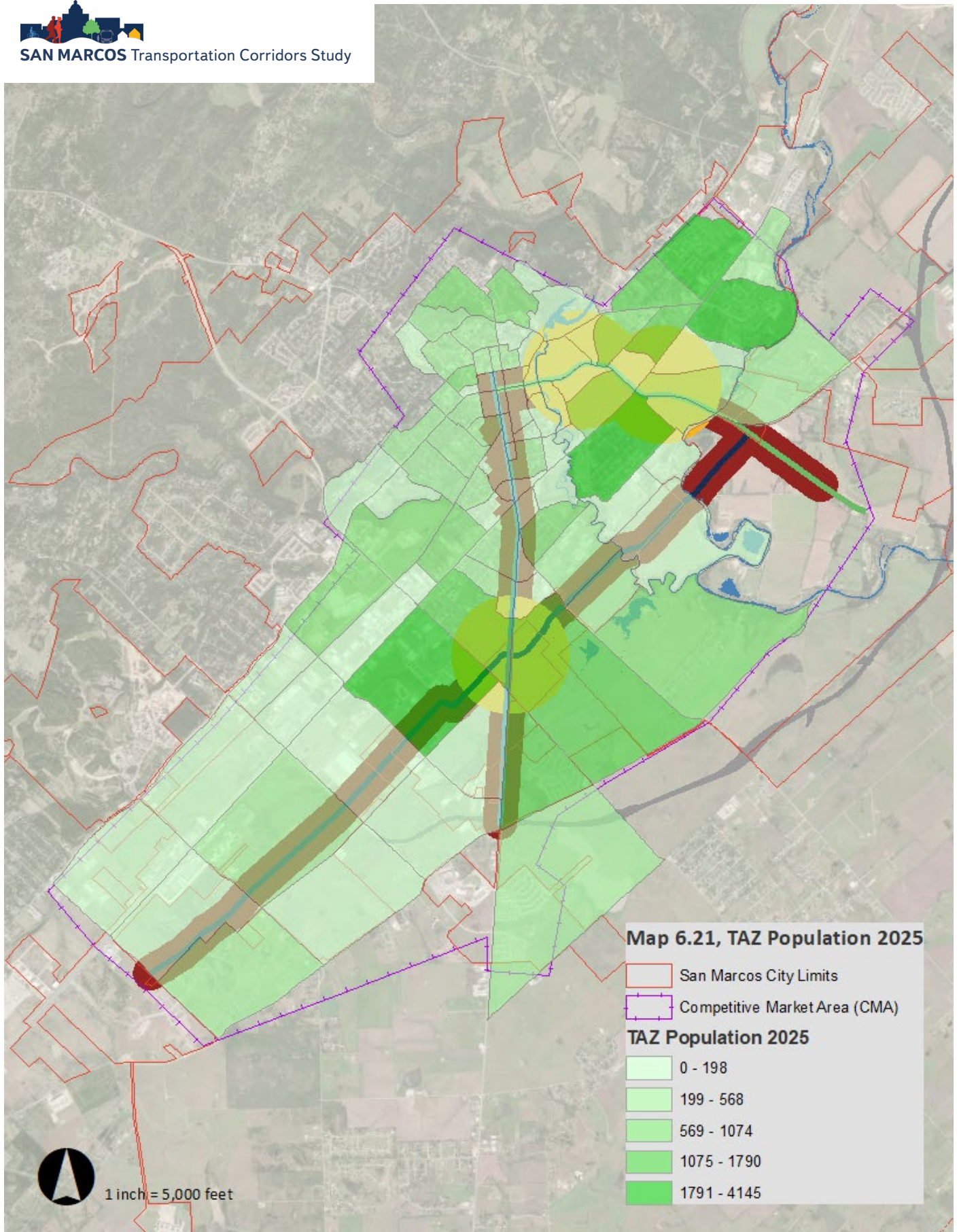




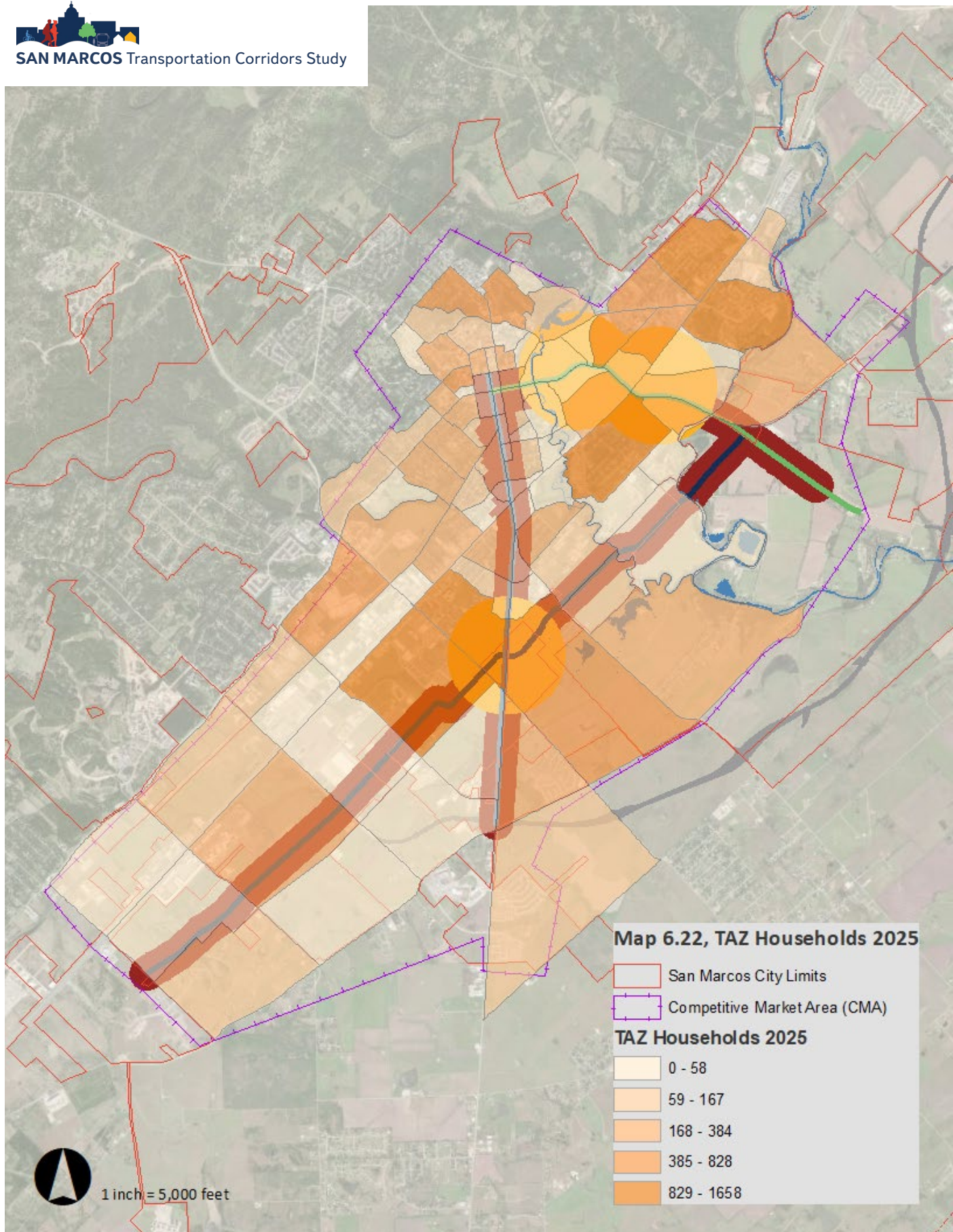












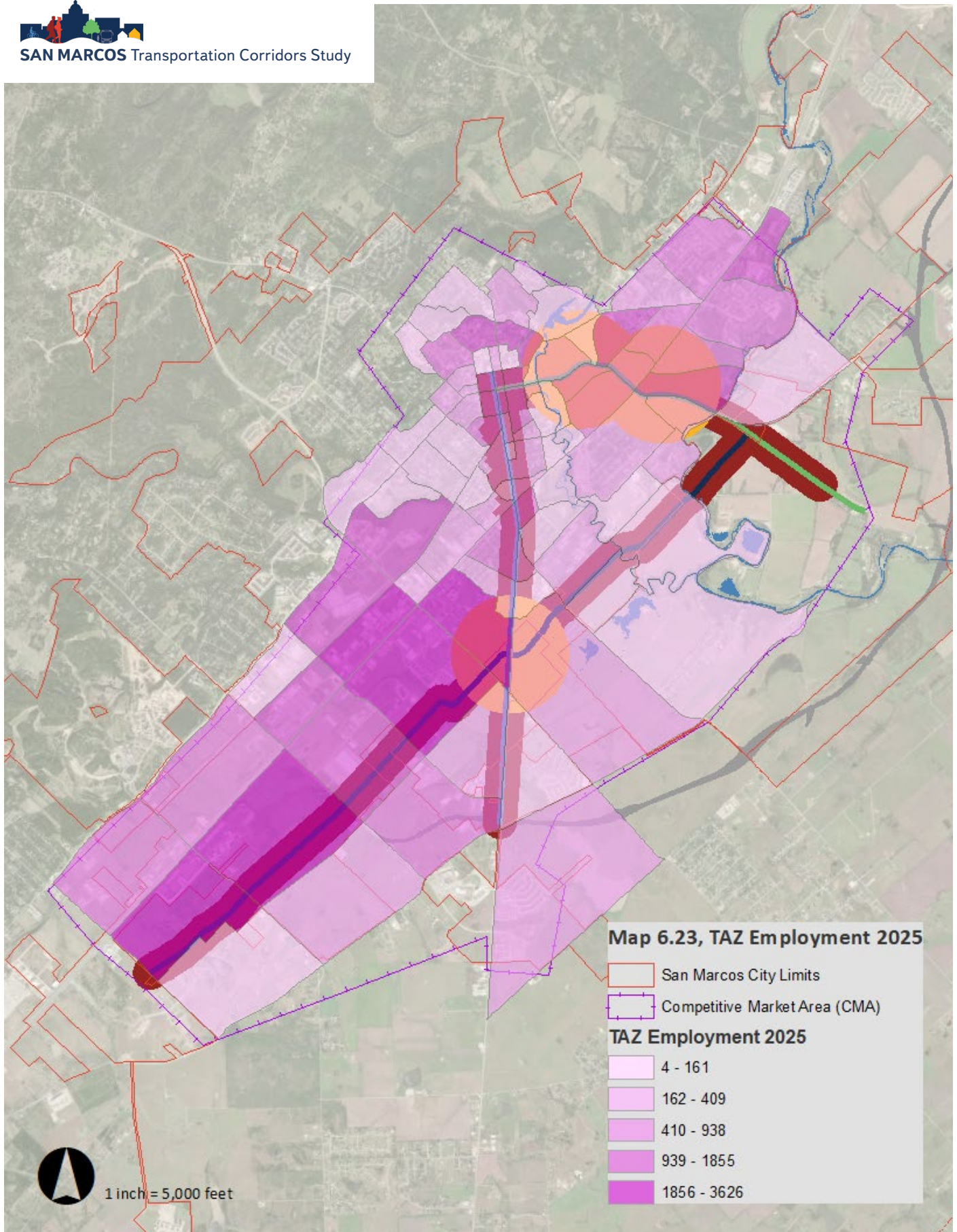
Map 6.22, TAZ Households 2025

- San Marcos City Limits
- Competitive Market Area (CMA)

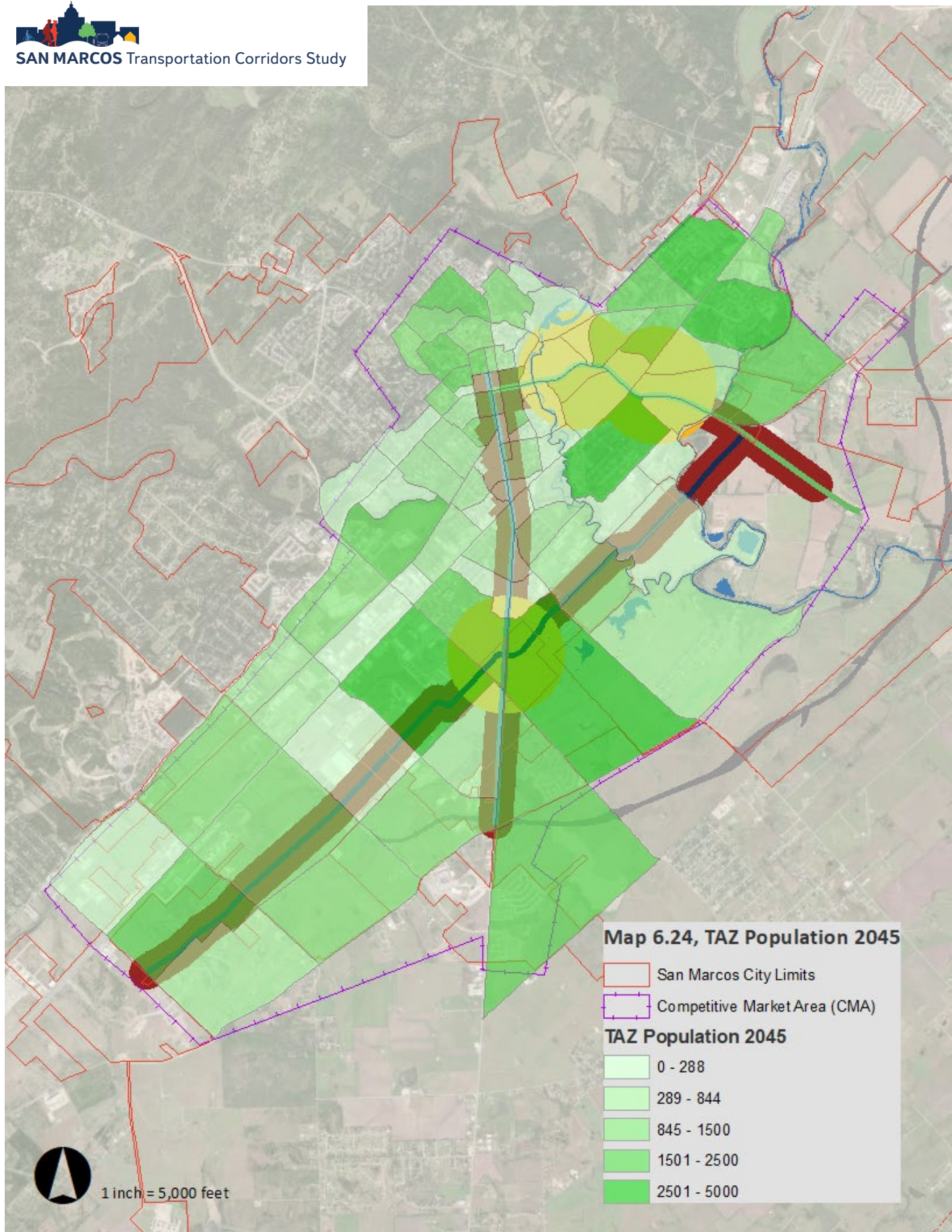
TAZ Households 2025

- 0 - 58
- 59 - 167
- 168 - 384
- 385 - 828
- 829 - 1658

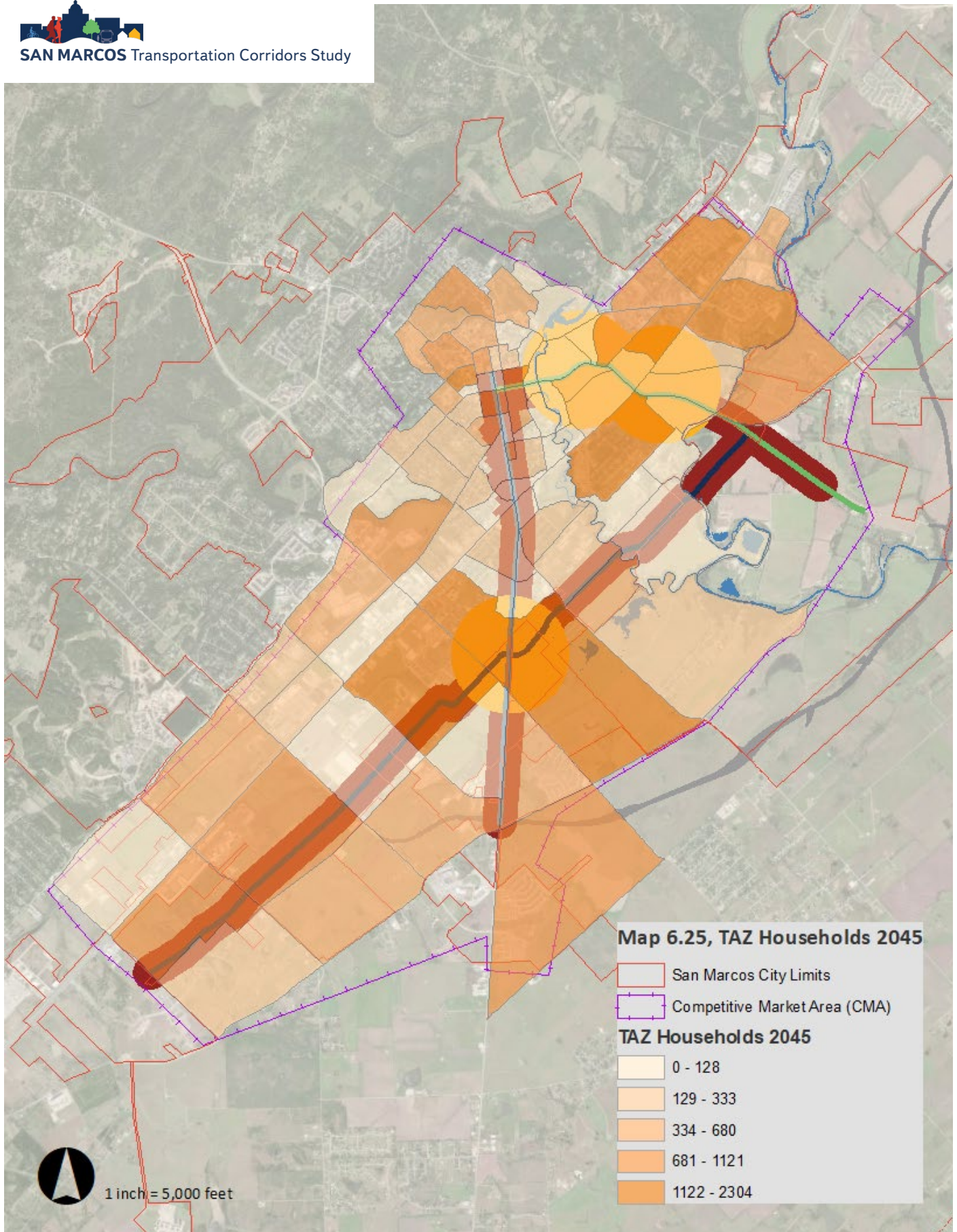




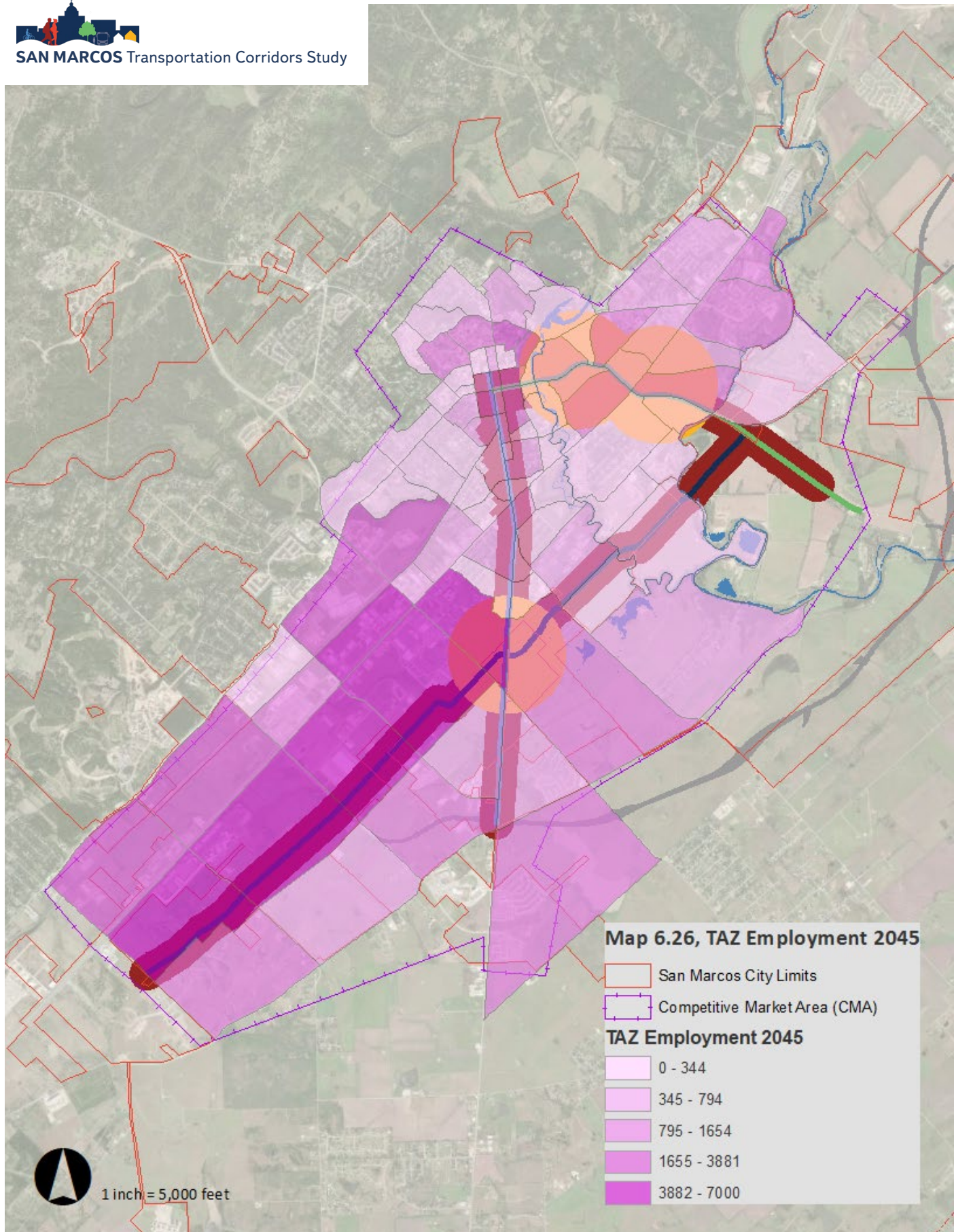












Map 6.26, TAZ Employment 2045

- San Marcos City Limits
- Competitive Market Area (CMA)

**TAZ Employment 2045**

- 0 - 344
- 345 - 794
- 795 - 1654
- 1655 - 3881
- 3882 - 7000



## PRELIMINARY FINDINGS

*The data analysis presented within this technical memorandum will be considered in conjunction with additional research, field observation, stakeholder interviews and public input to prepare future development scenarios for Study Area corridors and centers and to prepare a corresponding needs assessment report. Initial observations of note which may influence subsequent Study Area development and redevelopment scenarios include:*

- While the existing multi-family housing supply in San Marcos fulfills the demand for student housing generated by Texas State university in the near term, a significant number of newly constructed multi-family units in the proposed Midtown and Medical Centers lack the multi-modal connectivity desired by students. There is an opportunity to build pedestrian-oriented rental units in small-scale (townhomes, duplexes, fourplexes, six to 20-unit multi-family building) or mixed-use building types that have connectivity to the downtown area and Texas State University in the Guadalupe Street corridor and proposed Midtown Center.
- The existing rental market in San Marcos primarily relies on the multi-family industry for supplying rental units, as the market for single family rental homes is small. However, multi-family developers have not offered housing units targeted to the moderate-wage tier of the renter market. Non-subsidized multi-family projects are primarily priced for higher-income renters with “Class A” units and low- to moderate-income households are priced out these developments. This signifies a lack of affordable housing in San Marcos resulting in over 80 percent of the workers employed in the city living outside it.
- The rental housing market in San Marcos can be bolstered by constructing pedestrian-oriented and mixed-use residential development in the downtown area that draw young professionals who work in San Marcos and desire to live in the downtown area but live in New Braunfels. This may be achieved by constructing diverse types of rental housing (townhomes, duplexes, multi-unit properties with smaller yards and lot sizes) that has the potential to attract Texas State University students and employees. This may also help increase the limited supply of single-family rentals to local worker households with families.
- The City of San Marcos can capitalize on the demand for small-scale housing by allowing multi-unit housing types, such as duplexes, fourplexes, bungalow courts, and mansion apartments, in single-family zoning districts and at the shared edges of single-family, commercial and office zoning districts. Such small-scale housing developments provide the greatest benefit when located within existing walkable, traditional core neighborhoods embedded within primarily single-family home neighborhoods. Allowing and creating these diverse housing types provide greater choices and generate critical mass that can support transit and locally serving commercial amenities.
- Without providing homebuyers and renters affordable housing options in locations that offer multi-modal connectivity, amenities, and recreational spaces, such as downtown and the proposed Midtown Center, the City may not be able to offer the quality of life sought by young professionals and workers employed in San Marcos. The lack of mass transit and multi-modal infrastructure (such as bicycle and pedestrian pathways, greenways) connecting residential developments with employment and commercial nodes was cited by developers as constraints to developing desirable, new for-sale housing the Study Area.



**SAN MARCOS** Transportation Corridors Study



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# Technical Memorandum 7.0

## Community Health

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## 7.1 OVERVIEW

*Health begins with where we live, learn, work and play. The opportunity for health starts long before we need medical care. All Americans should have the opportunity to make choices that allow them to live a long, healthy life, regardless of income, education, or ethnic background.*

(Source: Robert Wood Johnson Foundation).

As a part of the San Marcos Platinum Planning Study, an analysis of community health measures has been prepared for established neighborhoods located completely or partially within approximate Platinum Planning study area boundaries. This “Community Health Analysis” seeks to identify social inequities and disparities that may exist within the study area, and to determine where such inequities and disparities may be most prevalent at a neighborhood level. According to the Robert Wood Johnson Foundation, health equity means that everyone has a fair and just opportunity to be as healthy as possible. This requires removing obstacles to health and well-being such as poverty and discrimination, and their consequences including powerlessness and lack of access to good jobs with fair pay, quality education and housing, safe environments and health care. “Health disparities” refer to differences in physical health or in the key determinants of health such as education, safe housing, and discrimination, which adversely affect marginalized or excluded groups (i.e. “vulnerable populations.”) Additionally, this analysis aims to inform the recommendations of future development scenarios and opportunities that are presented in the Study so that their impacts may generate improvements to community health metrics in San Marcos.

The Center for Disease Control and Prevention (CDC) broadly describes health to include clinical health, health behaviors, social and economic factors, and environmental factors that impact the health status of community residents. Communities ought to have conditions that enable residents to live the healthiest life possible, such as access to healthy food, medical facilities, quality schools, and safe places to exercise and play. In measuring these community attributes, this Study will also provide information on environmental justice (EJ) populations found throughout the study area. The 1994 Presidential Executive Order 12898 directed every federal agency to “*make achieving EJ part of its mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations.*” As growth and development continue to occur in San Marcos, future development and land use changes may have direct impacts on existing neighborhoods and the well-being of current and future residents. Development and re-development of areas within San Marcos should be calibrated to decrease rather than increase social inequities.

## Data Sources

Technical Memorandum 7.0, Community Health, utilizes a mix of national and local data sources that are applied citywide and are “clipped” to a unique geographic area of Study Area neighborhoods. Primary sources of data include U.S. Census Bureau, 2014-2018 American Community Survey 5-year estimates (via ESRI Business Analyst); Robert Wood Johnson Foundation; Environmental Protection Agency (EJScreen); Texas Education Agency; San Marcos Consolidated Independent School District; and, City of San Marcos.







## Study Area Neighborhoods

For the purposes of this Community Health Analysis, a unique study area has been developed which encompasses existing neighborhoods within or proximate to the greater plan area (see Map 7.1, *Community Health Study Area Boundaries*, pg. 7.5). The selected area was determined by overlaying neighborhood planning boundaries generated by the San Marcos Council of Neighborhood Associations (CONA) and census blocks that contain established residential areas and an existing population. It is important to note that the resulting Community Health Study Area boundary does not align with the representative neighborhood boundaries identified by CONA but is tailored to meet relevant data needs.

Portions of eighteen existing neighborhoods are included within the Community Health Study Area. Those include:

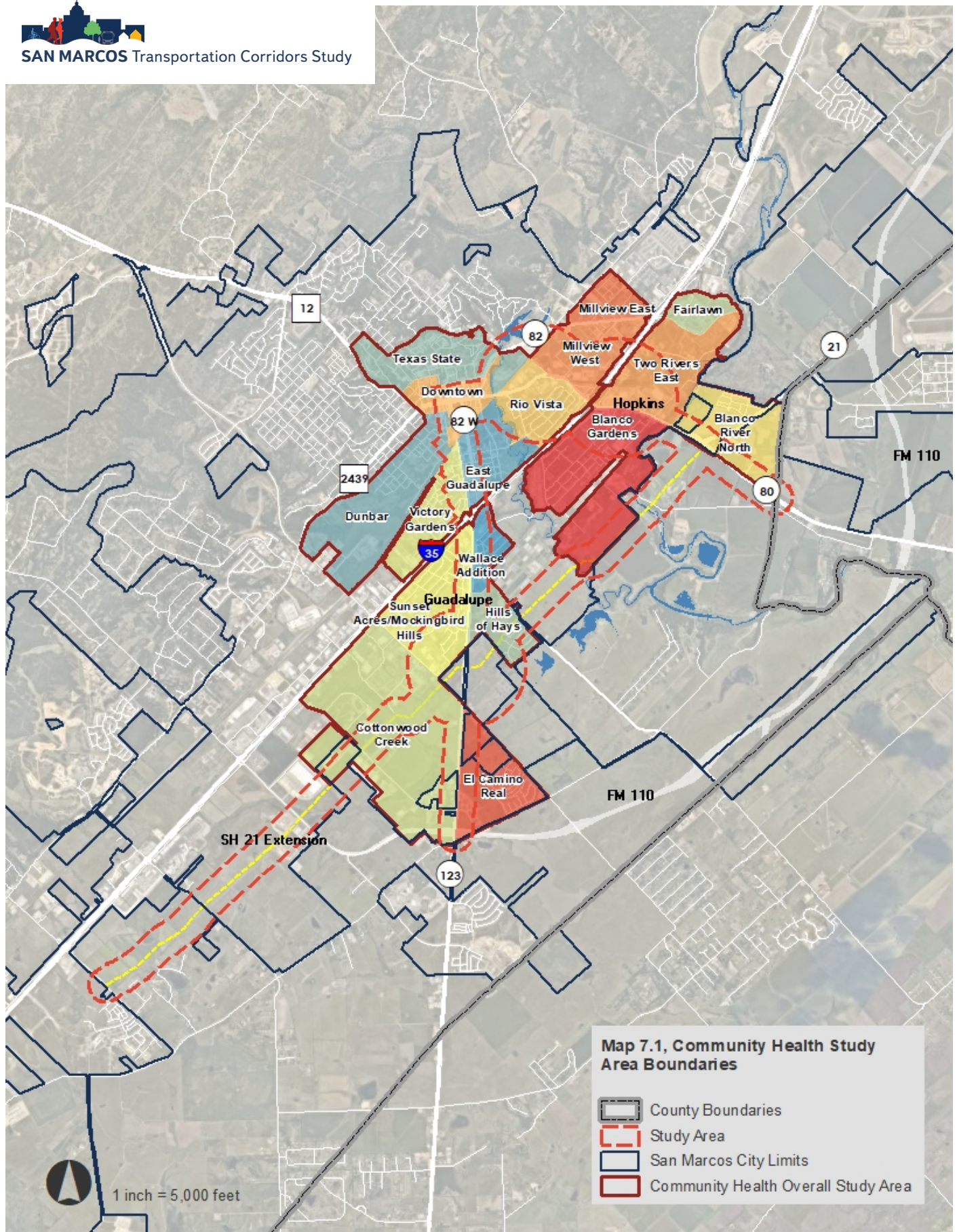
- Blanco Gardens
- Blanco River North
- Cottonwood Creek
- Downtown
- Dunbar
- East Guadalupe
- El Camino Real
- Fairlawn
- Hills of Hays
- Millview East
- Millview West
- Rio Vista
- Sunset Acres
- Mockingbird Hills
- Two Rivers East
- Texas State
- Victory Gardens
- Wallace Addition

## Community Health Study Area Characteristics

The community health study area is approximately 8.11-square miles located within San Marcos city limits and portions of unincorporated Hays County. The approximate population of the unique study area is 33,440 based on U.S. Census Bureau data. As a comparison, according to U.S. Census American Community Survey (ACS) the population of San Marcos in 2019 was 64,776 the population of Hays County in 2019 was 233,518 people. Representative populations of each neighborhood are presented below in Table 7.1, *Neighborhood Populations*.

**Table 7.1, Neighborhood Populations**

| Neighborhood                   | Area<br>(square miles) | Population    | Population Density<br>(persons/(1) sq mi) |
|--------------------------------|------------------------|---------------|---|
| Blanco Gardens                 | 0.89                   | 3,913         | 4,397                                     |
| Blanco River North             | 0.51                   | 758           | 1,486                                     |
| Cottonwood Creek               | 1.58                   | 1,950         | 1,234                                     |
| Downtown                       | 0.24                   | 1,130         | 4,708                                     |
| Dunbar                         | 0.74                   | 1,996         | 2,697                                     |
| East Guadalupe                 | 0.32                   | 371           | 1,159                                     |
| El Camino Real                 | 0.45                   | 1,741         | 3,869                                     |
| Fairlawn                       | 0.14                   | 3,482         | 24,871                                    |
| Hills of Hays                  | 0.22                   | 684           | 3,109                                     |
| Millview East                  | 0.18                   | 2,639         | 14,661                                    |
| Millview West                  | 0.37                   | 1,654         | 4,470                                     |
| Rio Vista                      | 0.34                   | 885           | 2,603                                     |
| Sunset Acres/Mockingbird Hills | 0.58                   | 3,170         | 5,466                                     |
| Two Rivers East                | 0.57                   | 1,504         | 2,639                                     |
| Texas State                    | 0.49                   | 5,516         | 11,257                                    |
| Victory Gardens                | 0.34                   | 1,560         | 4,588                                     |
| Wallace Addition               | 0.14                   | 488           | 3,486                                     |
| <b>Study Area</b>              | <b>8.11</b>            | <b>33,440</b> | <b>Average: 5,216<br/>Median: 3,869</b>   |







The neighborhood area with the largest population is the Texas State area. Please note the data for this neighborhood may vary given the presence of Texas State University (TXST). Populations in this neighborhood fluctuate throughout the year, as student move in and out of the area. However, population estimates conducted by the U.S. Census Bureau state that,

*“College students who live away from home should be counted at the on- or off- campus residence where they live and sleep most of the time. If they live in housing designed for college students (such as dorms, or apartments with “by-the-bed” leases), they will be counted as part of the Group Quarters Operations. If students live off-campus they must report themselves in the place they ‘live the most’.” (Source: U.S. Census Bureau, America Counts: Stories Behind the Numbers, In Student Housing, Off Campus or With Parents, College Students Count in 2020 Census).*

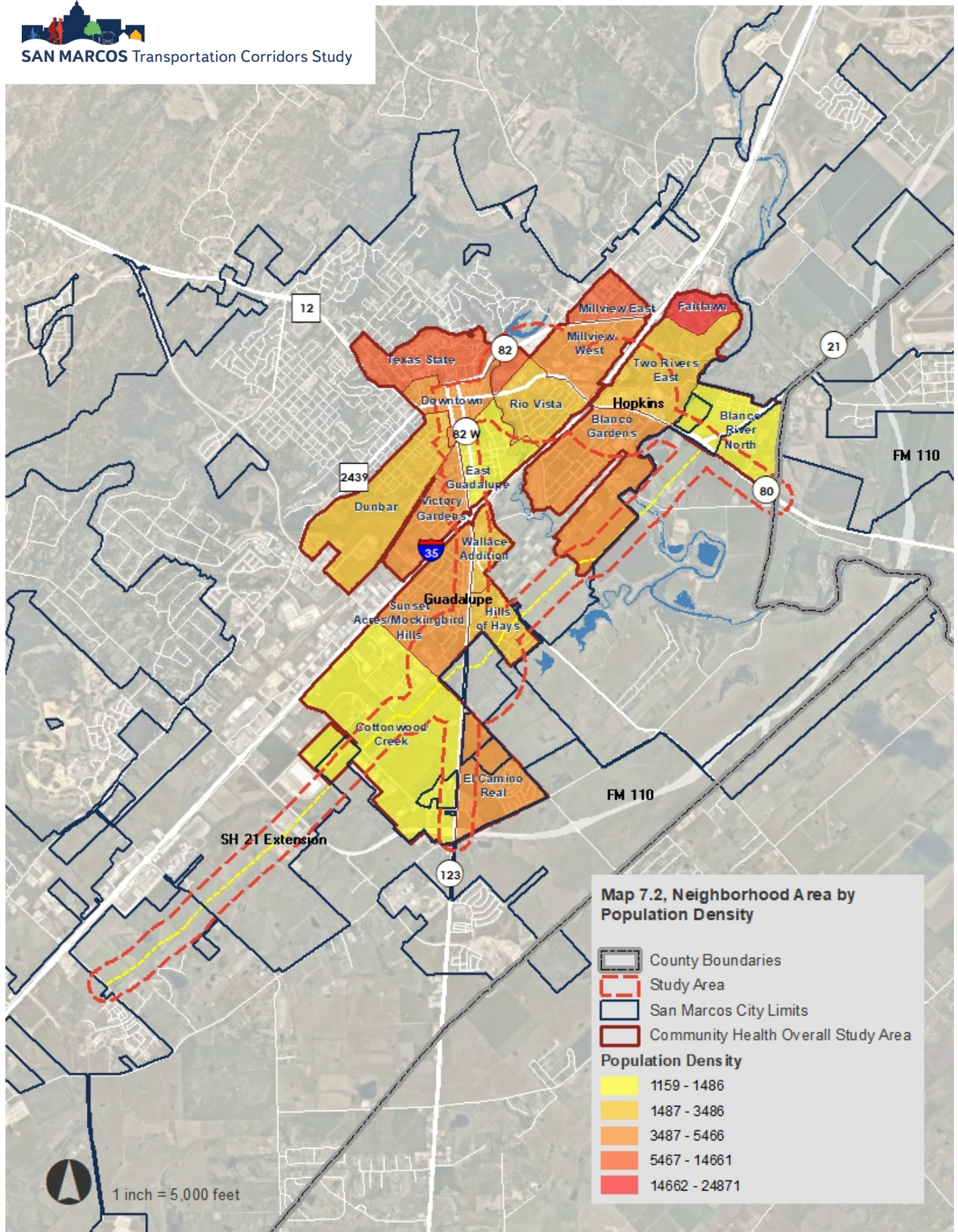
There are a few other neighborhoods showing high populations as well including the Blanco Gardens, Fairlawn, Millview East, and Sunset Acres/Mockingbird Hills neighborhoods (Fairlawn and Millview East displaying extremely high population densities; see Map 7.2, pg. 7.7). There are also areas showing small populations such as East Guadalupe and the Wallace Addition. This could be a result of high commercial land use within the neighborhood and a lower proportion of residential acreage, or simply reflects a lower density residential pattern.

According to the U.S. Census Bureau, the study area population has a 2019 median household income of \$34,630 and a per capita income of \$17,021. This is much less in comparison to Hays County, where the 2019 median household income is \$65,679 and per capita income is \$31,058, as well as, San Marcos where the 2019 median household income is \$37,593 and the per capita income is \$20,392 (Source: U.S. Census Quick Facts). Table 7.2, *Median Household Income*, illustrates the representative 2019 median household incomes for each of the neighborhoods within the study area.

**Table 7.2, Median Household Income (2019)**

| Neighborhood                   | Median Household Income<br>(2019 Dollars) |
|--------------------------------|---|
| Blanco Gardens                 | \$38,044                                  |
| Blanco River North             | \$60,865                                  |
| Cottonwood Creek               | \$43,992                                  |
| Downtown                       | \$21,228                                  |
| Dunbar                         | \$35,595                                  |
| East Guadalupe                 | \$36,410                                  |
| El Camino Real                 | \$43,820                                  |
| Fairlawn                       | \$29,312                                  |
| Hills of Hays                  | \$43,784                                  |
| Millview East                  | \$19,476                                  |
| Millview West                  | \$21,157                                  |
| Rio Vista                      | \$35,702                                  |
| Sunset Acres/Mockingbird Hills | \$42,016                                  |
| Two Rivers East                | \$38,897                                  |
| Texas State                    | \$20,166                                  |
| Victory Gardens                | \$36,822                                  |
| Wallace Addition               | \$43,334                                  |
| Study Area                     | \$34,630                                  |
| San Marcos, TX                 | \$37,252                                  |
| Hays County, TX                | \$65,679                                  |

Source: ESRI Business Analyst, U.S. Census Bureau







Map 7.3, *Neighborhood Area by Median Household Income* (p. 7.9), illustrates that there is a wide variation in the distribution of annual median household income across the study area. There are several neighborhoods where the median household income falls under the Department of Human and Health Services (DHHS) poverty guideline for a family of four, at 26,200 dollars per year. Those neighborhoods falling under the poverty guideline include, Downtown, Millview East, Millview West, and Texas State. Something to note for the Downtown and Texas State neighborhoods is that there is a large student population where a direct annual median income may be non-existent or incorrectly reported. The Blanco River North neighborhood showed a significantly higher median income at 60,865 dollars per year.

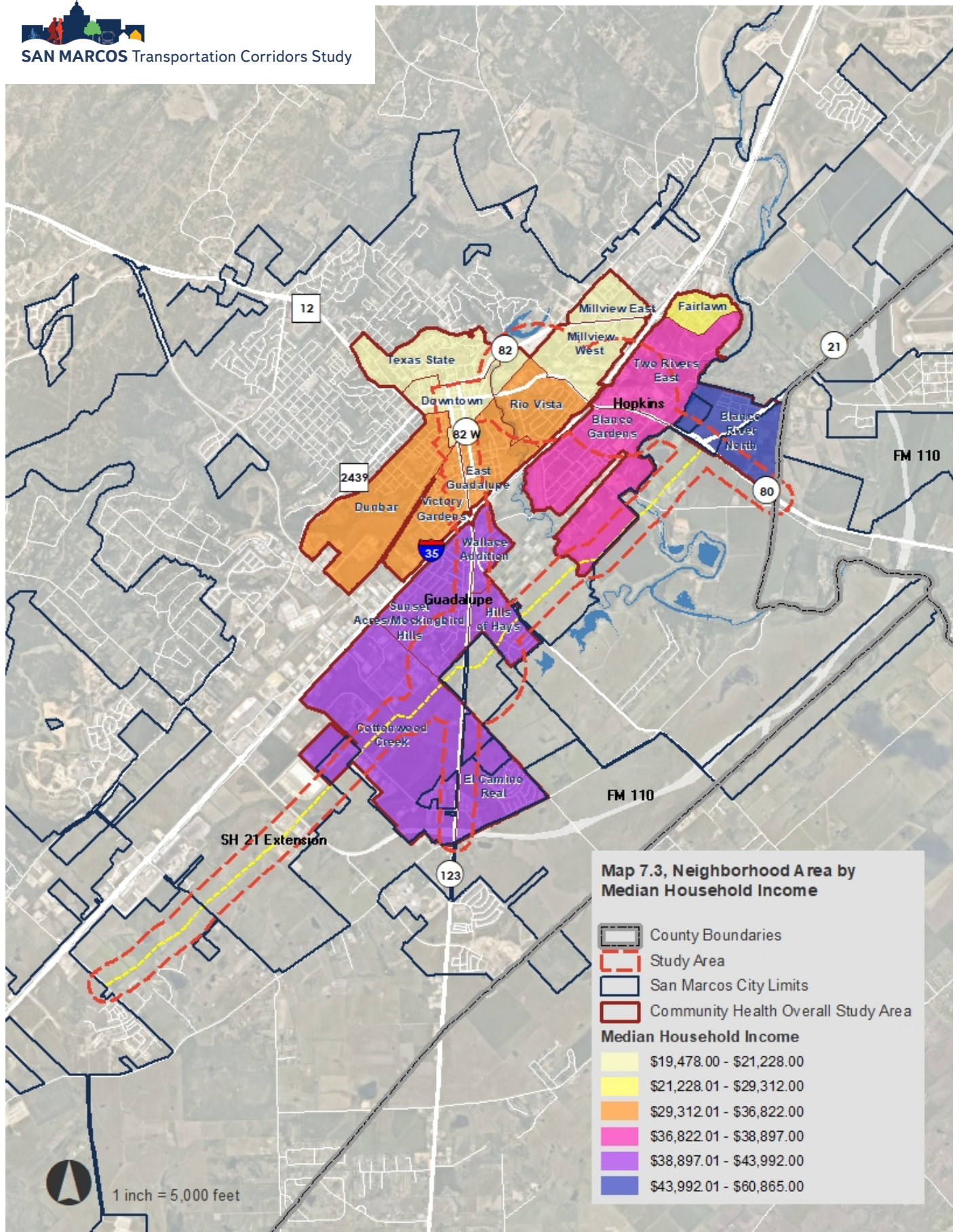
Median age is an additional characteristic important to the community health study area. The median age for the area is 23.7, while the median age of the City of San Marcos is 24.5 (Source: U.S. Census Bureau). Both the statistics for the community health study area and San Marcos are much lower than the median age reported for Hays County at 32.1 years old. Refer to Table 7.3, *Median Age*, for the distribution of median age among the community health study area neighborhoods.

**Table 7.3, Median Age**

| Neighborhood                   | Median Age |
|--------------------------------|------------|
| Blanco Gardens                 | 29.1       |
| Blanco River North             | 35.3       |
| Cottonwood Creek               | 24.8       |
| Downtown                       | 23.3       |
| Dunbar                         | 30.8       |
| East Guadalupe                 | 28.7       |
| El Camino Real                 | 24.8       |
| Fairlawn                       | 23.0       |
| Hills of Hays                  | 24.8       |
| Millview East                  | 23.0       |
| Millview West                  | 26.4       |
| Rio Vista                      | 31.3       |
| Sunset Acres/Mockingbird Hills | 34.7       |
| Two Rivers East                | 23.8       |
| Texas State                    | 18.9       |
| Victory Gardens                | 29.0       |
| Wallace Addition               | 37.3       |
| Study Area                     | 23.7       |
| San Marcos, TX                 | 24.5       |
| Hays County, TX                | 32.1       |

Source: ESRI Business Analyst, U.S. Census Bureau

Neighborhoods below the median age for the city of San Marcos include, Downtown, Fairlawn, Millview East, and Texas State. Neighborhoods with high median ages - exceeding the median age of Hays County – include Blanco River North, Sunset Acres/Mockingbird Hills, and Wallace Addition.





Within the City of San Marcos, household size is of significance, given the large Texas State student population found throughout the city. The average household size for San Marcos is 2.3 persons per dwelling unit, less than the average household size in Hays County of 2.7. Table 7.4, *Average Household Size*, summarizes average household sizes at the neighborhood level.

**Table 7.4, Average Household Size**

| Neighborhood                   | Average Household Size (Persons per Dwelling Unit) |
|--------------------------------|--|
| Blanco Gardens                 | 2.7  |
| Blanco River North             | 2.8  |
| Cottonwood Creek               | 2.7  |
| Downtown                       | 1.7  |
| Dunbar                         | 2.4  |
| East Guadalupe                 | 2.5  |
| El Camino Real                 | 3.2  |
| Fairlawn                       | 2.1  |
| Hills of Hays                  | 2.9  |
| Millview East                  | 2.1  |
| Millview West                  | 1.6  |
| Rio Vista                      | 2.6  |
| Sunset Acres/Mockingbird Hills | 2.0  |
| Two Rivers East                | 2.3  |
| Texas State                    | 5.8  |
| Victory Gardens                | 2.9  |
| Wallace Addition               | 3.0  |
| Study Area                     | 2.4  |
| San Marcos, TX                 | 2.3  |
| Hays County, TX                | 2.8  |

Source: ESRI Business Analyst, U.S. Census Bureau

There are several neighborhoods with a smaller average household than the city and county average. Perhaps more notably, there are a few neighborhoods showing higher average household sizes than the county average with the exceptions being El Camino Real, Hills of Hays, Texas State, Victory Gardens and Wallace Addition. Texas State has an average household size of 5.8, making it an outlier within the community health study area. The higher average household size in Texas State, can likely be attributed to the number of student housing concentrated in that neighborhood.





Two additional characteristics describing the community health study area include unemployment and level of education. At 9.2 percent, Table 7.5, *Percent Unemployed*, illustrates that the unemployment rate within community health study area is much higher than for the City (7.1%) and Hays County (4.7%) (Source: U.S. Census Bureau). Neighborhoods with unemployment rates in excess of the city of San Marcos include, Blanco River North, Downtown, Fairlawn, Millview East, Millview West, Two Rivers East, Texas State and Wallace Addition.

**Table 7.5, Percent Unemployed**

| Neighborhood                   | Percent (%) Unemployed |
|--------------------------------|------------------------|
| Blanco Gardens                 | 2.9                    |
| Blanco River North             | 11.1                   |
| Cottonwood Creek               | 4.5                    |
| Downtown                       | 10.0                   |
| Dunbar                         | 5.1                    |
| East Guadalupe                 | 2.4                    |
| El Camino Real                 | 4.5                    |
| Fairlawn                       | 9.4                    |
| Hills of Hays                  | 4.4                    |
| Millview East                  | 10.2                   |
| Millview West                  | 13.7                   |
| Rio Vista                      | 1.9                    |
| Sunset Acres/Mockingbird Hills | 4.7                    |
| Two Rivers East                | 10.0                   |
| Texas State                    | 26.3                   |
| Victory Gardens                | 2.2                    |
| Wallace Addition               | 20.6                   |
| Study Area                     | 9.2                    |
| San Marcos, TX                 | 7.1                    |
| Hays County, TX                | 4.7                    |

Source: ESRI Business Analyst, U.S. Census Bureau

Unemployment in the community health study area can be attributed to the unemployed student population, as well as, elderly populations found within the area. The level of education also speaks to the percent unemployed. Table 7.6, *Education Level* (p. 7.12), illustrates that within the study area 15 percent of the eligible population does not have a high school diploma. This is higher than San Marcos (11%) and Hays County (10%). Neighborhoods where 15 percent or more of the population has not obtained a high school diploma include, Blanco Gardens, East Guadalupe, Millview West, Rio Vista, Sunset Acres/Mockingbird Hills, Victory Gardens and Wallace Addition. Neighborhoods showing high levels of education - where 30 percent or more of the population obtained a college or professional degree include, Blanco River North, Downtown, Dunbar, and Texas State. Also note that the community health study area has a higher percentage of the population only graduating from high school (27%), then the city (26%) and county (22%), and a corresponding lower percentage of the population obtaining college degrees.





*Table 7.6, Education Level (Percent of Population)*

| Neighborhood                   | Highest Level of Education Obtained (Percent of Eligible Population) |                      |              |  |
|--------------------------------|--|----------------------|--------------|--|
|                                | No High School Diploma   | High School Graduate | Some College | Bachelor's, Graduate, and/or Professional Degree |
| Blanco Gardens                 | 17   | 37                   | 24           | 22   |
| Blanco River North             | 14   | 14                   | 34           | 38   |
| Cottonwood Creek               | 12   | 32                   | 29           | 27   |
| Downtown                       | 2  | 24                   | 18           | 56   |
| Dunbar                         | 10   | 26                   | 21           | 43   |
| East Guadalupe                 | 20   | 25                   | 30           | 24   |
| El Camino Real                 | 12   | 32                   | 29           | 27   |
| Fairlawn                       | 8  | 29                   | 48           | 15   |
| Hills of Hays                  | 11   | 32                   | 29           | 28   |
| Millview East                  | 13   | 30                   | 29           | 27   |
| Millview West                  | 15   | 19                   | 38           | 29   |
| Rio Vista                      | 18   | 28                   | 28           | 26   |
| Sunset Acres/Mockingbird Hills | 26   | 19                   | 26           | 29   |
| Two Rivers East                | 11   | 20                   | 40           | 28   |
| Texas State                    | 4  | 11                   | 30           | 56   |
| Victory Gardens                | 21   | 26                   | 30           | 23   |
| Wallace Addition               | 22   | 41                   | 24           | 14   |
| Study Area                     | 15   | 27                   | 28           | 29   |
| San Marcos, TX                 | 11   | 26                   | 29           | 34   |
| Hays County, TX                | 10   | 22                   | 30           | 38   |

Source: ESRI Business Analyst, U.S. Census Bureau



## Vulnerable Populations

There are several different demographic groups within the community health study area that may be considered a “vulnerable population.” Although there is no universally-accepted definition for who may be considered a member of a “vulnerable” or “at-risk” population, such groups may broadly include persons of color, low-income households, persons with disabilities, school-aged children (under the age of 14), seniors (age 65 and above), limited English proficiency (LEP) persons, and zero-car households. With regards to community health it is these populations that need access to special health services but are so often neglected. According to the American Community Survey (ACS) from the years 2014-2018, there are several vulnerable populations located within the study area, shown in Table 7.7, *Percent Population with Disability*.

**Table 7.7, Percent Population with Disability**

| Neighborhood                   | Percent (%) Population with Disability (Total Number) |
|--------------------------------|---|
| Blanco Gardens                 | 6.7 (261)   |
| Blanco River North             | 6.1 (46)  |
| Cottonwood Creek               | 12.4 (242)  |
| Downtown                       | 3.7 (42)  |
| Dunbar                         | 6.4 (128)   |
| East Guadalupe                 | 8.6 (32)  |
| El Camino Real                 | 4.5 (79)  |
| Fairlawn                       | 6.6 (231)   |
| Hills of Hays                  | 12.1 (83)   |
| Millview East                  | 7.9 (208)   |
| Millview West                  | 9.4 (155)   |
| Rio Vista                      | 6.3 (56)  |
| Sunset Acres/Mockingbird Hills | 15.6 (495)  |
| Two Rivers East                | 7.1 (107)   |
| Texas State                    | 1.0 (53)  |
| Victory Gardens                | 7.8 (121)   |
| Wallace Addition               | 8.8 (43)  |
| Study Area                     | 7.1 (2,382)   |
| San Marcos, TX                 | 6.7 (4,340)   |
| Hays County, TX                | 6.0 (14,011)  |

Source: ESRI Business Analyst, U.S. Census Bureau

There are several neighborhoods with high percentages of households with disabilities, exceeding the average for San Marcos and Hays County. Three neighborhoods with a significantly higher number of households with disabilities include the Cottonwood Creek, Hills of Hays, and Sunset Acres/Mockingbird Hills. Additionally, these neighborhoods also contain a large elderly population over the age of 65. Table 7.8, *Percent Population with Disability, Over the Age of 65* (p. 7.14), indicates that additional neighborhoods with high percentages of elderly populations include Blanco River North, Dunbar, East Guadalupe, El Camino Real, Victory Gardens and Wallace Addition. Sunset Acres/Mockingbird Hills has an extremely high elderly population at 25.1 percent of the total population.



*Table 7.8, Percent Population with Disability, Over the Age of 65*

| Neighborhood                   | Percent (%) of Population Over Age 65 |
|--------------------------------|---------------------------------------|
| Blanco Gardens                 | 8.5                                   |
| Blanco River North             | 12.8                                  |
| Cottonwood Creek               | 12.0                                  |
| Downtown                       | 3.6                                   |
| Dunbar                         | 14.0                                  |
| East Guadalupe                 | 13.6                                  |
| El Camino Real                 | 12.2                                  |
| Fairlawn                       | 3.5                                   |
| Hills of Hays                  | 12.1                                  |
| Millview East                  | 2.7                                   |
| Millview West                  | 9.9                                   |
| Rio Vista                      | 9.7                                   |
| Sunset Acres/Mockingbird Hills | 25.1                                  |
| Two Rivers East                | 6.5                                   |
| Texas State                    | 1.0                                   |
| Victory Gardens                | 12.9                                  |
| Wallace Addition               | 16.8                                  |
| Study Area                     | 8.9                                   |
| San Marcos, TX                 | 10.1                                  |
| Hays County, TX                | 11.7                                  |

Source: ESRI Business Analyst, U.S. Census Bureau



Vulnerable populations also include those households without reliable access to a personal motor vehicle. These households rely on public transportation provided by the City of San Marcos or the Texas State Bobcat System provided to students, as well as, active transportation methods such as walking or riding a bike. Table 7.9, *Percent of Households without Access to a Vehicle*, indicates that when compared to the city of San Marcos and Hay County, the East Guadalupe, Millview East, and Victory Gardens neighborhoods all contain noticeably high percentages of households without access to a motor vehicle, although only Millview East exhibits noticeable contributing characteristics such as low median household income. The Texas State Bobcat System as well as the City’s transit system provides service to these three neighborhoods. Overall, there are 167 households within the community health study area without access to a motor vehicle accounting for almost 65 percent of all households in San Marcos (259) without reliable access to a motor vehicle.

**Table 7.9, Percent of Households without Access to a Vehicle**

| Neighborhood                   | Percent (%) of Households without Vehicle Access (Number of Households) |
|--------------------------------|---|
| Blanco Gardens                 | 0   |
| Blanco River North             | 0   |
| Cottonwood Creek               | 0.5 (10)  |
| Downtown                       | 0.4 (4)   |
| Dunbar                         | 0.4 (7)   |
| East Guadalupe                 | 2.7 (10)  |
| El Camino Real                 | 0.2 (3)   |
| Fairlawn                       | 0   |
| Hills of Hays                  | 0.4 (3)   |
| Millview East                  | 3.2 (84)  |
| Millview West                  | 0   |
| Rio Vista                      | 0   |
| Sunset Acres/Mockingbird Hills | 0   |
| Two Rivers East                | 0   |
| Texas State                    | 0.1 (7)   |
| Victory Gardens                | 2.4 (37)  |
| Wallace Addition               | 0   |
| Community Health Study Area    | 0.5 (167)   |
| San Marcos, TX                 | 0.4 (259)   |
| Hays County, TX                | 0.3 (592)   |

Source: ESRI Business Analyst, U.S. Census Bureau





There are several populations within San Marcos and the community health study area where no English is spoken at home. The primary language spoken at home in non-English speaking households is Spanish. Within Hays County, approximately 7 percent of the households do not speak English in the home, whereas in San Marcos the percentage of non-English speaking households is 5.5 percent (Source: ACS). Table 7.10, *2014-2018 Population by Language Spoken at Home*, indicates neighborhoods with high populations where English is not spoken at home include Blanco Gardens and Rio Vista.

*Table 7.10, 2014-2018 Population by Language Spoken at Home*

| Neighborhood                   | Age 18-64  |   |   |  | Age 65 and above                                     |   |   |  |
|--------------------------------|--|---|---|--|--|---|---|--|
|                                | Population Speak Asian-Pacific Islander & No English | Population speak Indo-European & No English | Population speak Spanish and No English | Population Speak Other Language & No English | Population Speak Asian-Pacific Islander & No English | Population speak Indo-European & No English | Population speak Spanish and No English | Population Speak Other Language & No English |
| Blanco Gardens                 | 0  | 0   | 184                                     | 0  | 0  | 0   | 0                                       | 0  |
| Blanco River North             | 0  | 0   | 0                                       | 0  | 0  | 0   | 0                                       | 0  |
| Cottonwood Creek               | 0  | 0   | 9                                       | 0  | 0  | 0   | 11                                      | 0  |
| Downtown                       | 0  | 0   | 3                                       | 0  | 0  | 0   | 0                                       | 0  |
| Dunbar                         | 0  | 0   | 0                                       | 0  | 0  | 0   | 0                                       | 0  |
| East Guadalupe                 | 0  | 0   | 0                                       | 0  | 0  | 0   | 0                                       | 0  |
| El Camino Real                 | 0  | 0   | 4                                       | 0  | 0  | 0   | 4                                       | 0  |
| Fairlawn                       | 0  | 0   | 2                                       | 0  | 0  | 0   | 0                                       | 0  |
| Hills of Hays                  | 0  | 0   | 3                                       | 0  | 0  | 0   | 4                                       | 0  |
| Millview East                  | 0  | 0   | 0                                       | 0  | 0  | 0   | 0                                       | 0  |
| Millview West                  | 0  | 0   | 0                                       | 0  | 0  | 0   | 15                                      | 0  |
| Rio Vista                      | 0  | 0   | 43                                      | 0  | 0  | 0   | 0                                       | 0  |
| Sunset Acres/Mockingbird Hills | 0  | 0   | 0                                       | 0  | 0  | 0   | 70                                      | 0  |
| Two Rivers East                | 0  | 0   | 1                                       | 0  | 0  | 0   | 0                                       | 0  |
| Texas State                    | 0  | 0   | 0                                       | 0  | 0  | 0   | 1                                       | 0  |
| Victory Gardens                | 0  | 0   | 0                                       | 0  | 0  | 0   | 0                                       | 0  |
| Wallace Addition               | 0  | 0   | 0                                       | 0  | 0  | 0   | 0                                       | 0  |
| Community Health Study Area    | 0  | 0   | 250                                     | 0  | 0  | 0   | 106                                     | 0  |
| San Marcos, TX                 | 0  | 0   | 345                                     | 0  | 0  | 0   | 151                                     | 0  |
| Hays County, TX                | 0  | 0   | 1567                                    | 63   | 4  | 12  | 222                                     | 0  |

Source: ESRI Business Analyst, U.S. Census Bureau



## Environmental Justice

In addition to general demographic characteristics that suggest that specific populations may be vulnerable to negative health factors there are also defined “environmental justice” populations that are more susceptible to the negative impacts of growth and development within their communities. There are overlapping characteristics that apply to both environmental justice populations and vulnerable populations. By way of example, the Environmental Protection Agency (EPA) states that environmental justice efforts aim to protect vulnerable populations including, minority, low-income, tribal and indigenous populations.

The 1994 Presidential Executive Order 12898 Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations directs each federal agency to “*make achieving environmental justice (EJ) part of its mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations.*” (Source: Texas Department of Transportation).

The EPA administers an online screening and mapping tool called EJSCREEN. EJSCREEN provides users with a nationally consistent dataset and approach for combining eleven environmental and six demographic indicators to identify concentrations of environmental justice populations.

### **EJSCREEN environmental indicators include:**

- National Scale Air Toxics Assessment (NSATA) Air Toxics Cancer Risk
- NSATA Respiratory Hazard Index
- NSATA Diesel Particulate Matter (DPM)
- Particulate Matter (PM2.5)
- Ozone
- Lead Paint Indicator
- Traffic Proximity and Volume
- Proximity to Risk Management Plan Sites
- Proximity to Treatment Storage and Disposal Facilities
- Proximity to National Priorities List Sites
- Wastewater Discharge Indicator

### **EJSCREEN demographic indicators include:**

- Percent low-income
- Percent minority
- Less than high school education
- Linguistic isolation
- Individuals under the age of 5
- Individuals over the age of 65
- Percent low-income

According to EJSCREEN, only one environmental indicator was found within the community health study area. A hazardous site in the Texas State neighborhood was reported with a violation of the Safe Water Drinking Act. The site is owned by Texas State University and was reported for having groundwater contamination in an unknown area of the community water system.

There are several populations within the community study area where demographic indicators are in the 90<sup>th</sup> or above percentile of the national standard. This includes low-income populations, primarily concentrated in the Texas State, Downtown, and Millview East/West, and Rio Vista neighborhoods. The second demographic indicator highlighted on EJSCREEN is minority populations. According to the ACS 2013-2017 community survey provided by EJSCREEN, the approximate minority population within the community health study area is 57 percent. The primary minority population is Hispanic, followed by Black.

The EPA also provides grant funding for communities facing environmental justice issues. No history of funding has been granted within the community health study area or the City of San Marcos.



In addition, as a recipient of federal funds, CAMPO is required to comply with this order and with Title VI of the Civil Rights Act of 1964. Title VI prohibits discrimination on the basis of race, color, or national origin by requiring that no person in the U.S. shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. As defined by CAMPO, low-income areas have at least 50 percent of the population earning less than 80 percent of the county median family income and/or have at least 25 percent of the population earning an income below the national poverty thresholds for a family of four (\$26,200 in 2019, U.S. Department of Health and Human Services). As defined by CAMPO, minority areas have less than 50 percent of the population identifying themselves as White, non-Latino. Tables 7.11, 7.12 and 7.13 (below and p. 7.19 - 7.20, respectively) indicate those census block groups within the Community Health Study Area that meet one or multiple of the criteria above (as shown in **bold**).

**Table 7.11, Racial and Ethnic Distribution of Community Health Study Area Census Block Groups**

| Census Geography         |                  | Race and Ethnicity Percentage by Block Group |   |   |                     |  |                               |                           |  |                  |
|--------------------------|------------------|--|---|---|---------------------|--|-------------------------------|---------------------------|--|------------------|
| Census Tract/Block Group | Total Population | Percent White Alone                          | Percent Black or African American Alone | Percent American Indian and Alaska Native Alone | Percent Asian Alone | Percent Native Hawaiian and Other Pacific Islander Alone | Percent Some Other Race Alone | Percent Two or More Races | Percent Hispanic or Latino of Any Race | Percent Minority |
| 101/1                    | 1207             | 70.8   | 4.7                                     | 0.1   | 2.9                 | 0.0  | 0.2                           | 1.7                       | 19.6                                   | 29.2             |
| 101/2                    | 1042             | 70.4   | 5.2                                     | 0.1   | 0.6                 | 0.0  | 0.0                           | 1.4                       | 22.3                                   | 29.6             |
| 102/1                    | 801              | 69.4   | 4.0                                     | 1.0   | 2.2                 | 0.1  | 0.6                           | 1.5                       | 21.1                                   | 30.6             |
| 102/2                    | 3931             | 62.1   | 6.3                                     | 0.3   | 2.3                 | 0.0  | 0.1                           | 2.1                       | 26.8                                   | 37.9             |
| 102/3                    | 1298             | 63.7   | 7.0                                     | 0.6   | 0.5                 | 0.2  | 0.2                           | 2.1                       | 25.8                                   | 36.3             |
| 103.02/1                 | 1898             | <b>24.1</b>                                  | <b>7.0</b>                              | <b>0.3</b>                                      | <b>0.6</b>          | <b>0.0</b>   | <b>0.0</b>                    | <b>1.3</b>                | <b>66.8</b>                            | <b>75.9</b>      |
| 103.02/2                 | 2458             | <b>31.3</b>                                  | <b>4.0</b>                              | <b>0.1</b>                                      | <b>2.3</b>          | <b>0.1</b>   | <b>0.2</b>                    | <b>1.3</b>                | <b>60.7</b>                            | <b>68.7</b>      |
| 103.03/1                 | 713              | <b>35.6</b>                                  | <b>3.1</b>                              | <b>0.0</b>                                      | <b>0.1</b>          | <b>0.0</b>   | <b>0.0</b>                    | <b>0.7</b>                | <b>60.4</b>                            | <b>64.4</b>      |
| 103.03/2                 | 2394             | <b>44.6</b>                                  | <b>3.9</b>                              | <b>0.2</b>                                      | <b>0.8</b>          | <b>0.0</b>   | <b>0.1</b>                    | <b>1.0</b>                | <b>49.5</b>                            | <b>55.4</b>      |
| 103.03/3                 | 3462             | 59.5   | 6.9                                     | 0.3   | 1.2                 | 0.1  | 0.2                           | 1.5                       | 30.2                                   | 40.5             |
| 103.04/1                 | 897              | <b>49.8</b>                                  | <b>5.8</b>                              | <b>0.1</b>                                      | <b>3.2</b>          | <b>0.0</b>   | <b>0.1</b>                    | <b>1.6</b>                | <b>39.4</b>                            | <b>50.2</b>      |
| 103.04/2                 | 475              | <b>38.1</b>                                  | <b>6.7</b>                              | <b>0.4</b>                                      | <b>1.1</b>          | <b>0.0</b>   | <b>0.2</b>                    | <b>2.1</b>                | <b>51.4</b>                            | <b>61.9</b>      |
| 103.04/4                 | 2057             | 54.5   | 7.9                                     | 0.2   | 1.7                 | 0.1  | 0.2                           | 1.3                       | 33.9                                   | 45.5             |
| 104/1                    | 966              | <b>16.6</b>                                  | <b>1.4</b>                              | <b>0.0</b>                                      | <b>1.0</b>          | <b>0.0</b>   | <b>0.0</b>                    | <b>0.6</b>                | <b>80.3</b>                            | <b>83.4</b>      |
| 104/2                    | 2549             | <b>42.3</b>                                  | <b>3.5</b>                              | <b>0.4</b>                                      | <b>1.3</b>          | <b>0.1</b>   | <b>0.1</b>                    | <b>0.8</b>                | <b>51.5</b>                            | <b>57.7</b>      |
| 104/3                    | 4419             | <b>49.9</b>                                  | <b>5.1</b>                              | <b>0.3</b>                                      | <b>0.6</b>          | <b>0.3</b>   | <b>0.1</b>                    | <b>2.1</b>                | <b>41.6</b>                            | <b>50.1</b>      |
| 105/1                    | 1463             | <b>42.8</b>                                  | <b>3.4</b>                              | <b>0.9</b>                                      | <b>0.9</b>          | <b>0.0</b>   | <b>0.1</b>                    | <b>1.3</b>                | <b>50.6</b>                            | <b>57.2</b>      |
| 105/2                    | 1990             | <b>21.6</b>                                  | <b>5.3</b>                              | <b>0.5</b>                                      | <b>0.7</b>          | <b>0.0</b>   | <b>0.2</b>                    | <b>1.3</b>                | <b>70.5</b>                            | <b>78.4</b>      |
| 107.01/2                 | 948              | 74.3   | 2.1                                     | 0.5   | 5.1                 | 0.2  | 0.3                           | 1.9                       | 15.6                                   | 25.7             |

Source: 2010 Summary File 1, Table P9, U.S. Census Bureau

Neighborhoods displaying block group populations with minority populations over 50 percent include:

- Blanco Gardens
- Blanco River North
- Rio Vista
- Fairlawn
- Millview West
- Wallace Addition
- Sunset Acres/Mockingbird Hills
- Hills of Hays
- Cottonwood Creek
- El Camino Real
- Dunbar
- East Guadalupe



*Table 7.12, Census Block Group Median Household Income and Poverty Characteristics*

| Census Tract/Block Group | Median Household Income<br>in the Past 12 Months | Total Households | Percent of Total Family<br>Households in Poverty<br>Status within the Past 12<br>Months |
|--------------------------|--|------------------|---|
| 101/1                    | \$27,308   | 562              | 0.0   |
| 101/2                    | \$68,290   | 525              | 11.4  |
| 102/1                    | \$23,095   | 370              | 20.5  |
| 102/2                    | \$27,438   | 283              | 0.0   |
| 102/3                    | -  | 48               | 12.5  |
| 103.02/1                 | \$50,075   | 632              | 15.0  |
| 103.02/2                 | \$34,440   | 1269             | 8.4   |
| 103.03/1                 | \$51,771   | 718              | 0.0   |
| 103.03/2                 | \$29,539   | 790              | 6.7   |
| 103.03/3                 | \$34,604   | 1530             | 8.2   |
| 103.04/1                 | \$20,224   | 781              | 4.1   |
| 103.04/2                 | \$21,925   | 291              | 26.8  |
| 103.04/4                 | <b>\$18,520</b>                                  | <b>753</b>       | <b>10.8</b>   |
| 104/1                    | \$49,539   | 292              | 15.4  |
| 104/2                    | \$39,535   | 1458             | 0.0   |
| 104/3                    | \$52,568   | 2384             | 8.1   |
| 105/1                    | \$37,837   | 1265             | 6.0   |
| 105/2                    | \$30,912   | 773              | 15.3  |
| 107.01/2                 | \$20,646   | 402              | 0.0   |

Source: ACS 2014-2018 5-year estimates, Table B19013 & B17017, U.S. Census Bureau

The Millview East neighborhood has a block group median household income below the poverty level. The neighborhoods with the highest percentage of family households in poverty status include Texas State and Millview West.





*Table 7.13, Percent Population 5 Years and Over That Speaks English Less Than “Very Well”*

| Census Tract/Block Group | Total Population | LEP Population | Percent LEP | Percent LEP Subdivided by Language Spoken (population count shown below percent) |               |                      |       |
|--------------------------|------------------|----------------|-------------|--|---------------|----------------------|-------|
|                          |                  |                |             | Spanish  | Indo-European | Asian/Pacific Island | Other |
| 101/1                    | 1159             | 37             | 3.2         | 0.8  | 1.5           | 0.9                  | 0.0   |
| 101/2                    | 1133             | 9              | 0.8         | 0.8  | 0.0           | 0.0                  | 0.0   |
| 102/1                    | 918              | 0              | 0.0         | 0.0  | 0.0           | 0.0                  | 0.0   |
| 102/2                    | 3938             | 57             | 1.4         | 1.2  | 0.3           | 0.0                  | 0.0   |
| 102/3                    | 1239             | 58             | 4.7         | 2.1  | 0.0           | 2.6                  | 0.0   |
| 103.02/1                 | 1696             | 223            | 13.1        | 13.1   | 0.0           | 0.0                  | 0.0   |
| 103.02/2                 | 2965             | 472            | 15.9        | 13.8   | 0.0           | 2.1                  | 0.0   |
| 103.03/1                 | 1681             | 82             | 4.9         | 4.9  | 0.0           | 0.0                  | 0.0   |
| 103.03/2                 | 2500             | 177            | 7.1         | 7.1  | 0.0           | 0.0                  | 0.0   |
| 103.03/3                 | 3745             | 45             | 1.2         | 1.2  | 0.0           | 0.0                  | 0.0   |
| 103.04/1                 | 1194             | 132            | 11.1        | 9.4  | 0.0           | 1.7                  | 0.0   |
| 103.04/2                 | 677              | 25             | 3.7         | 3.7  | 0.0           | 0.0                  | 0.0   |
| 103.04/4                 | 2060             | 119            | 5.8         | 4.9  | 0.9           | 0.0                  | 0.0   |
| 104/1                    | 917              | 49             | 5.3         | 5.3  | 0.0           | 0.0                  | 0.0   |
| 104/2                    | 3340             | 622            | 18.6        | 13.1   | 5.5           | 0.0                  | 0.0   |
| 104/3                    | 7231             | 378            | 5.2         | 5.2  | 0.0           | 0.0                  | 0.0   |
| 105/1                    | 2495             | 276            | 11.1        | 8.0  | 0.0           | 0.8                  | 2.2   |
| 105/2                    | 1927             | 117            | 6.1         | 5.1  | 0.0           | 0.9                  | 0.0   |
| 107.01/2                 | 880              | 22             | 2.5         | 0.0  | 2.5           | 0.0                  | 0.0   |

Source: ACS 2014-2018 5-year estimates, Table B16004, U.S. Census Bureau

Neighborhoods with the highest percentage of Limited English proficiency populations include, Blanco Gardens, Rio Vista, and Sunset Acres/Mockingbird Hills.

## 7.2 COMMUNITY HEALTH MEASURES

There are several measures that are used to determine the health of a community in addition to its demographic and income composition. The Robert Wood Johnson Foundation (RWJF) publishes an annual report ranking counties across the country according to a series of health statistics. The measures that contribute to this ranking are under three main umbrellas: health outcomes, health factors, and policies and programs. Similarly mentioned in the Overview section of this memorandum community health includes, behavioral health, clinical care, social and economic factors, as well as the physical environment. Table 7.14 below illustrates the arrangement of the RWJF County Health Ranking model. The Hays County ranking out of all Texas counties is shown in the parentheses next to each category where ranking data was available.

**Table 7.14, Robert Wood Johnson Foundation, County Health Ranking Model (2020)**

| Hays County Rankings Compared to All Texas Counties |   |                         |
|---|---|-------------------------|
| Health Outcomes (9 <sup>th</sup> )                  | Length of Life (8 <sup>th</sup> )               |                         |
|   | Quality of Life (47 <sup>th</sup> )             |                         |
| Health Factors (38 <sup>th</sup> )                  | Health Behaviors (91 <sup>st</sup> )            | Tobacco Use             |
|   |   | Diet & Exercise         |
|   |   | Alcohol & Drug Use      |
|   |   | Sexual Activity         |
|   | Clinical Care (25 <sup>th</sup> )               | Access to Care          |
|   |   | Quality of Care         |
|   |   |                         |
|   | Social and Economic Factors (25 <sup>th</sup> ) | Education               |
|   |   | Employment              |
|   |   | Income                  |
|   |   | Family & Social Support |
|   |   | Community Safety        |
|   | Physical Environment (237 <sup>th</sup> )       | Air & Water Quality     |
| Housing & Transit                                   |   |                         |
| Policies and Programs                               |   |                         |

In the county, 18 percent of the population, reported having poor or fair mental or physical health. Health behaviors within Hays County are also summarized as follows:

- 14 percent of the adult population are current smokers.
- 30 percent of the adult population are obese.
- Hays County has “adequate” access to healthy food.
- 19 percent of adults over the age of 20 reported having no leisure-time physical activity.
- 72 percent of the population have adequate access to exercise opportunities.

Although compelling information, many of the RWJF statistics are not collected at the neighborhood level, making direct correlations between overall community health and that of study area populations difficult. Within the community health study area neighborhoods, data exists revealing the:

- The percentage of population that exercise more than one hour a week;
- The percentage of the population that has been diagnosed with anxiety and/or depression; and,
- The percentage of the population that has been diagnosed with diabetes (insulin and non-insulin dependent).



This data speaks to the populations in the community health study area that may not have opportunities to exercise or do not have access to adequate educational services to engage in exercise in their home. Populations diagnosed with anxiety and depression reveal that mental health challenges are present in the community health study area. The need for health providers and resources for these challenges are also relevant within the community health study area populations. These localized statistics allow granularity within the community health study area, while the RWJF categories previously mentioned, provide a broader perspective for Hays County. Table 7.15, *Health Statistics by Neighborhood*, breaks down statistics for each neighborhood for the specific data points listed above:

**Table 7.15, Health Statistics by Neighborhood**

| Neighborhood                       | Percent (%) of Population        |  |                         |
|------------------------------------|----------------------------------|--|-------------------------|
|                                    | Exercise more than 1 hour a week | Diagnosed with anxiety and/or depression | Diagnosed with diabetes |
| Blanco Gardens                     | 43                               | 7  | 4                       |
| Blanco River North                 | 47                               | 8  | 5                       |
| Cottonwood Creek                   | 53                               | 11                                       | 3                       |
| Downtown                           | 66                               | 17                                       | 3                       |
| Dunbar                             | 53                               | 5  | 5                       |
| East Guadalupe                     | 39                               | 12                                       | 8                       |
| El Camino Real                     | 53                               | 11                                       | 3                       |
| Fairlawn                           | 64                               | 17                                       | 3                       |
| Hills of Hays                      | 53                               | 11                                       | 3                       |
| Millview East                      | 66                               | 17                                       | 3                       |
| Millview West                      | 56                               | 11                                       | 2                       |
| Rio Vista                          | 48                               | 6  | 4                       |
| Sunset Acres/Mockingbird Hills     | 56                               | 9  | 7                       |
| Two Rivers East                    | 59                               | 14                                       | 4                       |
| Texas State                        | 68                               | 18                                       | 3                       |
| Victory Gardens                    | 37                               | 12                                       | 8                       |
| Wallace Addition                   | 38                               | 7  | 7                       |
| <b>Community Health Study Area</b> | <b>56</b>                        | <b>13</b>                                | <b>4</b>                |
| <b>City of San Marcos</b>          | <b>52</b>                        | <b>11</b>                                | <b>2</b>                |

Source: ESRI Business Analyst, U.S. Census Bureau

Neighborhoods showing the high percentage of residents that exercise regularly include Downtown, Fairlawn, Millview East, and Texas State. These neighborhoods have populations above 60 percent that exercise one or more hours a week. Note that these are also the neighborhoods with the youngest median age. Neighborhoods with lower percentages of residents who exercise regularly (below the city-average of 52 percent) include, Blanco Garden, Blanco River North, East Guadalupe, Rio Vista, Victory Gardens, and the Wallace Addition.

Table 7.15 statistics also suggest that the community health study area has a higher percentage of the population diagnosed with anxiety and/or depression, as well as diagnosed with diabetes. While 18 percent of the population in Hays County reported having poor mental health, 13 percent of the community health study area population has been diagnosed with anxiety and/or depression. Neighborhoods with higher proportions of residents diagnosed with anxiety and/or depression (compared to the city average of 11 percent) include, Downtown, East Guadalupe, Fairlawn, Millview East, Texas State, Two Rivers East, and Victory Gardens. All neighborhoods - excluding Millview

West — have percentages of the population diagnosed with diabetes at a higher rate than the city-wide average of 2 percent.

## 7.3 HUMAN SERVICES

The city of San Marcos and Hays County are home to multiple organizations that provide human health services for community members. These services include special services for women and infants, senior care providers and facilities, children and family anti-abuse organizations, health clinics, EMS clinics, disaster relief and mental health care providers. Additionally, general medical needs such as doctors and dentists are found within the study area. The Robert Wood Johnson Foundation Model reported the following ratios of medical providers to population for counties included in the Capital Area Metropolitan Planning Area:

*Table 7.16, CAMPO Counties, Medical Provider Ratios (Providers per Person)*

| County         | Primary Care Physicians | Dentists | Mental Health Providers |
|----------------|-------------------------|----------|-------------------------|
| Bastrop        | 1:3690                  | 1:3000   | 1:1740                  |
| Burnet         | 1:2130                  | 1:2380   | 1:1530                  |
| Caldwell       | 1:3530                  | 1:3300   | 1:1310                  |
| Hays           | 1:2310                  | 1:2720   | 1:1040                  |
| Travis         | 1:1180                  | 1:1440   | 1:360                   |
| Williamson     | 1:1460                  | 1:1810   | 1:900                   |
| State of Texas | 1:1640                  | 1:1720   | 1:800                   |

Source: RWJF, County Health Rankings, 2020

These ratios reveal that there is a need for physicians and medical professionals across Hays County, in relation to other CAMPO jurisdictions - especially given projected population growth. As San Marcos continues to grow, the need for medical care will increase. With that being said, there are several organizations that serve the City and the surrounding communities. These include:

- **San Marcos Women’s and Infant Center (WIC):** The Official WIC program is available to low to moderate income pregnant women, recently delivered women, breastfeeding women, infants, and children up to age 5 who are at nutrition risk. Fathers can also bring their children to apply for WIC.
- **Community Action Inc. of Central Texas:** Community Action Inc. develops opportunities for people and communities to empower Central Texans of all ages to become self-sufficient. Community Action Inc. provides services such as adult education, utility assistance, senior citizen care, primary health services, family planning, HIV/AIDS assistance, breast and cervical care outreach, and prescription assistance.
- **Hays County Food Bank:** The Hays County Food Bank strives to provide low-income populations across the County with food assistance as well as nutrition resources. The food bank also participates in “food rescue” and receives food from local restaurants.
- **Blanco River Regional Recovery Team:** The Blanco River Regional Recovery Team provides case management, clean-up, construction management, and emotional support services after area-wide natural disasters, such as floods, fires, and tornadoes in Blanco, Caldwell, Hays and Guadalupe counties.
- **Greater San Marcos Youth Council:** Strives to reduce child maltreatment, truancy, juvenile delinquency, as well as, increase families’ protective factors and resiliency to crisis. Provides services in child and family counseling, parenting classes, youth and family advocacy, groups in school and truancy intervention.





- **Southside Community Center:** The Southside Community Center provides programs that include transitional shelter and food, emergency assistance, housing for low-income and elderly, neighborhood housing improvements and cooperation with other community entities.
- **Hays County Veteran Services:** The Hays County Veteran Service office was established to provide Veterans and their dependents with accessing benefits through local, state, federal and non-profit programs.
- **Greater San Marcos Partnership:** The Greater San Marcos Partnership is a public-private partnership that serves as the regional economic development for the City of San Marcos, Hays and Caldwell counties. The organization's mission is to improve the quality of life for the residents in Hays and Caldwell Counties through focused, strategic and sustainable economic growth by facilitating the creation of high-quality jobs in growth-oriented target sectors; attracting new capital investment to the region; optimizing and preparing the regional workforce; and uniting the region's diverse stakeholders in the collaborative pursuit of economic prosperity for all.

Several health care facilities are located within the study area as well. Health care providers include:

- San Marcos Rehabilitation & Health Care – Nursing Home
- Regent Care Center – Nursing Home
- AdventHealth Care Center – Nursing Home
- WellBridge Healthcare – Psychiatrist
- Brookdale – Nursing Home
- San Marcos Treatment Center – Mental Health Facility
- Community Health Services (Community Action) – Family Planning
- Scheib Mental Health Center – Mental Health Facility
- CommuniCare Health Center San Marcos- Emergency Center
- Sage Spring - Nursing Home and Memory Care Facility
- CareNow Urgent Care – Emergency Center
- Caring Center for Women – Women and Children Health
- Live Oak Occupational Health – Occupational Health
- San Marcos and Hays County EMS – Emergency Response

The presence of these facilities within the study area exhibits that there are opportunities to access facilities to aid in human health. Additionally, the availability of a diverse number of resources shows that residents in San Marcos can address several health needs. However, health insurance is a potential barrier the community faces to utilize these resources. Table 7.17, *Healthcare and Health Insurance Statistics by Neighborhood* (p. 7.25), indicates that within the study area approximately 17.1 percent of the population is without health insurance. This figure is compared to the 17.4 percent of residents in the City of San Marcos that are without health insurance. The greatest population of those without insurance fall within the 19 to 34 age range. Paying for these health services out-of-pocket can be a large burden and keep residents from obtaining the health care they need. See below for healthcare and health insurance statistics at the neighborhood level.



*Table 7.17, Healthcare and Health Insurance Statistics by Neighborhood*

| Neighborhood                   | Percent of Population with One Type of Health Insurance | Percent of Population with No Health Insurance |
|--------------------------------|---|--|
| Blanco Gardens                 | 59.1  | 32.0   |
| Blanco River North             | 78.4  | 16.9   |
| Cottonwood Creek               | 80.5  | 7.2  |
| Downtown                       | 80.7  | 15.1   |
| Dunbar                         | 67.5  | 15.9   |
| East Guadalupe                 | 73.0  | 12.9   |
| El Camino Real                 | 80.7  | 7.3  |
| Fairlawn                       | 73.8  | 20.8   |
| Hills of Hays                  | 80.5  | 7.2  |
| Millview East                  | 60.9  | 33.4   |
| Millview West                  | 72.9  | 18.7   |
| Rio Vista                      | 61.5  | 30.5   |
| Sunset Acres/Mockingbird Hills | 78.4  | 7.0  |
| Two Rivers East                | 75.3  | 19.5   |
| Texas State                    | 82.6  | 11.2   |
| Victory Gardens                | 72.9  | 12.9   |
| Wallace Addition               | 70.0  | 24.8   |
| Community Health Study Area    | <b>73.6</b>   | <b>17.1</b>                                    |
| San Marcos, TX                 | <b>72.4</b>   | <b>17.4</b>                                    |
| Hays County, TX                | <b>73.8</b>   | <b>14.1</b>                                    |

Source: ESRI Business Analyst, U.S. Census Bureau ACS Data, Bureau of Labor Statistics



## 7.4 ELEMENTARY AND SECONDARY EDUCATION

Within the community health study area boundary there are approximately 4,348 children under the age of 18, comprising 13 percent of the total population of the unique study area. In the City of San Marcos, approximately 8,100 students are enrolled in the San Marcos Consolidated Independent School District (SMCISD). Table 7.18, *Schools Within or Proximate to the Community Health Study Area*, identifies public and private schools located within or proximate to the community health study area.

*Table 7.18, Schools Within or Proximate to the Community Health Study Area*

| School  | Public/Private               | Neighborhood   |
|---|------------------------------|--|
| Texas Preparatory School                        | Private Charter              | Millview East  |
| Travis Elementary School                        | Public (SMCISD)              | Millview East  |
| KI Charter Academy                              | Private Charter              | West of Millview East outside of community health study area |
| Crockett Elementary                             | Public (SMCISD)              | West of Dunbar outside of community health study area        |
| Mendez Elementary                               | Public (SMCISD)              | Sunset Acres/Mockingbird Hills                               |
| Goodnight Middle School                         | Public (SMCISD)              | Hills of Hays  |
| DeZavala Elementary School                      | Public (SMCISD)              | Hills of Hays  |
| John H. Wood Jr. Inspire Academy<br>Hays County | Public Juvenile<br>Detention | Cottonwood Creek   |

Source: Google



The Texas Education Agency (TEA) provides profiles for all Texas Independent School Districts and schools. The information for SMCISD is shown in Table 7.19- 7.22 (p. 7.27 – 7.29):

**Table 7.19, San Marcos CISD Ethnic Distribution 2019**

| School                          | Ethnic Distribution<br>(% of Students within SMCISD) |                                  |       |                           |                                    |       |                   |
|---------------------------------|--|----------------------------------|-------|---------------------------|------------------------------------|-------|-------------------|
|                                 | Hispanic/Latino                                      | American Indian or Alaska Native | Asian | Black or African American | Hawaiian or Other Pacific Islander | White | Two or More Races |
| San Marcos High School          | 72.5   | 0.1                              | 1.2   | 5.6                       | 0.2                                | 19.4  | 1.0               |
| Owen Goodnight Middle School*   | 83.3   | 0.0                              | 0.4   | 3.5                       | 0.1                                | 11.0  | 1.7               |
| Doris Miller Middle School      | 62.1   | 0.0                              | 1.0   | 5.3                       | 0.1                                | 30.5  | 0.9               |
| Bowie Elementary School         | 85.6   | 0.0                              | 0.4   | 0.8                       | 0.2                                | 11.6  | 1.4               |
| Crockett Elementary School*     | 52.1   | 0.4                              | 1.8   | 6.2                       | 0.4                                | 38.2  | 1.0               |
| DeZavala Elementary School*     | 87.0   | 0.0                              | 0.0   | 1.8                       | 0.2                                | 10.6  | 0.4               |
| Travis Elementary School        | 67.1   | 0.0                              | 0.4   | 7.4                       | 0.0                                | 22.5  | 2.7               |
| Hernandez Elementary School     | 68.9   | 0.0                              | 1.4   | 3.0                       | 0.0                                | 25.0  | 1.6               |
| Irene Mendez Elementary School* | 84.2   | 0.0                              | 0.6   | 5.0                       | 0.0                                | 9.4   | 0.8               |
| Rodriguez Elementary School     | 69.5   | 0.0                              | 1.3   | 4.3                       | 0.3                                | 23.2  | 1.3               |
| Bonham Pre-K                    | 83.5   | 0.6                              | 0.8   | 2.4                       | 0.0                                | 11.3  | 1.2               |
| <b>SMCISD Average</b>           | 72.5   | 0.1                              | 1.0   | 4.7                       | 0.2                                | 20.5  | 0.9               |
| <b>Texas</b>                    | 52.6   | 0.4                              | 4.5   | 12.6                      | 0.2                                | 27.4  | 2.4               |

*\*Schools located within the Community Health Study Area*

Source: TEA, 2019





*Table 7.20, San Marcos CISD Profile 2019 (Elementary Schools)*

| Student Information                 | Percent (%) of Students in SMCISD | Percent (%) of Students in Texas | Bowie | Crockett* | DeZavala* | Hernandez | Travis | Irene Mendez* |
|-------------------------------------|-----------------------------------|----------------------------------|-------|-----------|-----------|-----------|--------|---------------|
| Economically Disadvantaged          | 74.2                              | 60.6                             | 71.2  | 65.8      | 82.4      | 68.2      | 84.4   | 85.3          |
| Non-Educationally Disadvantaged     | 25.8                              | 39.4                             | 28.8  | 34.2      | 17.6      | 31.8      | 15.6   | 14.8          |
| Section 504 Students                | 7.3                               | 6.5                              | 4.1   | 5.0       | 3.5       | 5.5       | 5.5    | 5.8           |
| English Learners                    | 10.6                              | 19.5                             | 16.8  | 2.5       | 19.9      | 14.1      | 10.6   | 18.6          |
| Students w/ Disciplinary Placements | 2.0                               | 1.4                              | 0     | 0         | 0.2       | 0         | 0.1    | 0             |
| Students w/ Dyslexia                | 3.5                               | 3.6                              | 2.0   | 2.2       | 2.3       | 0.6       | 2.9    | 3.6           |
| At-Risk                             | 51.4                              | 50.1                             | 57.2  | 29.7      | 49.4      | 39.3      | 67.3   | 42.4          |

\*Attendance areas include Community Health Study Area neighborhoods.

Source: TEA, 2019

*Table 7.21, San Marcos CISD Students with Disabilities 2019 (Elementary Schools)*

| Disability Type                               | Percent (%) of Students in SMCISD | Percent (%) of Students in Texas | Bowie (%) | Crockett* (%) | DeZavala* (%) | Hernandez (%) | Travis (%) | Irene Mendez* (%) |
|---|-----------------------------------|----------------------------------|-----------|---------------|---------------|---------------|------------|-------------------|
| Students with Intellectual Disabilities       | 56.8                              | 42.4                             | 45.0      | 46.4          | 57.5          | 37.5          | 34.4       | 27.7              |
| Students with Physical Disabilities           | 15.3                              | 21.9                             | 37.5      | 30.4          | 25.0          | 28.6          | 32.8       | 38.3              |
| Students with Autism                          | 11.2                              | 13.7                             | --        | 10.7          | --            | --            | 17.2       | 10.6              |
| Students with Behavioral Disabilities         | 16.2                              | 20.6                             | --        | 12.5          | --            | 21.4          | --         | 23.4              |
| Students with Non-Categorical Early Childhood | 0.5                               | 1.4                              | --        | 0.0           | 0.0           | --            | --         | 0.0               |
| Total Students with Disabilities              | 11.9                              | 9.6                              | 7.4       | 9.3           | 7.1           | 15.7          | 10.4       | 8.0               |

\*Attendance areas include Community Health Study Area neighborhoods.

Source: TEA, 2019



**Table 7.22, SMCISD Elementary School STAAR Testing Performance 2018-19 (Elementary Schools)**

| Performance Rate (% of Student Population) | Year | State | Region | SMCIS D | Bowie | Crockett* | DeZavala * | Hernandez | Travis | Irene Mendez* |
|--|------|-------|--------|---------|-------|-----------|------------|-----------|--------|---------------|
| <b>Approaches Grade Level or Above</b>     | 2019 | 78%   | 79%    | 68%     | 68%   | 77%       | 65%        | 75%       | 59%    | 70%           |
|  | 2018 | 77%   | 78%    | 70%     | 70%   | 82%       | 65%        | 79%       | 60%    | 72%           |
| <b>Meets Grade Level or Above</b>          | 2019 | 50%   | 53%    | 37%     | 34%   | 47%       | 30%        | 43%       | 25%    | 32%           |
|  | 2018 | 48%   | 52%    | 37%     | 35%   | 50%       | 30%        | 45%       | 27%    | 35%           |
| <b>At Masters Grade Level</b>              | 2019 | 24%   | 27%    | 14%     | 16%   | 29%       | 13%        | 20%       | 10%    | 12%           |
|  | 2018 | 22%   | 25%    | 13%     | 13%   | 24%       | 11%        | 18%       | 9%     | 11%           |

*\*Attendance areas include Community Health Study Area neighborhoods.*

Source: TEA, 2019

SMCISD supports the general wellness of all students by implementing measurable goals to promote sound nutrition and student health and to reduce childhood obesity. San Marcos CISD has been approved for the Community Eligibility Provision (CEP), a meal program option offered by the United States Department of Agriculture (USDA) that allows the district to serve school breakfast and lunch at no charge to all enrolled students, regardless of financial circumstances. The CEP program ensures that:

- All students have access to nutritious school meals;
- Families save money and do not have to complete school meal applications;
- Cafeterias have improved speed of services and overall increases participation;
- Zero accumulation of negative meal charges.



Table 7.23, *CEP Meal Program Participation*, presents CEP statistics for SMCISD for February 2020, providing a good idea of program utilization from students. Schools located within the Community Health Study Area do not appear to utilize school lunch more than schools outside the area.

**Table 7.23, CEP Meal Program Participation (February 2020)**

| School                          | Percent (%) of Student Population Taking Meals |       |
|---------------------------------|--|-------|
|                                 | Breakfast                                      | Lunch |
| San Marcos High School          | 39.0   | 63.9  |
| Owen Goodnight Middle School*   | 31.6   | 67.3  |
| Doris Miller Middle School      | 32.2   | 75.0  |
| Bowie Elementary                | 34.6   | 82.7  |
| Crockett Elementary School*     | 31.1   | 78.7  |
| DeZavala Elementary School*     | 32.2   | 83.2  |
| Travis Elementary School        | 45.9   | 89.1  |
| Hernandez Elementary School     | 40.0   | 84.0  |
| Irene Mendez Elementary School* | 42.9   | 86.4  |
| Rodriguez Elementary School     | 54.2   | 85.6  |
| Bonham Pre-K                    | 86.2   | 75.1  |
| Average                         | 40.5   | 75.0  |

\*Schools located within the Community Health Study Area

Source: SMCISD, 2020

In addition to offering healthy meals to all students during the school year, San Marcos CISD offers a Summer Nutrition Program. The program provides free curbside meals at the Mendez Elementary, Travis Elementary and San Marcos High School campuses. Both Mendez and Travis Elementary schools are located within the community health study area, providing the opportunity to pick up the free meals during the summer. The USDA requires that parents provide an approved type of documentation (i.e. student ID card, birth certificate or report card) if they are picking up a meal without a child present. With the program, children and teens ages 18 and younger can continue to eat healthy throughout the summer at no cost. Summer Nutrition Program is presented in Table 7.24, *Summer Nutrition Program Participation 2019*.

**Table 7.24, Summer Nutrition Program Participation 2019 (6/3/19-8/9-19)**

| School                        | Number (#) of Meals Served |        |
|-------------------------------|----------------------------|--------|
|                               | Breakfast                  | Lunch  |
| San Marcos High School        | 2,149                      | 8,437  |
| Owen Goodnight Middle School* | 4,153                      | 10,044 |
| DeZavala Elementary School*   | 1,254                      | 3,059  |
| Bonham Pre-K                  | 1,236                      | 1,685  |
| Combined                      | 8,792                      | 23,225 |

\*Schools located within the Community Health Study Area



Source: SMCISD, 2020

Texas law requires that every school district establish a School Health Advisory Council (SHAC). A SHAC is a group appointed by the school board to serve at the District level to represent the community. Members of the SHAC represent different interests of the community and the school district. The purpose of the SHAC is to assist San Marcos CISD in ensuring that local community values are reflected in the District's coordinated school health related policies, procedures, strategies and curriculum. The SHAC plays an important role in communicating the connection between health and learning to school administrators, parents, and community stakeholders. The SHAC makes recommendations to the Board of Trustees on topics such as:

1. Health education
2. Physical activity and fitness
3. Nutrition education and obesity prevention
4. Mental health
5. Human sexuality education
6. Drug and tobacco prevention
7. Safety
8. Student and employee wellness

Schools within San Marcos CISD also take part in the state-approved Coordinated Approach to Child Health (CATCH) program designed to promote physical activity, health food choices, and prevent tobacco use in elementary school aged children. The CATCH program has proved that establishing health habits in childhood can promote behavior change that carry into adulthood. The CATCH program focuses on the coordination of four components: Eat Smart school nutrition program, K-8 classroom curriculum, a physical education program, and a family program.

## 7.5 ACCESS TO COMMUNITY SERVICES

Access to health resources such as parks, trails, grocery stores, schools and transit stops are important factors to promote physical, social, and mental well-being. It is necessary for cities and communities to offer affordable, and accessible health assets. Residents living in communities where these resources are accessible to their homes have the tools available to live healthier lives.

Maps 7.5 a-e (pages 7.32 through 7.36) illustrate the proximity of study area neighborhoods to elementary schools, parks, transit routes, grocery stores, and health care facilities. "Grocery stores" highlighted in this report consist of facilities where the sole purpose is to sell food where healthy food options are available, such as fresh produce. "Health care facilities" located within the Community Health Study Area were highlighted if the facility treated a specific population, such as women/children or elderly, and/or is an emergency facility or mental health facility.

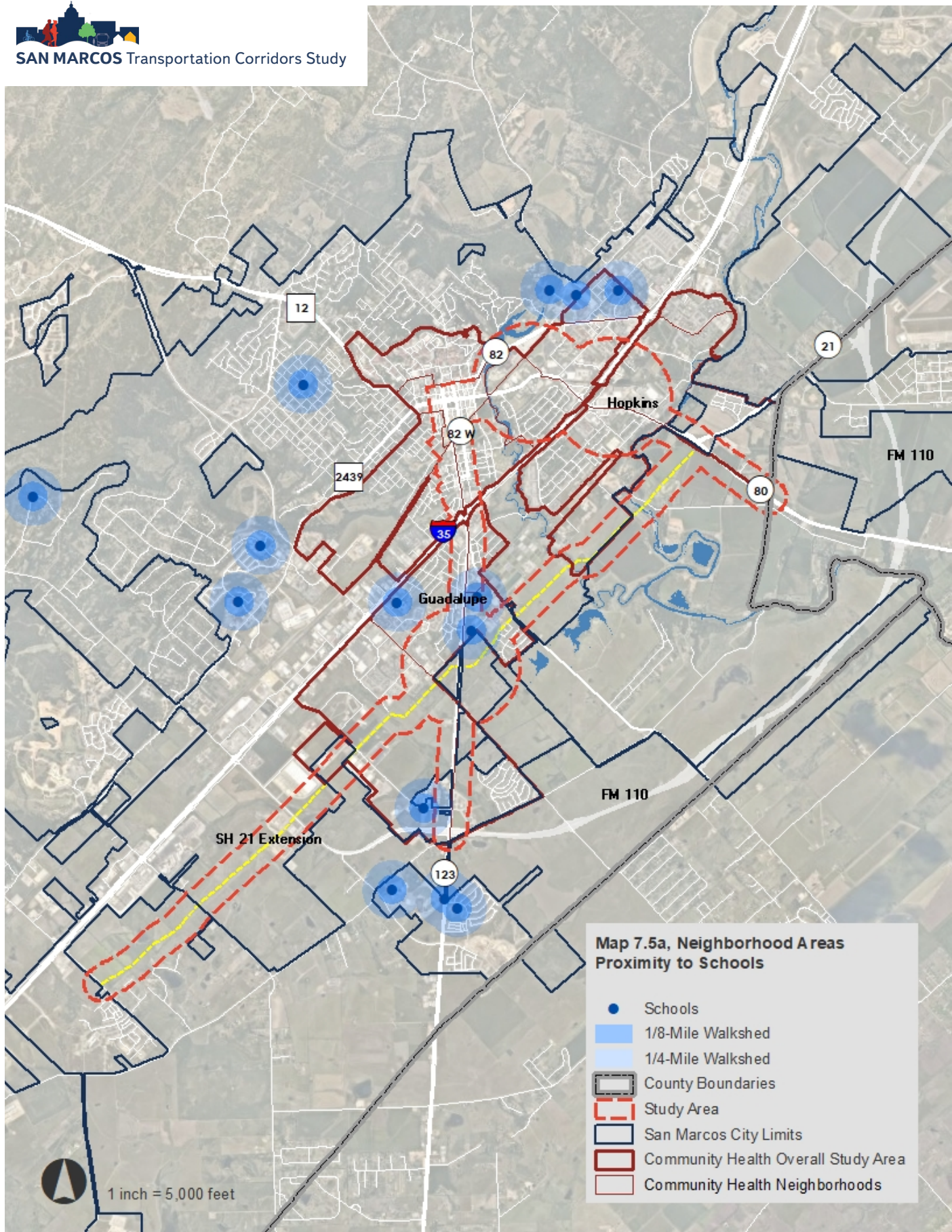
"Proximity" is illustrated by overlaying 1/8 and 1/4 mile radial "walksheds" around each of these important community facilities and comparing these catchment areas to residential property within the community health study area boundary. (Maps 7.5 a-e are meant to be representative only and do not illustrate barriers such as highways, rail lines, or streams that might inhibit direct pedestrian access between a residence and a mapped community facility.)

Table 7.25, *Accessible Community Services*, identifies the percentage of residential land uses in the Community Health Study Area boundary that are within ¼ mile (a theoretical 5-minute walk) of each type of community facility.

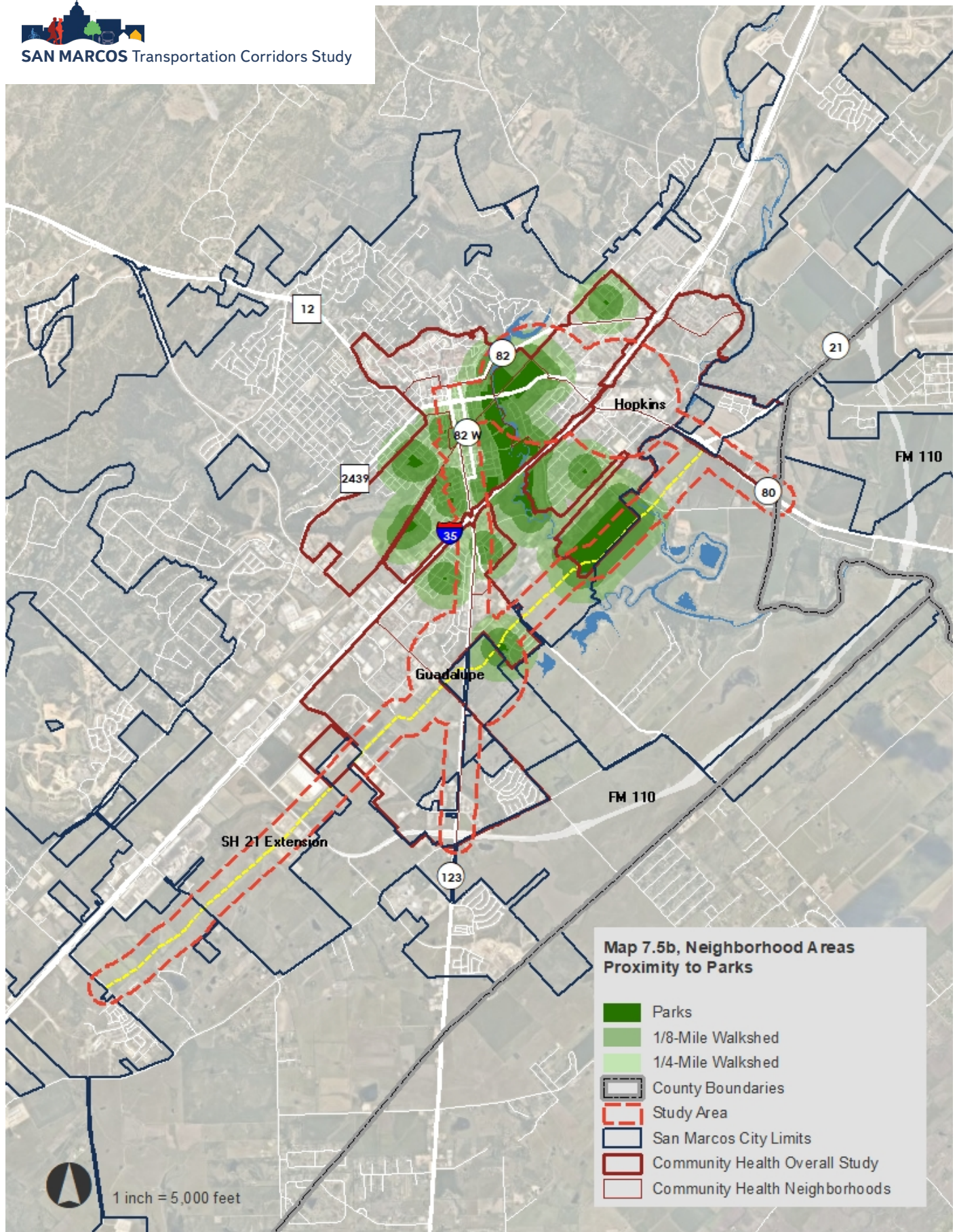
**Table 7.25, Accessible Community Services, Community Health Study Area \***

| Type of Facility | Percent (%) of Residential Land Uses within ¼-mile Walkshed | Type of Facility | Percent (%) of Residential Land Uses within ¼-mile Walkshed |
|------------------|---|------------------|---|
| Schools          | 13.8  | Grocery Stores   | 35.3  |
| Parks            | 28.2  | Health Care      | 23.5  |
| Transit**        | 87.9  |                  |   |

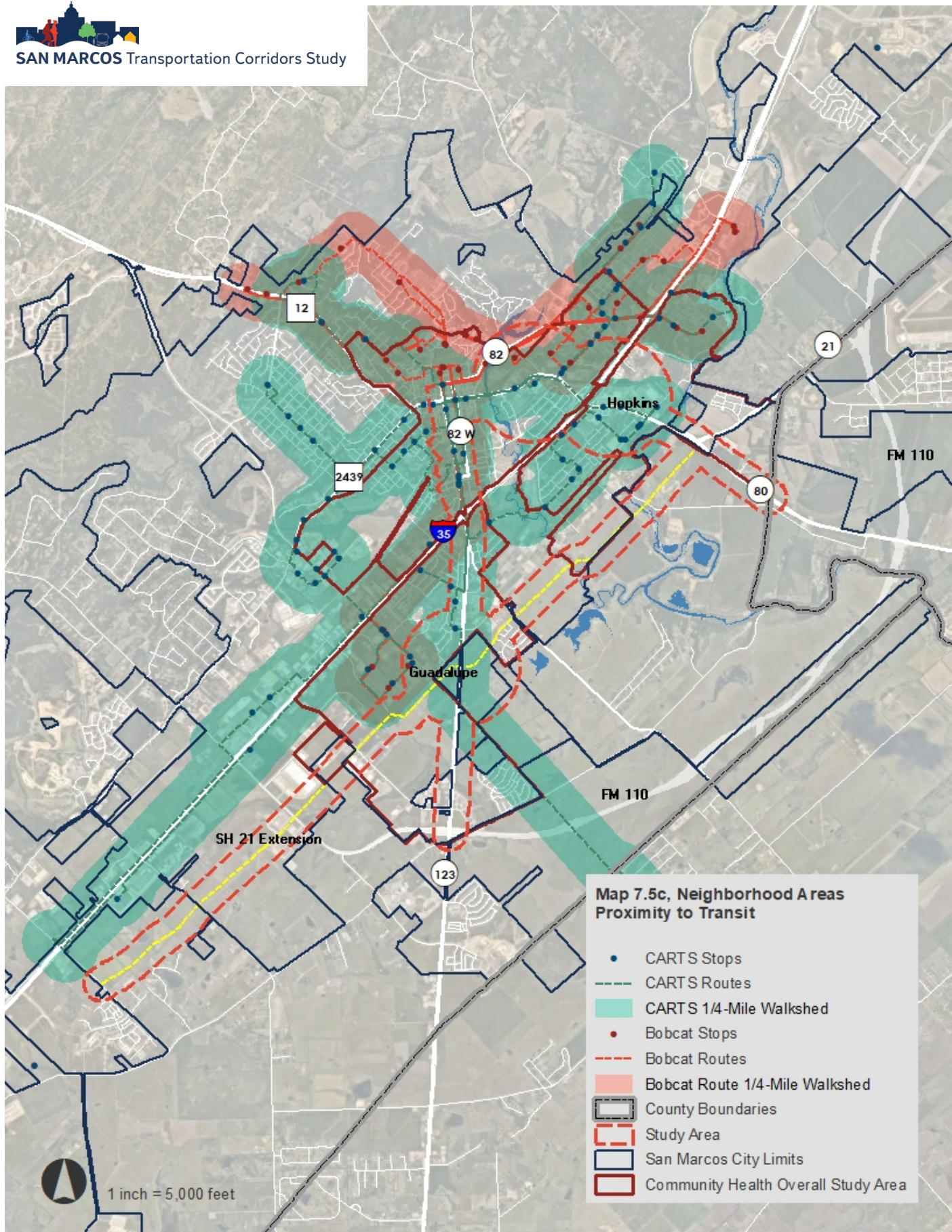




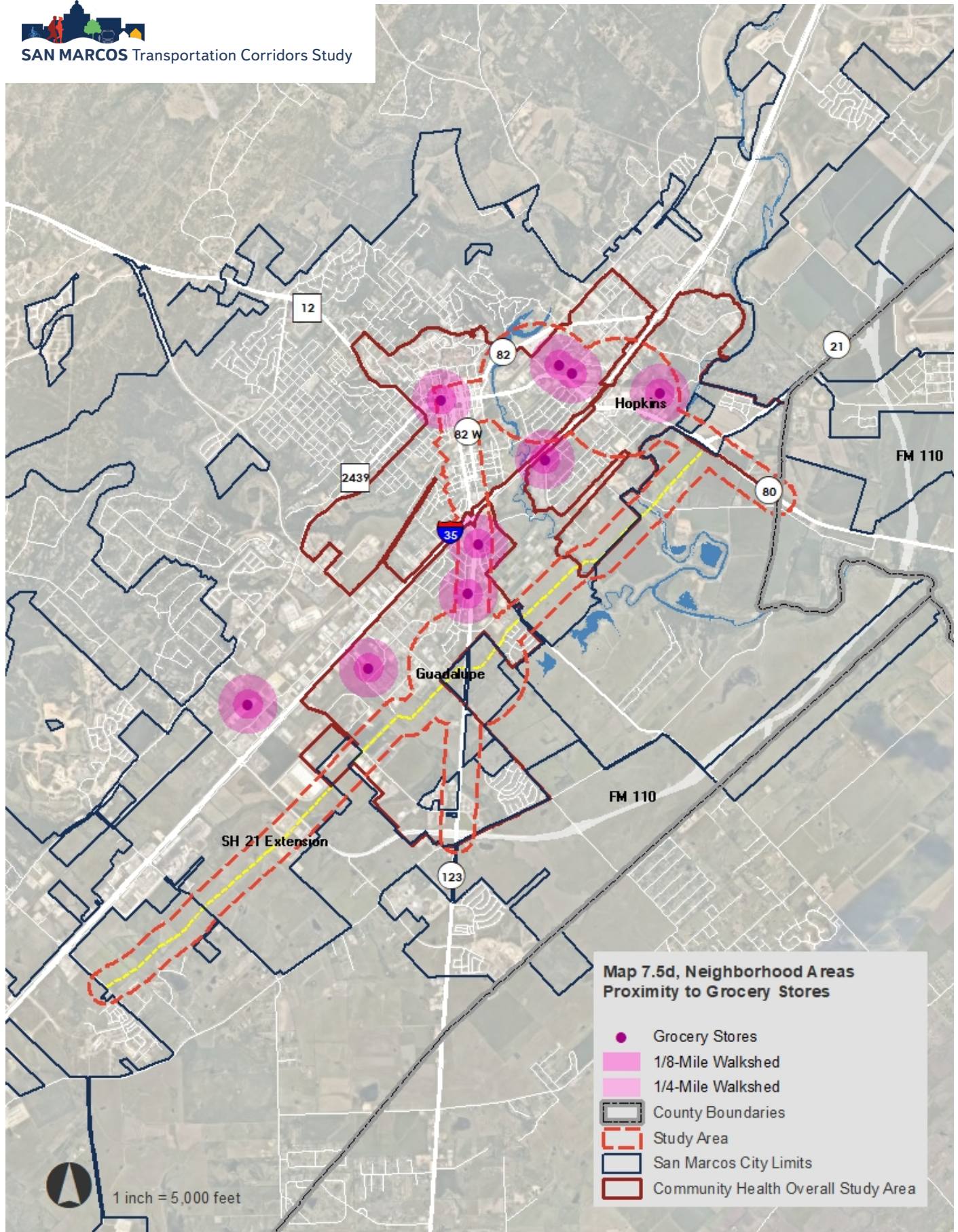




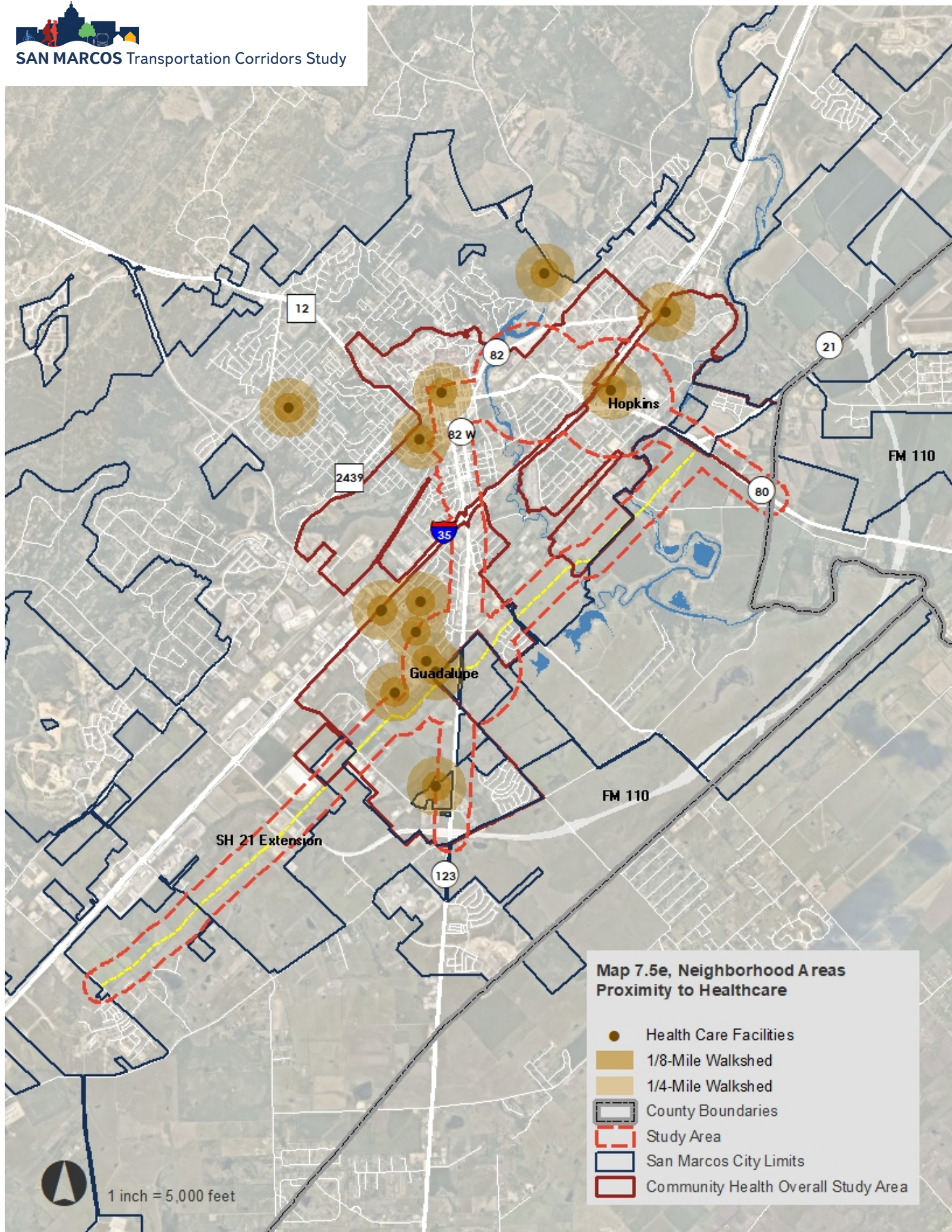














## 7.6 NEIGHBORHOOD CONSERVATION

The City of San Marcos has taken several measures to ensure the safety, quality of life and health in city neighborhoods. Lot maintenance, noise control, and smoking in public are amongst the public nuisances that the City regulates within its neighborhoods. The following common neighborhood nuisances are listed under the City of San Marcos' Top Ten Nuisance Violations (Source: City of San Marcos: Neighborhood Enhancement):

- #1. Maintenance of Lots: Section 34.078.
- #2. Occupancy Restrictions: Section 4.3.4.5.
- #3. Junked Vehicles/Nuisance Vehicles: Section 34.196.
- #4. Solid Waste Containers: Section 66.030.
- #5. Building Permit - Required Section: 14.451.
- #6. Accessory Structures - 2015 IPMC; Section 302.7.
- #7. Sight Visibility LDC 4.4.1.1 (G).
- #8. Address Labels Required Section 38 Amendment 505.1.
- #9. Placing Solid Waste Outside Buildings Section: 66.031.
- #10. Parking Prohibited on Front and Side Yards Section 82.184.

Neighborhood conservation statistics — specifically, the distribution of code compliance complaints and police calls for service - serve indicators of relative neighborhood health and can enhance a community health analysis. The City of San Marcos was unable to provide local geo-referenced data documenting the frequency and distribution of code compliance complaints and police calls for service for inclusion in this analysis.

## 7.7 ENVIRONMENTAL NUISANCES

The physical environment is where individuals live, learn, work, and play. People interact with their physical environment through the air they breathe, water they drink, houses they live in, and the transportation they access to travel to work and school. Poor physical environment can affect our ability and that of our families and neighbors to live long and healthy lives. Often, a concentration of polluted property or land uses that are otherwise incompatible with residential land uses corresponds to neighborhood areas comprised of a community's most vulnerable populations.

According to the Texas Commission on Environmental Quality (TCEQ) there are no brownfield sites and one Superfund site — the State Highway 123 PCE Plume — located within the Community Health Study Area. TCEQ records indicate that this single site is in the "operations and maintenance" phase of clean-up which include "activities conducted at a site after a state Superfund site action is completed, to ensure that the [remedial] action is effective and operating properly."

The City of San Marcos and Hays County are vulnerable to flooding from the San Marcos River, the Blanco River and Purgatory Creek. Flooding in the region and San Marcos, has become a primary environmental threat community residents. With very little warning, floodwaters have covered many neighborhood blocks up to three or four feet deep. Much of the community health study area is located within the 100-year floodplain. Communities with the highest risk of flooding include the Dunbar, Victory Gardens, Wallace Addition and Blanco Gardens neighborhoods. After the devastating May 2015 flood, many communities lost lives, homes and other valuables. Protection from natural disaster is essential to living healthy lives and sustaining such health. The Blanco River Regional Recovery Team, previously mentioned, provides tools and resources for victims of flooding in the community health study area.





## 7.8 COMMUNITY INVESTMENTS

The City of San Marcos receives Community Development Block Grant (CDBG) funds each year from the U.S. Department of Housing and Urban Development (HUD). San Marcos has been an entitlement community for the CDBG grant program since 1994. During the past 26 years, the City has utilized over \$15,000,000 in CDBG funds to improve the quality of life, including quality and affordability of housing, for its low- to moderate-income citizens. The City has installed sidewalks, upgraded neighborhood parks, supported services provided by local non-profit organizations, rehabilitated homes, and improved accessibility to public facilities and individual homes.

The new funding year, Program Year 2020, will begin October 1, 2020 and end September 30, 2021. The mission of the CDBG Program is to promote the development of viable urban communities by providing decent housing, a suitable living environment, and expanded economic opportunities, principally for persons of low and moderate incomes. Each funded project or program must meet one of the National Objectives:

- Benefit to low and moderate income persons
- Aid in the prevention or elimination of slums or blight,
- Meet a need having a particular urgency.

In order to receive funding, the City created an Action Plan which details how the funds will be allocated and who will benefit from the funded programs and projects and establishes performance goals for each project or program. In the 2020-2021 CDBG Entitlement Action Plan, the City has prioritized preserving existing affordable housing, supporting home ownership for low to moderate income families, providing services for abused children, and rehabilitating a historic building that provides programs for the community, including many low- to moderate-income families.

Expected outcomes include the rehabilitation of seven homes, repair of eight homes, assistance of 12 households with down payments and closing costs, training for 100 individuals on the responsibilities of home ownership, and training for 61 advocates who serve 136 San Marcos foster children. In addition, one historic building will be rehabilitated to continue to provide programs for approximately 2,000 individuals annually, many of whom are in low- to moderate-income families. The CDBG projects listed in the Action Plan are listed to be located ‘throughout San Marcos’. One CDBG project listed is the rehabilitation of the Centro Cultural Hispano de San Marcos building, located in the East Guadalupe Neighborhood.

Another community investment program is the Capital Improvements Program (CIP). The CIP is a ten-year planning tool used to prioritize major new capital investments made by the City. The CIP is updated annually, and CIP focuses primarily on infrastructure and facility needs. On-going maintenance activities and smaller, routine capital expenditures for vehicles and technology expenditures are generally not included as a part of the CIP process, nor are projects that cost less than \$50,000. CIP funding for the 2019 year was \$680,998. Projects in the CIP program are within the CDBG categories, such as, public services, affordable housing, housing rehabilitation, public facilities, homeownership direction and program administration.

Over a ten-year history, approximately 61 percent of CIP projects have occurred within the Community Health Study Area. Most CIP projects within the Community Health Study Area are concentrated in the Downtown, Rio Vista, East Guadalupe and Victory Garden neighborhoods.



## 7.9 SUMMARY

The development and redevelopment of property within the Study Area will continue to transform the built environment within which residents of existing neighborhoods live. While this transformation will undoubtedly be reflected by shifts in the measures of community health and social equity presented in this memorandum one cannot assume that potential data trends which are perceived as “positive” benefit an existing population. Improvements to the physical environment of a neighborhood must be balanced by investments that mitigate gentrification and the displacement of current residents.

Changes to the Study Area’s physical environment alone will not guarantee a healthier, wealthier and safer Study Area population (the correlation is often indirect). Recommendations regarding land use characteristics and mixes, housing diversity, multi-modal transportation, and parks and public facilities that will be included in the San Marcos Platinum Planning Study must be augmented by corresponding municipal investment, housing and human service initiatives that allow the residents of Study Area neighborhoods to prosper in place.

### Preliminary Findings

The data analysis presented within this technical memorandum will be considered in conjunction with additional research, field observation, stakeholder interviews and public input to prepare future development scenarios for Study Area corridors and centers and to prepare a corresponding needs assessment report. Initial observations of note which may influence subsequent Study Area development and redevelopment scenarios include:

- Based on statistics compiled, many measures of community health do not illustrate appreciable distinctions between Study Area populations and surrounding areas of San Marcos/Hay County.
- Student populations skew overall statistics regarding median age, household sizes, household income, employment, etc. for the overall Community Health Study Area.
- According to EJSSCREEN, many Community Health Study Area neighborhoods have higher percentages of lower-to-moderate income households and higher percentages of Hispanic residents.
- Many Community Health Study Area neighborhoods illustrate higher percentages of people with disabilities and those lacking access to motor vehicles.
- The Millview East and Millview West exhibit particularly high percentages of residents living in poverty, but these areas might correspond with higher levels of student residency.
- According to the Robert Wood Johnson Foundation, Hays County scores low on “physical environment” which includes measures of air and water quality, and access to sufficient housing and transit.





# Technical Memorandum 8.0

## Public Services

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## 8.1 INTRODUCTION

The capacity of municipal services to support future development within the Study Area was reviewed and is summarized within this Technical Memorandum. The data sources utilized to analyze existing municipal services include the City of San Marcos website, City of San Marcos Police Department website, City of San Marcos Fire Department website, the Hay's County Sheriff's Office website, the San Marcos Regional Airport website, and the San Marcos Hays County EMS website.

## 8.2 POLICE PROTECTION

### Introduction

The San Marcos Police Department (PD) is a full-service police agency that provides 24/7 police response to the community. They provide dispatch service for police, fire, and EMS within the city limits of San Marcos. There are 106 sworn officers and 52 non-sworn employees. The department has many specialized divisions including uniformed patrol, criminal investigations, emergency communications, community services, K9 operations, traffic enforcement, narcotics investigations, and school resource service.

### Organization

Within the City of San Marcos organization, the Chief of Police reports directly to the City Manager. The Chief of Police is directly supported by an Assistant Chief, who is supported by an Administration Commander and a Support Services Manager. These positions oversee the managers of the various divisions.

### Facilities

There is one central headquarters for the San Marcos PD. The location is along southbound Interstate, south of Wonder World Drive. On May 6, 2017 a public safety bond was approved by voters. The project would renovate the PD headquarters. The approximate capital cost is \$11.5 million and includes renovation of the existing 911 center, replacing HVAC, renovating parking and drainage, adding security and fencing, and the creation of new offices. Construction is scheduled to start the 3<sup>rd</sup> quarter of 2020.

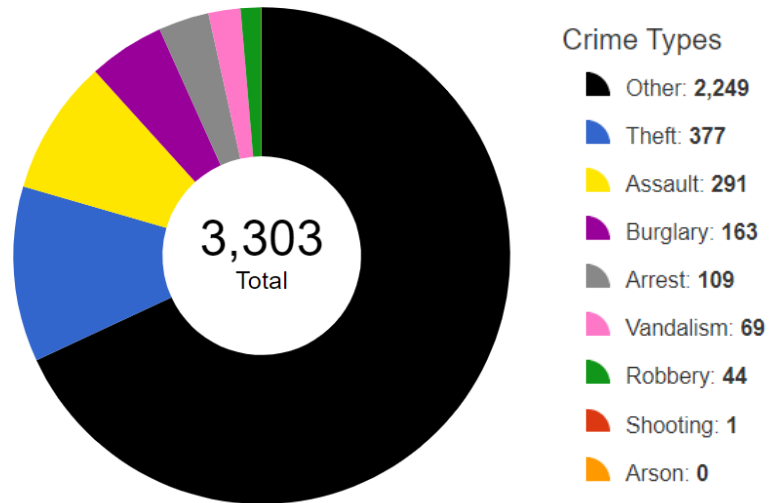


## Data

### Crime Statistics

Figure 8.1, *San Marcos Crime Stats in the Last Three Months*, depicts the crime statistics for San Marcos in the last three months. Most of the crimes are categorized as “other”. Outside of the “other” category the three largest crime categories are “theft”, “assault”, and “burglary”. In the past three months, there has only need one reported shooting.

*Figure 8.1. Crime Stats in the Last Three Months*



Source: SpotCrime.com





## 8.3 HAYS COUNTY SHERIFF'S OFFICE

The Hays County Sheriff's Office (SO) is responsible for patrol and law enforcement in the unincorporated areas of Hays County. The Hays County Jail and the San Marcos Law Enforcement Center are located within the San Marcos city limits. The Sheriff's Office has over 300 commissioned and civilian staff within three bureaus — Corrections (jail), Law Enforcement (patrol and criminal investigations), and Support Services (school resource officers and community outreach).

## 8.4 FIRE PROTECTION

### Introduction

The San Marcos Fire Department's (FD) mission is centered around prevention, service with dignity, and safety. In addition to responding to fires and other incidents, the FD holds several programs and events in order to bring safety awareness and hazard prevention to the community. The FD is also a part of the development and building permit process. The FD oversees the regulation of fire flow and suppression, and International Fire Code for all development and redevelopment within the city of San Marcos.

### Organization

Within the City of San Marcos organization, the Fire Chief reports directly to the City Manager. The Fire Chief is directly supported by two Assistant Fire Chiefs.

### Facilities

There are five fire stations under the operation of the FD. Four of the stations are west of Interstate 35 and one is east of Interstate 35.

### Data

#### Insurance Services Office (ISO) Rating and Public Protection Classification (PPC) System<sup>1</sup>

The ISDO rating schedule serves insurance companies that cover property and casualty benefits for their clients. ISO representatives use the schedule when surveying a community's fire protection capabilities.

The PPC is the countrywide classification system used by the Insurance Services Office (ISO) to reflect a community's local fire protection for property insurance rating purposes. The public fire protection of a city, town or area is graded using ISO's Fire Suppression Rating Schedule to develop the community's classification.

The ISO rating for San Marcos is 2/9. This means that the properties within five road miles of a fire station and within 1,000 feet of a creditable water supply are in class 2 (80 to 89.99 points) which is the second highest ranking. The properties that are within five road miles of a fire station but beyond 1,000 feet of a creditable water supply are in class 9 (10 to 19.99 points), which is the second lowest ranking.

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<sup>1</sup> [tdi.texas.gov/fire](http://tdi.texas.gov/fire)



The score that is determined from applying the Fire Suppression Rating Schedule is translated into a public protection classification. A perfect score in Texas is 104.26. It consists of 50 points for fire department capabilities, 40 points for *water supply and distribution, 10 points for receiving and handling fire alarms and up to 4.26 points for "Texas Exceptions" that give extra credit for compressed air foam systems, certified volunteers and attending or teaching at the annual firemen's training school at Texas A&M University. In some communities, a split classification is developed. The first number refers to the classification of properties within five road miles of a fire station and within 1,000 feet of a creditable water supply. The second number applies to properties within five road miles of a fire station but beyond 1,000 feet of a creditable water supply.*

## **Response Time**

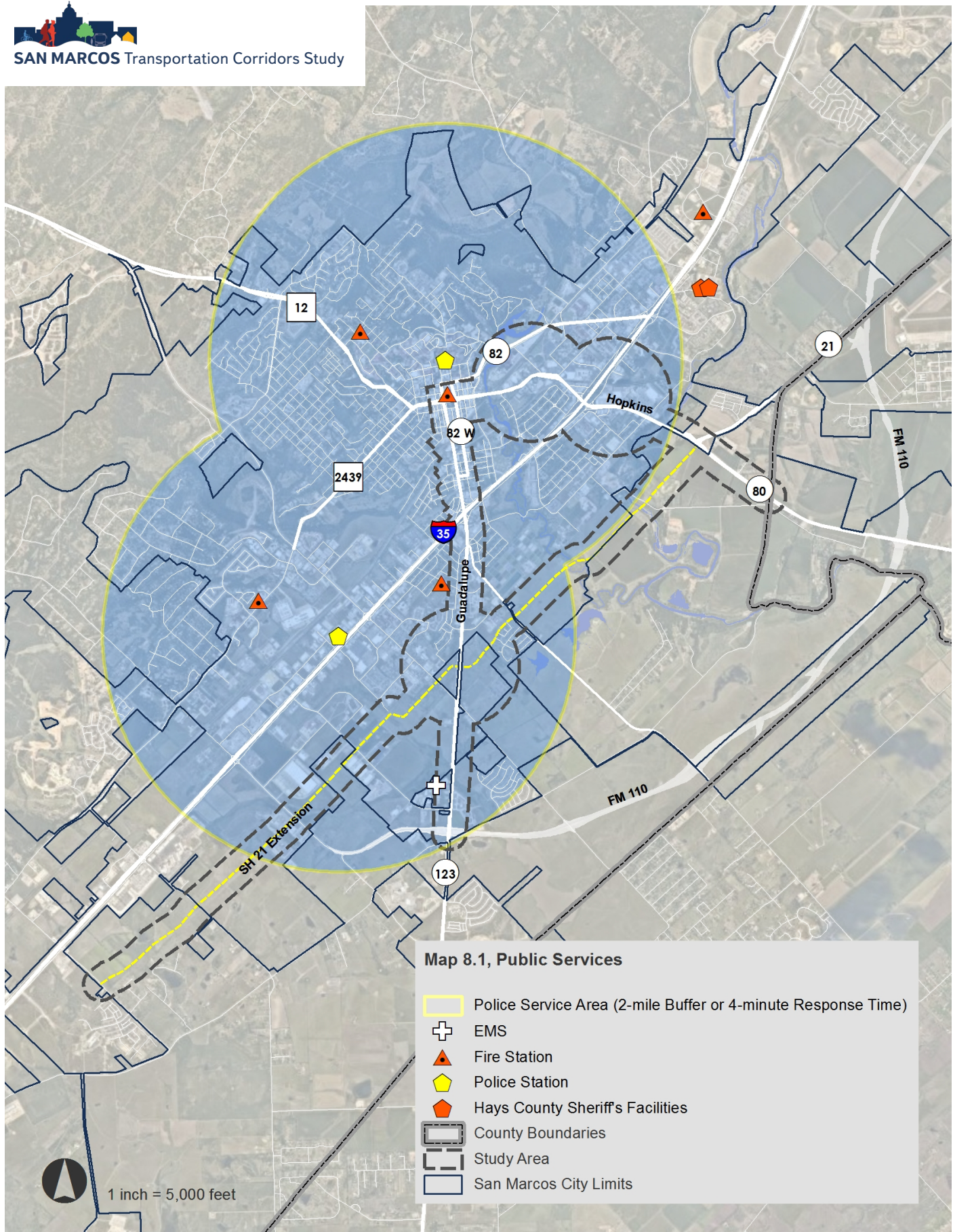
With respect to response time, the San Marcos Fire Department's objective is to comply with the National Fire Protection Association's (NFPA 1710) standard of six minutes and 20 seconds; although impediments such as railroad tracks, Interstate 35 and rivers can cause significant delays.

Utilizing the Larson multi-objective model for locating fire stations, the San Marcos Fire Chief has identified potential locations for 16 additional fire stations over the next 25-30 years. Emergency Services Consulting International (ESCI) recently produced a community risk assessment for the City of San Marcos. Within the report, ESCI identified potential locations for 40 additional fire stations. In a similar report, prepared by the San Marcos Fire Department Chief Les Stephens, identified 16 additional stations. Station No. 6 is proposed to be located at the intersection of Posey Road and Old Bastrop Highway.

While the San Marcos Fire Department primarily focuses on areas within the city limits, the department has executed mutual aid agreements with agencies within Hays County,

## **8.5 EMERGENCY MEDICAL SERVICES (EMS)**

San Marcos Hays County EMS (SMHC EMS) is a non-profit public charity that provides 911 emergency medical response to San Marcos, Kyle, Driftwood, Dripping Springs, Henly, and to portions of unincorporated Hays County. SMHC EMS also provides emergency and non-emergency inter-facility transport services. SMHC EMS currently has 78 full-time employees — EMTs and Paramedics. The department operates seven (7) ALS ambulances (24 hours/day) and four (4) peak demand (12 hour) units. The call volume is almost 15,000 calls/year with 9,000 transports/year.







## 8.6 SOLID WASTE COLLECTION

### Collection Providers

#### Residential (Single-Family)

Texas Disposal Systems (TDS) provides residential solid waste services to the city of San Marcos residents, including weekly trash collection, bi-weekly single stream recycling, and bulk pick-up four times per year at no extra charge.

#### Residential (Multi-Family)

Multi-family residents are serviced by City-permitted private contractors, chosen by the complex. Multi-family residents can use the Green Guy Recycling Drop Off Center through the City's contract with Texas Disposal Services (TDS).

#### Commercial

Commercial business must make their own solid waste collection arrangements with a City-permitted contractor.

### Solid Waste Comprehensive Plan

The City of San Marcos completed a *Solid Waste Comprehensive Plan* in March 2012. The Plan analyzed the existing systems, projected future needs, and developed goals and recommendations. The Plan contains six goals:

- Increase public awareness and education
- Increase waste reduction/diversion
- Evaluate and implement cost efficient services
- Establish land development codes to address municipal and commercial, multi-family, and downtown solid waste issues
- Correlate economic development policies that encourage new recycling businesses and expansion of existing businesses
- Explore service options that enable San Marcos to achieve metric goals and effectively manage increased municipal solid waste (MSW) generation and service demands

### Landfill

The City does not have a municipal landfill. Their nearest landfill is a Waste Management landfill in New Braunfels.





## 8.7 SAN MARCOS REGIONAL AIRPORT

The San Marcos Regional Airport (KHYI) is a public-use, general aviation reliever facility. The Airport is 1,393 acres and is located halfway between Austin and San Antonio. The Airport was originally a part of Gary Airfield, an Army Air Corps training base in World War II. The Airport was deeded to the City of San Marcos in 1966. The Airport currently has three runways:

- **8-26:** 6,330 by 100 feet (1,929 x 30 m)
- **13-31:** 5,603 by 150 feet (1,708 x 46 m)
- **17-35:** 5,213 by 100 feet (1,589 x 30 m)

The Airport can handle the largest-business class aircraft on a regular basis. The Airport is home to many services: fixed base operators (FBOs), aviation schools, aircraft detailing and refurbishing, meeting/event space, and hangar/storage space. The airport is also home to many clubs and events throughout the year.

### San Marcos Regional Airport Master Plan

The City is currently in the process of updating the *San Marcos Regional Airport Master Plan*. The last plan was completed in 2001. The process, led by Garver, began in 2018. The new update considers current industry dynamics and looks at long-term airport use, anticipated projects, and projected funding needs over the next 10 years. Once the plan is completed and approved by City Council, it will go to the Texas Department of Transportation and the Federal Aviation Administration for final approvals. The project is 90% funded by the Federal Aviation Administration.

## 8.8 CITY HALL

City Hall is located along E Hopkins Street, west of I H-35. The current site is home to City Hall, Utility Billing, and Public Works. Across E Hopkins Street is the San Marcos Public Library, Recreation Center, Stake Park, and Sewell Park. To the south of City Hall is Veteran's Plaza and Bicentennial Park. The entire area has Public Institutional zoning. There are two areas of dedicated parkland and a potential acquisition area that is not owned by the City. The site is in the San Marcos River Corridor which has a maximum impervious cover of 30%.



*Figure 8.2, Existing City Hall Site*



Source: Near Map

In 2019, Jacobs Engineering completed a site feasibility of the City Hall area. The purpose of the study was to understand the public's vision for the area and to identify constraints and considerations for future re-development. With the impervious cover limitations, the study determined that the maximum developable area would be eight acres. This provides room for a 130,000 square foot city hall, including parking and other site elements. The study produced six preliminary options for the site.

**The major themes from the public input process were:**

- Provide new office and reasonably priced residential
- Established a "gateway" into the city
- Be environmentally considerate
- Establish new connections and enhance existing connections to downtown, Texas State, and the river

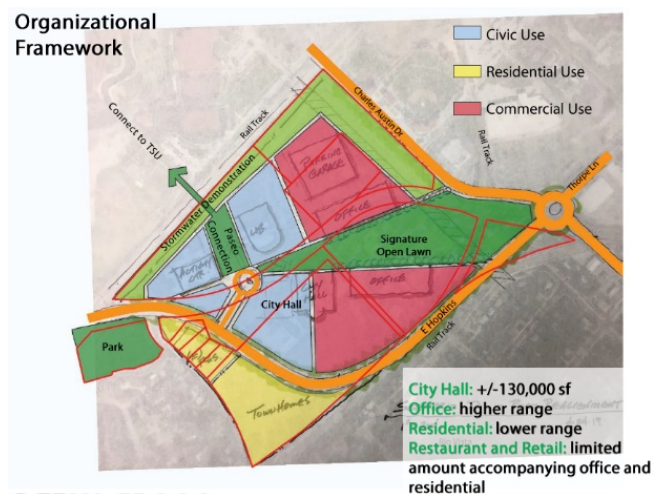
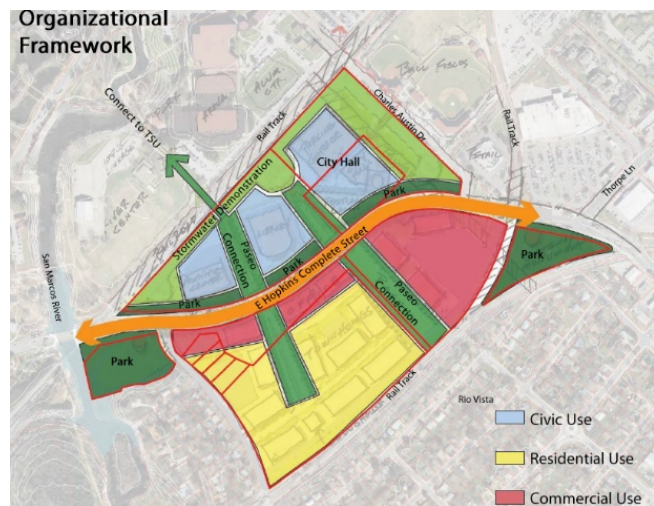
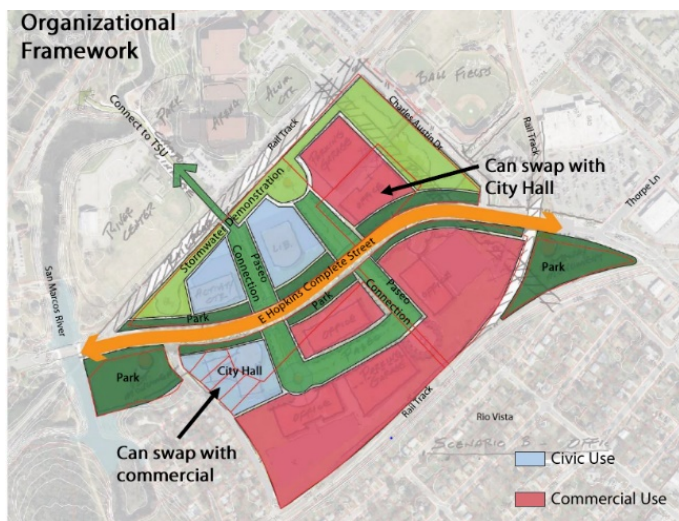
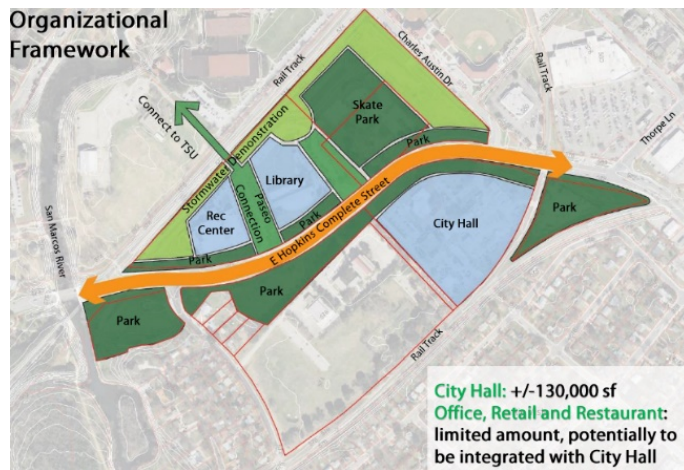
**Major considerations for the site identified in the study were:**

- Does the City intend to acquire the adjacent church property and/or residential sites?
- How strictly will the 30% max impervious cover restriction be interpreted?
- Potential for the realignment of Hopkins Street to create a contiguous campus





Figure 8.3, Six Preliminary Options for City Hall Site





## 8.9 FINDINGS

### Fire Protection

To accommodate additional growth in and around San Marcos, the San Marcos Fire Department has plans to construct additional fire stations in the future. Future Station No. 6 is proposed to be located at the intersection of Posey Road and Old Bastrop Highway, which is at the southern end of the Study Area.

### San Marcos Regional Airport

The Consultant team will need to monitor progress on the Airport Master Plan over the next several months as it may influence the character and intensity of development along the North-South Corridor.

### City Hall

Several of the alternative plans identified within the Jacobs master plan for the City Governmental Complex warrant additional evaluation.





# Technical Memorandum 9.0

## Utilities and Infrastructure

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## 9.0 OVERVIEW

### Introduction

Technical Memorandum 9.0, *Utilities Infrastructure*, summarizes the current treatment and transmission capacities of the City's water, wastewater and storm drainage systems to accommodate current and future growth, within and adjacent to the Platinum Planning Study Area boundaries, including State Highways 123 (Guadalupe Street), 80 (Hopkins Street), and a future north/south connector corridor east of IH-35, its northern terminus emanating from the SH 21 / Hopkins Street intersection.

### Data Sources

This Technical Memorandum draws from several plans developed on behalf of the City of San Marcos. Primary sources of data include the *San Marcos Wastewater Master Plan* (2014), the *Water Master Plan* (2016), the *Water Master Plan Update* (Draft, 2020), and the *Stormwater Master Plan* (2018) and miscellaneous exhibits provided by the City of San Marcos' capital improvements / Engineering Department.

## 9.1 WASTEWATER

The City of San Marcos wastewater system is a 219-mile network of mains, interceptors, force mains, gravity mains, lift stations, and the City' Wastewater Treatment Plant (WWTP). The San Marcos wastewater Certificate of Convenience & Necessity (CCN) generally covers the city limits. The only adjacent wastewater CCN is the City of Kyle to the north.

### Wastewater Master Plan

A *Wastewater Master Plan* was completed in December 2014. The Plan included a growth assumption of 65,072 residents in 2025 (which represents a 2.22 percent annual average growth rate) and 77,967 residents in 2035 (a 1.73 percent annual average growth rate). The Plan also projects infrastructure transmission requirements for key growth areas within San Marcos.

### System Overview

Due to the varying topography constraints in the City, there are 40 lift stations and 27 miles of force main within the service area. Map 9.1, *Wastewater Collection and Treatment System* (page 4), depicts wastewater transmission infrastructure within the Study Area. The *Wastewater Master Plan* (2014) includes a risk-based assessment of the lift stations. Around half of the lift stations were ranked in very good to fair condition with low to moderate impact, while the other half were ranked in very good to poor conditions with moderate to very high impact. A large regional lift station has been constructed at the intersection of Guadalupe Street (SH 123) and Posey Road to accommodate the Trace residential development (refer to Wastewater Master Plan Project 43: *Posey Road Lift Station (LS#32) Decommissioning & Old Bastrop Road Lift Station Expansion*, page 8-19). The lift station at the intersection of Wonder World Drive and Guadalupe Street still has significant capacity to accommodate additional development in the area.

### Wastewater Treatment Plant

The City has one wastewater treatment plant, located at 720 River Road on the east side of Interstate 35 on the north side of Stokes Park. The plant is permitted to receive an average daily flow (ADF) of nine million gallons per day (MGD) and two-hour peak wet weather flow (PWWF) of 31 MGD. Odor control modifications were completed in 2006, which decreased the odors in the area by 99 percent.



## Engineering and Capital Improvement Projects in Design/Construction

### Hills of Hays Lift Station Rehab

This project will rehabilitate the Hills of Hays lift station located off Staples Road. The lift station was built in the 1980's and needs rehabilitation to extend its service life and improve access and security. Construction is scheduled to start and end in 2020. Improvements include:

- Protective coating of the lift station wet well and piping
- Replacement of pump guide rail system and valves
- Concrete surfacing around and within lift station compound
- Replacement of existing fencing around compound and a new access gate

### Main Lift Station Force Main

This project will replace two existing 20" concrete force main pipes with two 24" PVC pipes. The project limits begin at the main lift station close to the intersection of IH-35 and River Road and extend to the wastewater treatment plant. Improvements include:

- A bulk reclaimed water filling station
- 12" reclaimed waterline
- An electric duct bank with telecommunication conduits
- Six storm sewer crossings

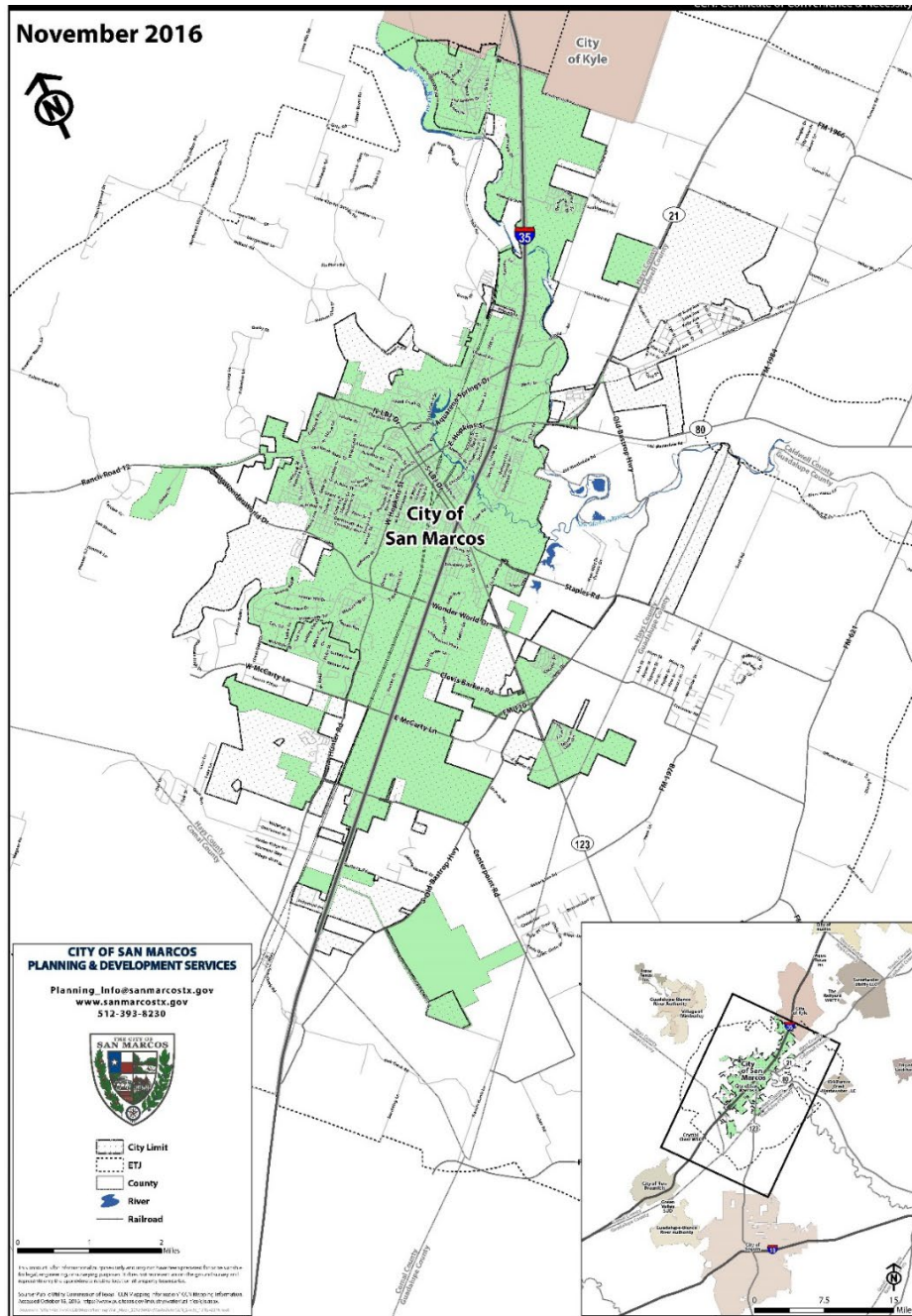
### Midway Wastewater Improvements

This project will add wastewater infrastructure along part of Perkins and Midway Streets to provide wastewater service to future affordable housing units on the site of the former Midway water storage facility. Construction is scheduled for 2021. Improvements include:

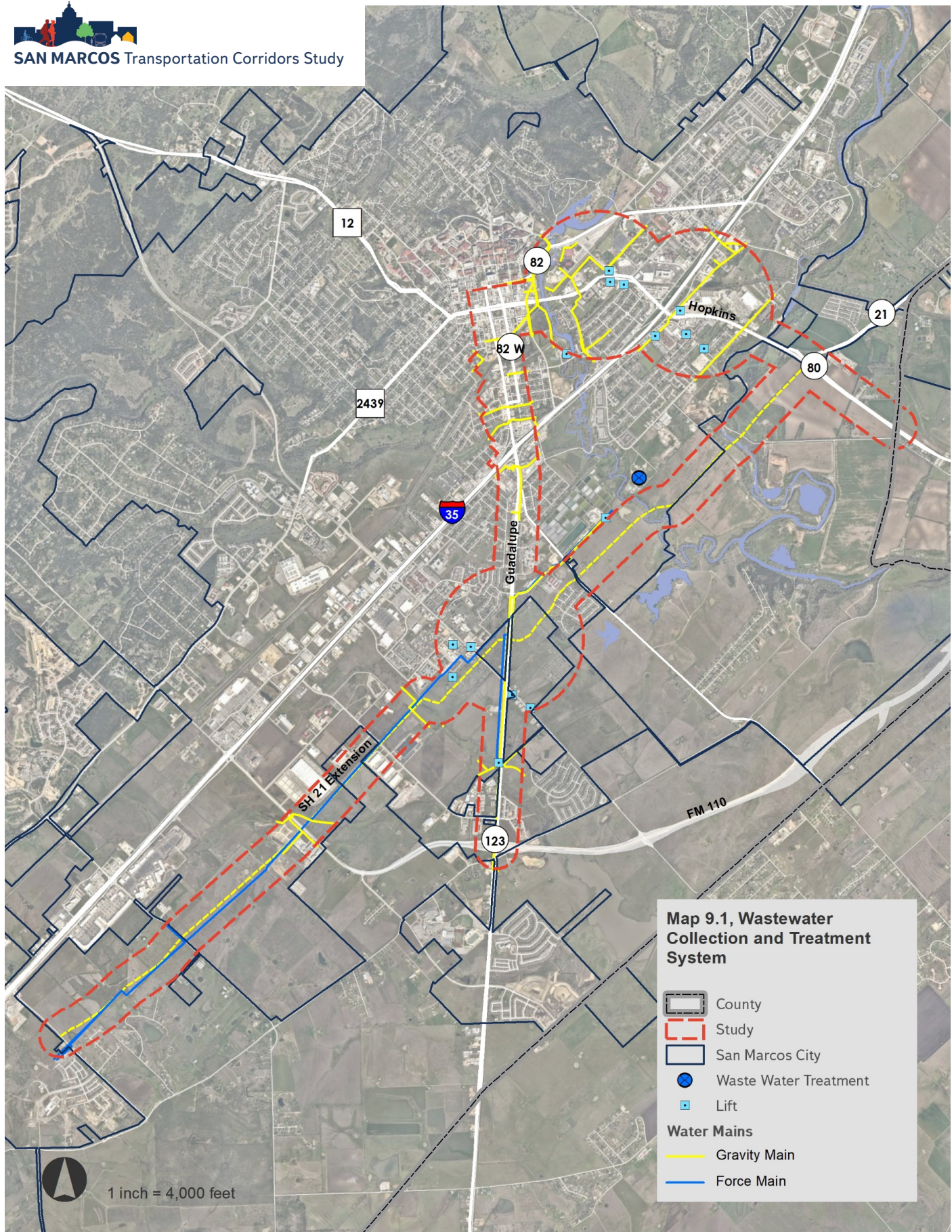
- Sewer infrastructure to allow for existing properties on Perkins and Midway on septic systems to move onto the system collection system in the future
- Improvements and extensions of sewer and water lines along Waco St.



Figure 9.1, Wastewater CCN Service Area











## 9.2 POTABLE WATER DISTRIBUTION AND STORAGE

The San Marcos water Certificate of Convenience & Necessity (CCN) covers the city limits and some areas outside of the city limits. Of the seven (7) other CCNs that are adjacent to the San Marcos CCN, the Crystal Clear Special Utility District (SUD), which is the largest, has recently be acquired by the City of San Marcos. The Guadalupe-Blanco River Authority (GBRA) Surface Water Treatment Plant provides close to 80 percent of the City’s water, with a total production quantity of 16,310 GPM (approximately 15 MGD). The source of the City’s surface water is considered to be Canyon Lake. The remaining 20-25 percent of water supply comes from groundwater sources produced by five wells.

### Water Master Plan

A *Water Master Plan* was completed in 2016. The Plan was completed with a growth assumption of 77,968 residents in 2025 (1.86 percent annual average growth rate) and 92,989 residents in 2035 (1.78 percent annual average growth rate). The Plan also projected an average day demand of 8.4 MGD in 2020 and 9.9 MGD in 2035.

The *Water Master Plan* was updated in April 2020. Water supply is based on a projected population increase of almost 60,000 persons to the City’s water service area by 2035.

### System Overview

The City has seven (7) pressure planes within the water distribution system. The City’s water system is made up of the following components:

- One (1) Surface Water Treatment Plan (SWTP)
- Six (6) active wells and pumps at five (5) different locations
- Nine (9) storage tanks (five serve as elevated storage to at least one pressure plane) and two (2) clearwells at the SWTP
- Seven (7) pump stations
- Six pressure reducing valves (PRVs)
- Over 1.3 million linear feet of pipe

The *2016 Water Master Plan* contains a general summary of how the water system operates:

*“Generally, the system is operated as follows. Raw surface water delivered to the SWTP is treated and pumped into the SWTP Pressure Plane and into the Cottonwood, Comanche, and Oakridge tanks. The Cottonwood Elevated Storage Tank (EST) and Comanche Standpipe Tank both serve as elevated storage for the SWTP Pressure Plane at a hydraulic grade of 810-feet. From the Comanche Tank, water is pumped again into the Upper Pressure Plane and into the Ranch Road 12 EST, which serves as elevated storage for the Upper Pressure Plane. Water also bleeds down from the Upper Pressure Plane through the Purgatory PRV into the McCarty Lower Pressure Plane and into the McCarty Tank. From the McCarty Plane, the water is pumped again to the McCarty Upper Pressure Plane.*

*From the Oakridge Ground Storage Tanks (GSTs), water is pumped into the Kingswood Pressure Plane. Some of the water pumped from the Oakridge Tanks bleeds down into the Oakridge and Deerwood Pressure Planes via PRVs.*

*When necessary to meet demand, groundwater from the Soyars well is pumped into the Soyars Tank and repumped into the SWTP Pressure Plane. The other well sites also supplement the surface water in the system when local demand conditions dictate need.”*



## Engineering and Capital Improvement Projects in Design/Construction

### Red Sky Waterline Improvements

To date, the main water line installation and all water main tie ins are complete. Re-vegetation and gravel roadway addition to Dachshund Drive will be the last task of the project

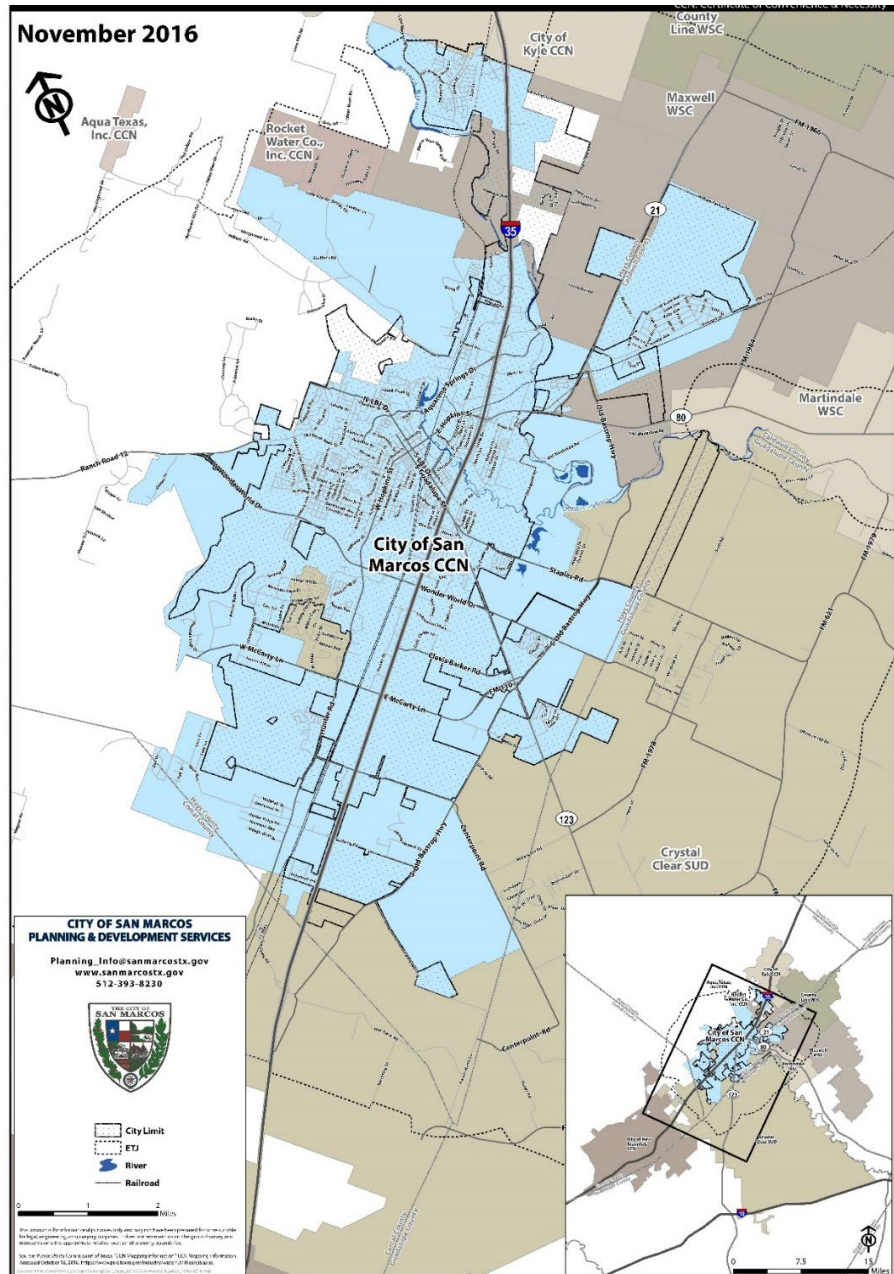
### Blanco Waterline Bore Improvements

To date work is continuing to the north side of river to bore under TxDOT drainage system. The project with finish tie-in of the water line from existing pipe to new pipe.

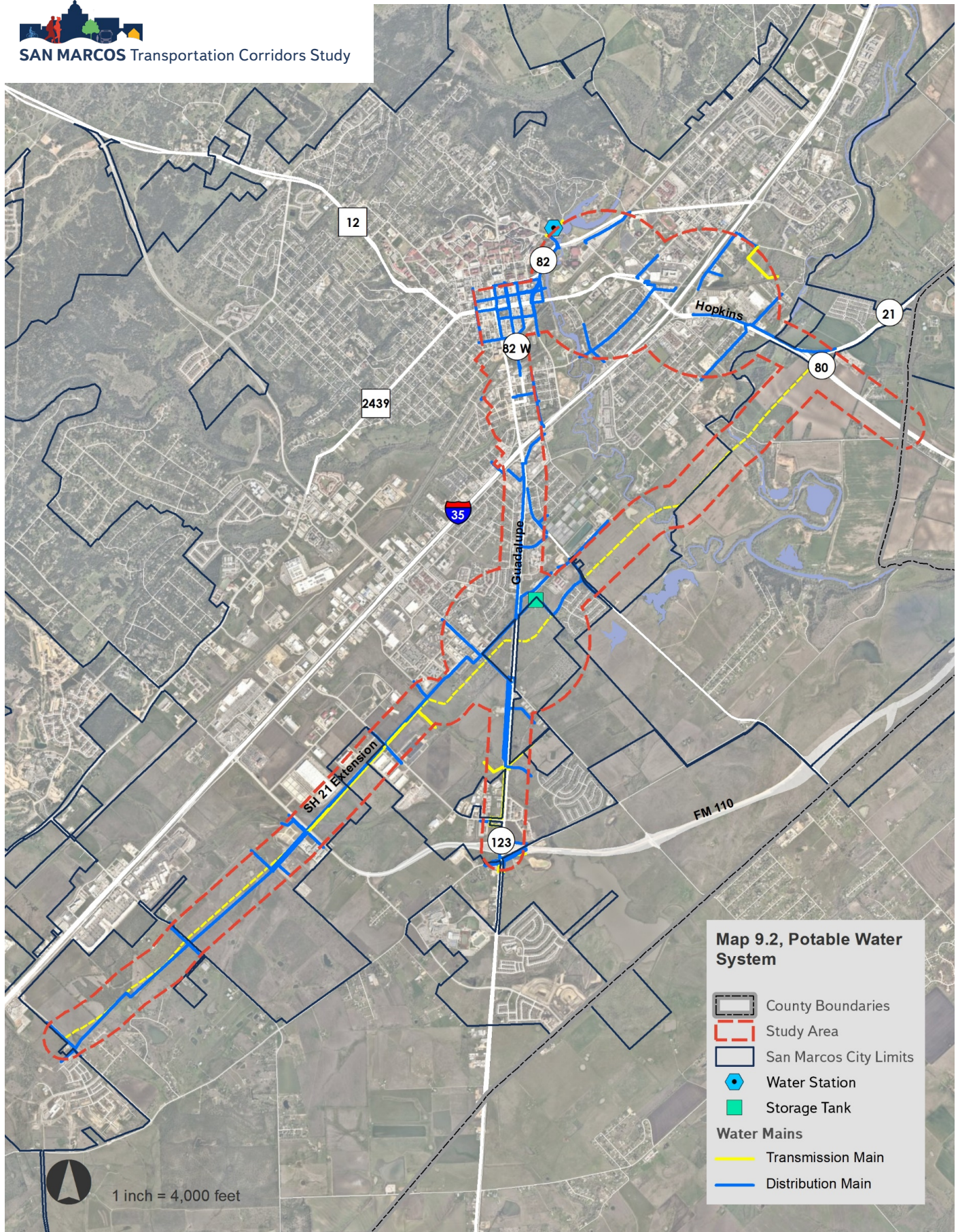
### Reclaimed Water System Expansion

To date, the storage tank is complete. A gravel driving surface for tank access will be installed prior to final completion. Final completion of the Elevated Storage Tank project scheduled for July 2020. For the Pump Station Improvements, the pump upgrades are scheduled to start in June 2020 with system acceptance testing in September 2020.

Figure 9.2, Water CCN Service Area











## 9.3 STORM DRAINAGE

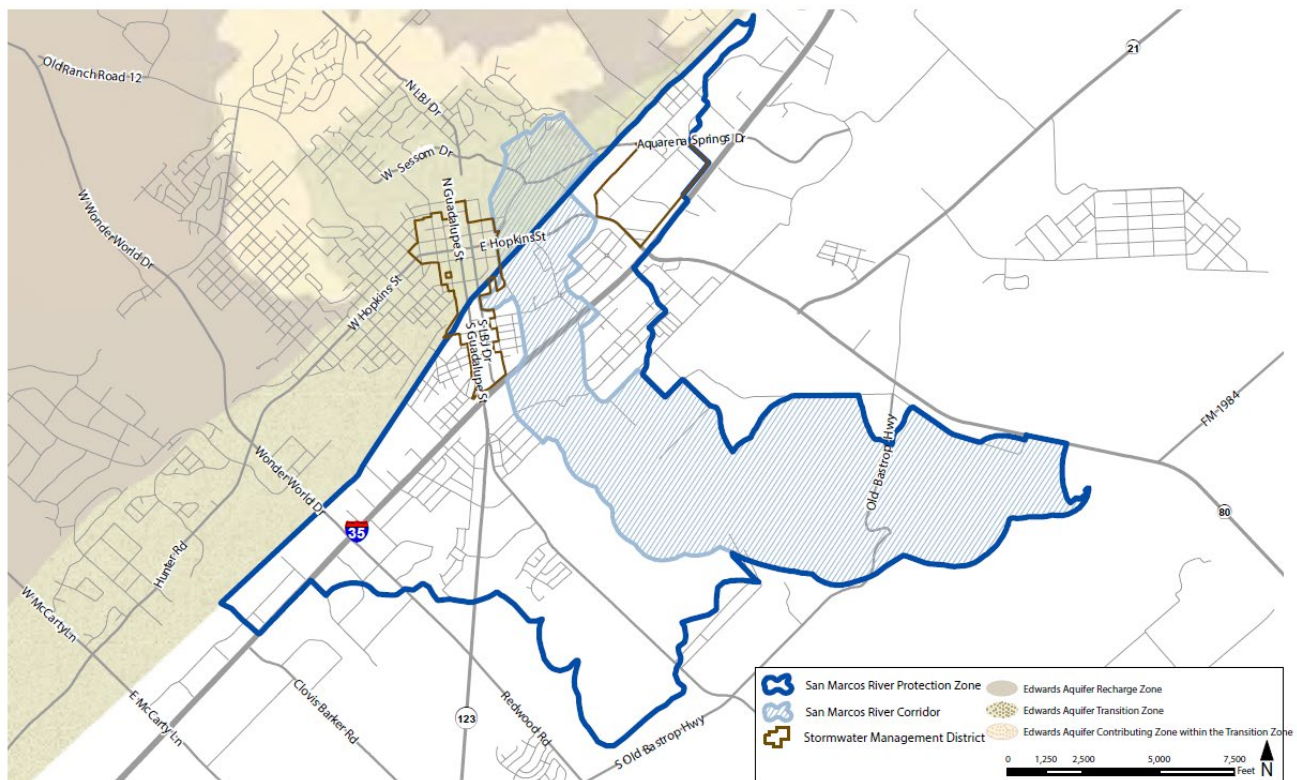
### Stormwater Master Plan

A *Stormwater Master Plan* was completed in 2018. The major challenges the plan was developed to address include projected population growth, threats to water quality and endangered species, increased frequency of flooding, and sustainability. A *Flood Protection Plan* was completed in 2007. Map 9.3, *Storm Drainage System*, depicts storm drainage outfall improvements within the Study Area.

### Edwards Aquifer Recharge Zone

The Edwards Aquifer is an underground water system that is the source of drinking water for over 2 million people. It is located along the edge of the Edwards Plateau. The Aquifer is divided into several different zones. In San Marcos, the recharge zone, transition zone, and contributing zone are on the west side of IH-35. The portion of the study area west of IH-35 is within the transition zone. The Texas Commission on Environmental Quality have regulations for all development within each zone.

**Figure 9.3, Edwards Aquifer Zones**



Source: San Marcos Land Development Code



## System Overview

The City's stormwater system is made up of watersheds, channels, culvert, storm sewer pipe, detention, rip rap, creeks, and rivers.

### Watersheds

As shown in Figure 9.4, *Watershed and Storm Sewer System*, there are seven (7) watersheds for San Marcos. The study area has portions of every watershed, except Sink Creek.

- Blanco River
- Bypass
- Cottonwood Creek
- Purgatory Creek
- San Marcos River
- Sink Creek
- Willow Springs Creek

## Engineering and Capital Improvement Projects in Design/Construction

### Blanco Gardens Drainage Improvements

The purpose of this project is to add new storm sewer system along Conway Street, Barbara Drive and River Road to relieve the existing storm system. Channel work and street regrading will also be included. Construction is scheduled to start Summer 2020 and complete Fall 2021.

### Hills of Hays Drainage Improvements

The Hills of Hays subdivision has a history of property and structural flooding during large rainfall events. The City is taking a holistic approach in evaluating neighborhood-wide drainage issues and developing drainage improvements. The project is being conducted in the following phases:

- Phase 1 (completed) included conducting a drainage evaluation with findings and recommendations. The proposed improvements consisted of new curb and gutters, storm sewer systems and a drainage ditch.
- Phase 2 (on-going) consists of developing drainage improvement designs, construction plans and documents.

### Midtown Drainage Improvements

Historically, the Loop 82/Aquarena Springs intersection is known to flood in major rainfall events. The recommended improvements include curb cuts and inlet improvements adjacent to the low point location combined with an inlet to send water from the north side of the road away from the intersection. Construction is scheduled to begin in the Summer of 2021 and complete in the Summer of 2022.

### Purgatory Creek Drainage Improvements

The objective of the Purgatory Creek Improvement project is to holistically approach flood mitigation, considering water quality and public space improvements. The project area consists of Purgatory Creek from the San Marcos River to the Flood Control Dam #5 located upstream of Wonder World Drive. The Phase 1 Area will be for the channel reach starting at the San Marcos River to near Johnson Avenue and the Phase 2 Area is from Johnson Avenue to Wonder World Drive. The City is currently taking conceptual ideas and developing detailed design and construction



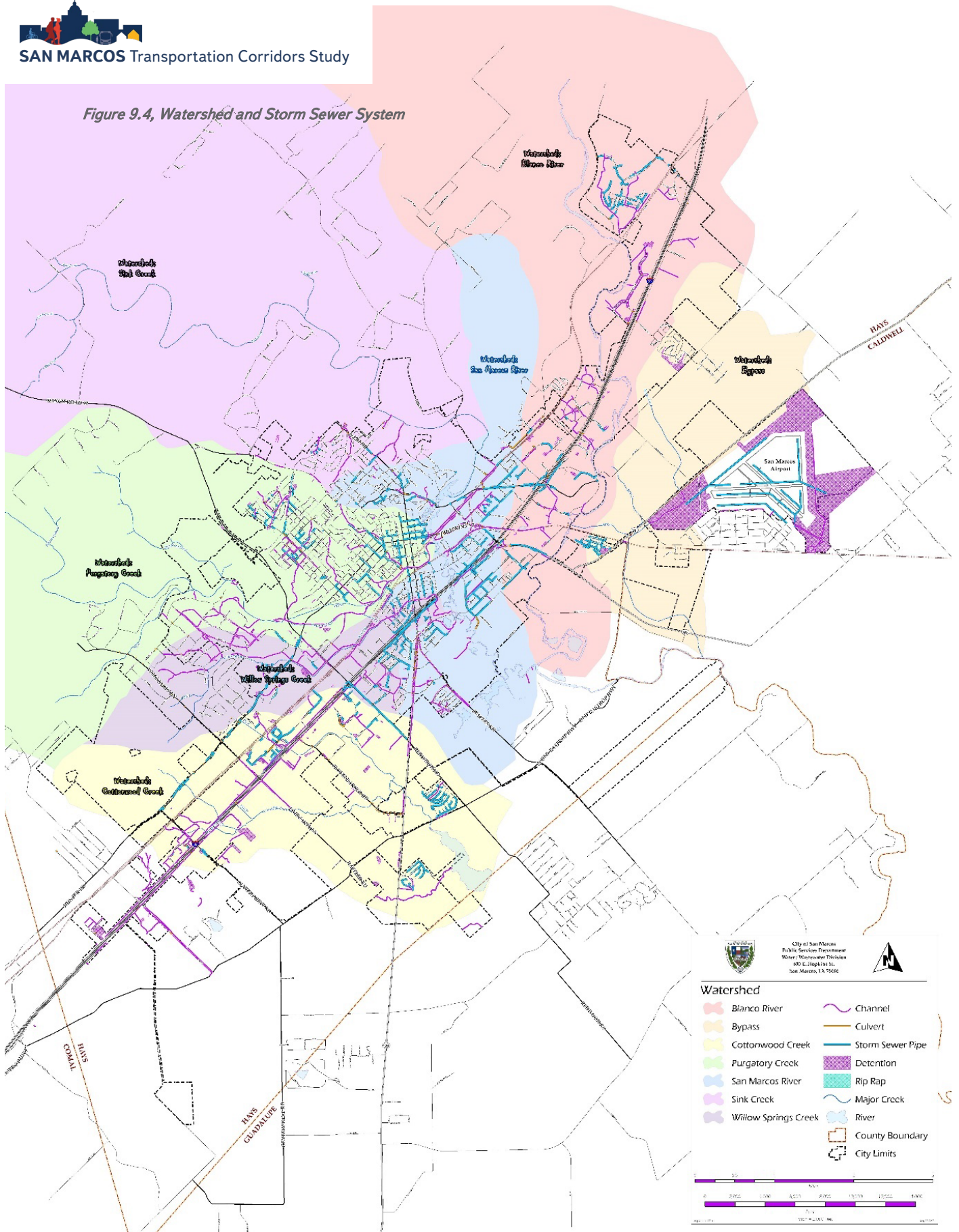
documents. The Phase 1 Area 30% level of designs is scheduled to be completed by the end of 2020 and final designs to start during 2021.

### **Storm System Modeling**

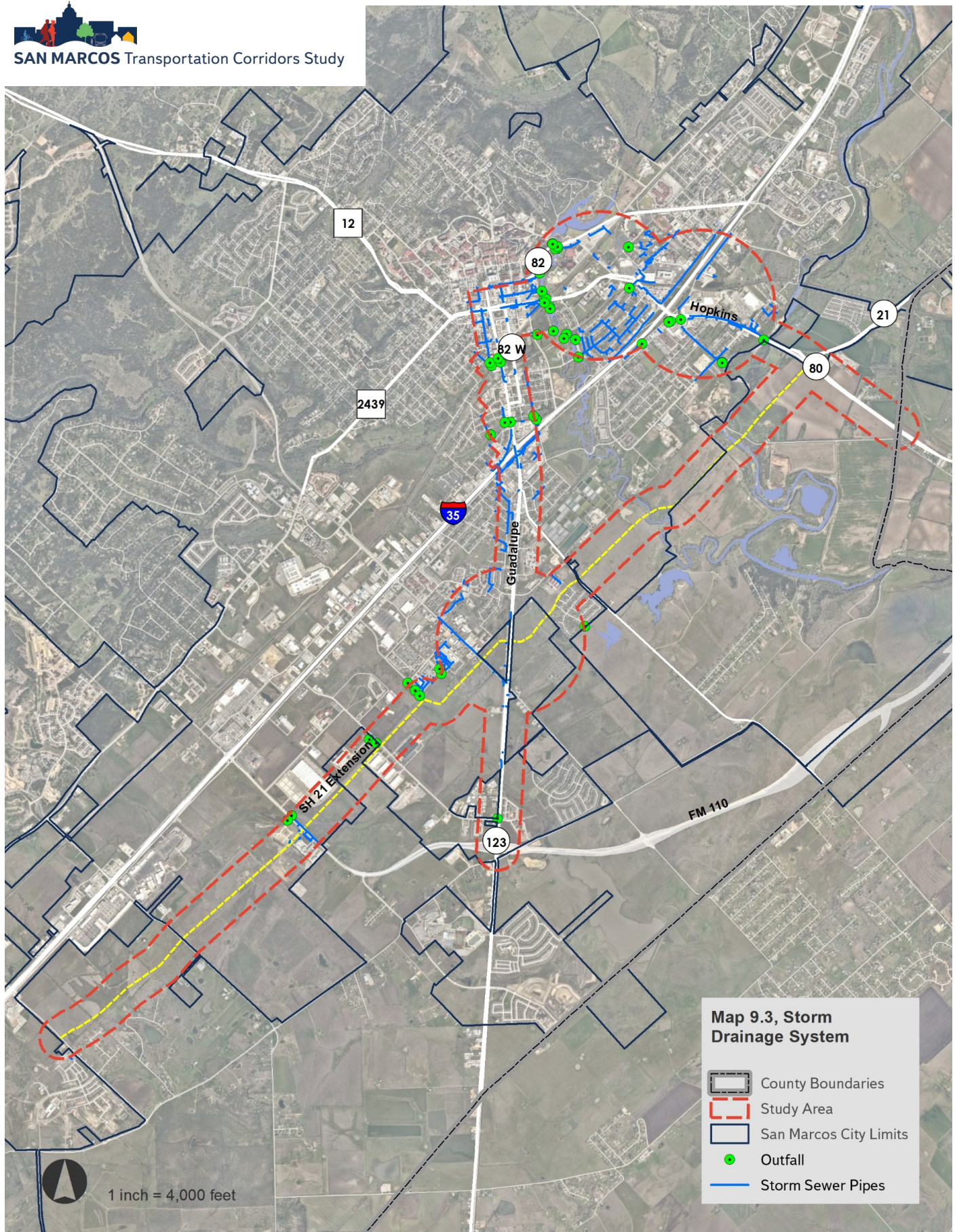
The City has identified the need to evaluate some of its existing flooding problem areas with the use hydraulic modeling. 2D model results will help identify proposed drainage facility requirements. The first area evaluated with 2D modeling was within the Purgatory Creek Watershed. The intent of the drainage study was to identify areas that do not currently meet the City’s design storm criteria which requires that all drainage be designed to intercept and transport runoff from a 25-year frequency storm. Results will be used to identify future capital improvement projects to correct the identified drainage issue. The City is in the process of identifying additional areas to be evaluated using 2D modeling.



Figure 9.4, Watershed and Storm Sewer System











## Findings

### **Wastewater**

The transmission and treatment capacity of the City's wastewater system is adequate to support additional development within the Study Area.

### **Potable Water**

The transmission and treatment capacity of the City's potable water system is adequate to support additional population and development within the Study Area.

### **Storm Drainage**

With respect to storm drainage, the portion of the Study Area west of Interstate 35 is considered within the transition zone of the Edwards Aquifer. Any proposed development associated with this study within this transition zone is subject to additional regulations of the Texas Commission on Environmental Quality (TCEQ).

### **Fiscal Impact Assessment**

Regarding evaluating the cost of services to support proposed development, the City's Capital improvements / Engineering Department is willing to work with the Consultant Team to review likely utilities infrastructure requirements for proposed development within the Study Area to determine adequacy of existing utilities infrastructure to support development.



# Technical Memorandum 10.o

## Fiscal Impact Analysis

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## 10.1 INTRODUCTION

Over the past decade, community planning efforts have increasingly considered the impacts of land use mix on municipal operating revenues and expenditures. Consideration of these “fiscal” implications ensures that the community “vision” is grounded in market and economic reality, and that a city’s future fiscal health or “balance” is maintained. The fiscal impact analysis is also designed to educate community stakeholders as to the fiscal implications of land use decisions and explain the relationship between revenue generation and service costs.

As part of the San Marcos Platinum Planning Study (SMPP) process, a preliminary fiscal impact analysis was conducted for potential new development within the City of San Marcos (the City) by 2040. The fiscal impact analysis considered a 20-year market cycle and focused on operating revenues and expenditures to the City and how they would be affected by the market-supported level of new development over that period.

## 10.2 BACKGROUND

A community’s fiscal environment can be described as a “three-legged” stool, balancing nonresidential development, municipal services and amenities, and residential development. The first “leg” of the stool -- nonresidential development -- provides the majority of revenues (property and sales tax) to support municipal services. Municipal services and amenities -- the second “leg” -- attract residents and maintain their quality of life. The third “leg” -- residential development -- generates the spending and employees to support local businesses. In order for a community to operate in a fiscally sound manner, this balance must continually be monitored and maintained, especially within the relatively high-growth environment that San Marcos currently exists. A community’s ultimate “return on investment” from development growth is largely determined by this balance. As San Marcos evolves as a community, the City recognizes the need for additional revenue-generating, nonresidential development to offset the costs of providing a high level of service and amenities to its residents.

## 10.3 METHODOLOGY

An analysis of potential long-term fiscal operating impacts was completed at a community-wide level to determine the ability to generate a balance between revenues and expenditures. General assumptions used in the fiscal impact analysis included:

- The City of San Marcos’s current budget (2020) reflects a reasonable balance between revenues and expenditures.
- Future revenues (taxes and fees) are based on current (2020) market values for various development types (residential, retail, employment).
- Future expenditures are based on current (2020) service costs per capita, including residents and employees.

In completing the fiscal analysis, the following information was obtained and analyzed:

- Market, economic and fiscal information from City staff
- Secondary research related to the real estate development industry
- Data regarding local market conditions from area property managers, brokers, appraisers and other real estate professionals

The fiscal impact analysis consisted of the following components:

- Development Program (net new development within the City resulting from 2040 growth projections by land use type)





— Land Use Mix

- Overall balance between residential and nonresidential development
- Development timing and absorption of uses (relates to market factors)
- Location and direction of development
- Efficiency of infrastructure to support development
- Value of new development (on a per unit or per square foot basis)

— Fiscal Revenue Estimates

- Considers fiscal operating revenues/expenses only (general fund)
- Tax revenues (property, sales, use)
- Franchise fees
- Licenses and permits
- Fees and charges
- Fines and forfeitures

— Service Cost Estimates

- Calculated on a per capita basis, including both residents and employees (service population)
- Employees' impact 1/3 of residents

— Capital Cost Impacts

- Measured by debt service associated with City's long-term General Obligation Bonds
- Calculated on a per capita basis, including both residents and employees (service population)

— Net Annual Fiscal Surplus/Deficit

- Difference between anticipated fiscal revenues and service costs



## 10.4 2040 FISCAL IMPACT ESTIMATES

The first step in measuring 2040 fiscal impacts for the City of San Marcos is determining the level of new development that could potentially occur over the next 20 years. Based on the market analyses summarized in Technical Memorandum 5.0, *Market Conditions Analysis*, Table 10.1, *Potential New Development*, summarizes the level of development that the City of San Marcos could reasonably capture over the next 20 years.

*Table 11.1, Potential New Development*

| Land Use Type                   | City of San Marcos<br>2040 |
|---------------------------------|----------------------------|
| <b>Residential (Units):</b>     |                            |
| Single Family Detached          | 10,170                     |
| Single Family Attached          | 3,390                      |
| Rental Apartments               | 9,040                      |
| <b>Non-Residential (Sq Ft):</b> |                            |
| Retail                          | 1,400,000                  |
| Employment (Office/Industrial)  | 5,700,000                  |

Source: Ricker | Cunningham.

As shown, San Marcos is positioned to capture a healthy share of all residential product types. Correspondingly, its share of retail and employment (office/industrial) development will be in line with what will be required to address the needs of new residents and employees. Given this level of market absorption captured by the City of San Marcos over the next 20 years, quantitative fiscal impacts to the City were then calculated, based on the following inputs:

### Population and Employment Estimates

- Population based on average household size by product type
- Employment based on square feet per employee by product type

### Revenue Estimates

- Property tax based on development value by land use type
- Sales tax based on dollars per square foot in taxable retail sales (represents a wide range of retail store types)
- Other revenues = licenses/permits, fees, fines, etc.

### Service Cost Estimates

- Service population = residents and employees
- Employees assumed to have 1/3 impact of residents
- Additional adjustment for employees who already live in San Marcos (to avoid double-counting)



Considering new development growth only, the anticipated 2040 land use mix has the potential to generate approximately \$6.4 billion in new development value, as indicated in Table 10.2, *Potential New Development Value*. This level of new development, in turn, has the potential to generate approximately \$57.6 million in new annual fiscal revenues for the City of San Marcos, as indicated in Table 10.3, *Potential Annual Fiscal Revenues*.

**Table 10.2, Potential New Development Value**

| Product Type                    | City of San Marcos    |                        |
|---------------------------------|-----------------------|------------------------|
|                                 | Total New Development | New Development Value  |
| <b>Residential (Units):</b>     |                       |                        |
| Single Family Detached          | 10,170                | \$3,051,000,000        |
| Single Family Attached          | 3,390                 | \$847,500,000          |
| Rental Apartments               | 9,040                 | \$1,356,000,000        |
| <b>Non-Residential (Sq Ft):</b> |                       |                        |
| Retail                          | 1,400,000             | \$315,000,000          |
| Employment (Office/Industrial)  | 5,700,000             | \$855,000,000          |
|                                 |                       | <b>\$6,424,500,000</b> |

Values based on:

|                        |           |           |
|------------------------|-----------|-----------|
| Single Family Detached | \$300,000 | per Unit  |
| Single Family Attached | \$250,000 | per Unit  |
| Rental Apartments      | \$150,000 | per Unit  |
| Retail                 | \$225     | per Sq Ft |
| Office/Industrial      | \$150     | per Sq Ft |

Source: Ricker | Cunningham.

**Table 10.3, Potential Annual Fiscal Revenues**

| Product Type                    | City of San Marcos             |                            |
|---------------------------------|--------------------------------|----------------------------|
|                                 | Added Taxable Value @ Buildout | Added Property Tax Revenue |
| <b>Residential (Units):</b>     |                                |                            |
| Single Family Detached          | \$3,051,000,000                | \$18,730,089               |
| Single Family Attached          | \$847,500,000                  | \$5,202,803                |
| Rental Apartments               | \$1,356,000,000                | \$8,324,484                |
| <b>Non-Residential (Sq Ft):</b> |                                |                            |
| Retail                          | \$315,000,000                  | \$1,933,785                |
| Employment (Office/Industrial)  | \$855,000,000                  | \$5,248,845                |
|                                 | <b>Property Tax*</b>           | <b>\$39,440,006</b>        |
|                                 | <b>Sales Tax**</b>             | <b>\$6,300,000</b>         |
|                                 | <b>Total Tax Revenues</b>      | <b>\$45,740,006</b>        |
|                                 | <b>Other Revenues ***</b>      | <b>\$11,893,138</b>        |
|                                 | <b>Total Revenues</b>          | <b>\$57,633,144</b>        |

\* based on City .6139 property tax rate.

\*\* based on estimated retail sales of \$300 per square foot and 1.5% City sales tax rate.

\*\*\*based on 2020 general fund revenues from permits, fees, licenses, fines, etc. -- per capita of \$164.

Source: Ricker | Cunningham.



The City’s “service population” consists of its residents and the employees who work there but live outside the City. As noted, the impact of employees is estimated to be approximately one-third that of residents, due to the limited time they spend in the community. Based on the level of new development expected by 2040, and considering the real estate product types anticipated, the City’s new service population in 2040 is estimated at approximately 72,700, as indicated in Table 10.4, *Estimated Service Population*.

**Table 10.4, Estimated Service Population**

|                             | City of San Marcos |
|-----------------------------|--------------------|
| Residents                   | 52,884             |
| Retail Employees            | 3,500              |
| Office/Industrial Employees | 16,286             |
| <b>Total</b>                | <b>72,670</b>      |

Resident/employee estimates based on:

|                        |                        |
|------------------------|------------------------|
| Single Family Detached | 2.8 household size     |
| Single Family Attached | 2.4 household size     |
| Rental Apartments      | 1.8 household size     |
| Retail                 | 400 Sq Ft per Employee |
| Office/Industrial      | 350 Sq Ft per Employee |

Source: Ricker | Cunningham.

The new development value and increase in service population generated by 2040 appears to generate a moderate fiscal surplus for the City in terms of annual operating revenues and expenditures (Table 10.5). This surplus represents an “order of magnitude” estimate and could obviously be affected by multiple variables, most significant of which is the balance between revenue-generating and service cost-producing land uses.

**Table 10.5, Potential Annual Fiscal Surplus/Deficit**

|                             | City of San Marcos             |                             |
|-----------------------------|--------------------------------|-----------------------------|
| Product Type                | Added Residents / Employees    | Added Annual Service Costs* |
| Residents                   | 52,884                         | \$49,743,779                |
| Retail Employees            | 3,500                          | \$1,097,391                 |
| Office/Industrial Employees | 16,286                         | \$5,106,226                 |
|                             | <b>Total Service Costs</b>     | <b>\$55,947,396</b>         |
|                             | <b>Total Revenues</b>          | <b>\$57,633,144</b>         |
|                             | <b>Total Surplus/(Deficit)</b> | <b>\$1,685,748</b>          |
|                             | <b>% Surplus/(Deficit)</b>     | <b>3%</b>                   |

\*based on 2020 general fund expenditures per capita of \$941 (including debt service).

Note: Service cost impacts of employees estimated at 1/3 of residents.

Source: Ricker | Cunningham.





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|                             | <b>% Surplus/(Deficit)</b>     | <b>3%</b>                   |

\*based on 2020 general fund expenditures per capita of \$941 (including debt service).

Note: Service cost impacts of employees estimated at 1/3 of residents.

Source: Ricker | Cunningham.



## 10.5 SUMMARY

The preliminary fiscal impact analysis highlights how critical land use decisions are to a community's financial well-being. The ability to effectively balance revenues and expenditures will ensure that residents will continue to enjoy quality municipal services and community amenities. This analysis has shown that the 20-year buildout of the community represents a relatively balanced mix of revenue-generating and cost-producing land uses designed to maintain the City's long-term fiscal health. In higher growth markets like San Marcos, the greater cost-producing land uses (residential) tend to lead development, with the greater revenue-generating land uses (retail and employment) coming after. This can sometimes result in a short-term fiscal deficit, until nonresidential land uses "catch up." This analysis will be utilized throughout the SMPP process as a tool to measure fiscal impacts from catalyst area development/redevelopment projects as they are designed. In this way, the City will be able to "benchmark" revenue and expenditure impacts on a periodic basis and potentially avoid fiscal deficits from an imbalanced land use mix.



# Housing Implementation Strategies 11.0

Several strategies and actions can be employed to achieve the development of desired housing results proposed within the Study's three Catalyst Development Sites, and to promote a greater mix of housing types throughout the study area. Such strategies are in addition to programs and funds made available through the federal (the Department of Housing and Urban Development — HUD- and other agencies) and state governments (through Texas Department of Housing and Community Affairs - TDHCA) that mostly aid lower-income households. The most prominent of these programs include the federal Low Income Housing Tax Credit (LIHTC) program, administered through the TDHCA, and funds the City of San Marcos receives through the HUD programs such as Community Development Block Grants (CDBG) and HOME (Home Investment Partnerships). These programs are limited to serving households primarily below 60 percent of the area median income (AMI). To the extent that the City wants to obtain new housing development to serve such households, it could encourage LIHTC projects (implemented by private developers) and include CDBG / HOME projects in its budgets.

Other programs are more applicable to assisting the development of the housing described in the recommended programs for the Catalyst Development Sites, which would likely primarily serve households in higher income ranges than 60 percent AMI or below.

## City-Owned Property RFQ/RFP

In some respects, the most direct method to obtain the desired housing applies to the City-owned sites Downtown and at the Government Center. The City can issue a Request for Qualifications (RFQ) or a Request for Proposals (RFP) to the development community specifying that respondents must commit to providing a housing development program comporting with the envisioned housing types and prices as described in this Study. This will allow the City to go through a selection process and ultimately negotiate financial terms for sale, ground lease, or other arrangement that can be put into a legal agreement for development of the properties. Housing types, design, and price ranges can be written into that agreement. It should be noted that the price of the land conveyance or use agreement will reflect the financial feasibility of the projects from the developers' perspectives, and may be lower than if City sold the sites on the open market without the restrictions in the RFQ/RFP approach.

## Infrastructure Finance Tools / Incentives

The City can also use various infrastructure / public facility financing tools and incentives to guide and assist development of targeted types and prices of housing. These tools could be especially applicable to the Medical Center site, which will require extensive investments in new streets, utilities, and other infrastructure and facilities. These tools include Tax Increment Reinvestment Zones (TIRZs) and Chapter 380 agreements. They would allow the City to help subsidize (ideally through performance-based reimbursements) the developers' costs of building the infrastructure and facilities. The policies (such as the TIRZ Project Plan) and legal development agreements that would be executed with developers through these tools could specify eligible housing types and price ranges, plus other elements such as design standards. Chapter 380 agreements for housing would require that there is an economic development purpose associated with it, generally that the benefiting development would provide a type or price of housing serving workers at local employers.





## Abatements/Neighborhood Empowerment Zones

State authorized Neighborhood Empowerment Zones (NEZ) can also apply to housing. If the City declares a site to be part of an NEZ, then new housing could be eligible for permit fee reductions or waivers and property tax abatements. The City could specify eligibility restrictions that target certain housing types or prices. It should be noted that **tax abatements may not be compatible with a TIRZ**, which rely on additional increments of property tax for funding.

## Public Finance Corporation (PFC) Housing Projects

The State of Texas allows local government corporations set up by public agencies such as cities and housing authorities to assist the development of rental housing. Public Finance Corporations (PFCs) enter into agreements with rental housing developers through a lease agreement in which the PFC owns the property but the developer is entitled to the rental revenue. This allows the project to remain tax-exempt, which can significantly enhance the private owner's net operating income (NOI). The principal requirement for PFC agreements is that at least 50 percent of the units be reserved for households making 80 percent of AMI or less. This can be an effective strategy for providing mixed-income workforce housing in desirable locations. The higher the supportable rents for the units that are not income-restricted, the more potential there is for income levels even below 80 percent AMI.

While the urban lofts envisioned for the Downtown and Government Center Catalyst Sites are meant to be targeted to affluent workers and probably not applicable for PFC agreements (plus the City may not want these properties to be tax-exempt), rental housing at the Government Center and Medical Center sites could be candidates for PFCs. It should be noted that, **similar to tax abatements, PFC agreements may not work well with TIRZs, or with Chapter 380 agreements** which rely on future property tax increment generation.

## Ensure Regulatory Alignment

When developers and builders have to seek variances from or negotiate lack of clarity or conflicts with local development codes and regulations, it adds cost to projects (both direct costs in the services and materials needed to make their case and indirect costs from the extended time needed for project approvals and permitting / inspections) and serves as a disincentive. These codes and regulations can include zoning, subdivision standards, parking requirements, and building codes. The City needs to ensure that its codes and regulations covering the various Catalyst Sites are fully aligned with the housing types and configurations envisioned in this plan so that develop of this housing can occur "by-right" and face minimal conflicts due to inappropriate building codes or requirements during construction. This recommendation is NOT meant to imply any undue compromises on life/safety standards or inappropriate burdens on municipal infrastructure.

## Partner with Institutions and Employers

Local institutions and employers that have interest in providing a wider variety of housing, or housing in key locations, for their workers can enter into partnerships with housing developers that can assist projects or mitigate financial risk. For example, for rental housing, a local employer could guarantee a certain minimum level of leasing, which would make that housing more attractive or lower risk for capital providers. Employers could also provide down payment assistance to their workers to buy homes in Medical Center Catalyst Site. These institutions and employers could even raise a fund to assist in capital provision (mezzanine loan, equity position, or other interest) for a housing development. Typical candidates for these kinds of agreements include health care institutions, academic institutions (colleges and universities), local governments, and major private employers. These organizations could even set up a private nonprofit to which they collectively contribute for purpose of providing these kinds of assistance and partnerships.





# Roadway Cost Estimates 12.0

Cost estimates for the construction/reconfiguration of the three Study Area thoroughfares are listed by below by transect. Estimates are derived from average low bid unit prices maintained by TxDOT.

## Opinions of Probable Construction Costs

The opinions of probable construction costs (OPCC) for the construction or reconfiguration of study area thoroughfare segments are subject to the assumptions and disclaimers summarized below.

- All OPCC estimates represent the best judgment of professionals familiar with the construction industry and current available unit pricing\*. Consultant does not guarantee that proposals, bids or actual Project Construction Costs will not vary from this opinion. Quantities are estimates only and the actual amount of work and materials are contingent upon final existing conditions, survey, and construction design of these improvements.
- Unit pricing is based on average cost statewide and does not account for any site specific determinants that would effect costs of construction (i.e., unknown subsurface conditions, structural foundations/footing per local soil conditions, etc.)
- Thirty percent construction contingency Includes (but is not limited to): general conditions, mobilization, demolition, erosion/sedimentation control, site retaining walls and unclassified earthwork.
- Environmental and regulatory review, permitting and fees are not included in this OPCC presented in this Plan.
- Horizontal utility adjustments/relocations/extensions/services for storm sewer, domestic water, sanitary sewer, gas, electric and communication utility lines to the site are not included in the OPCC presented in this plan.
- Projection of future construction costs should include a 10 percent annual increase at a minimum.

| Roadway Cost Estimates by Transect |                                     | Approximate Distance (Miles [Mi.] / Linear Feet (LF)) | Projected Cost (\$) <sup>1</sup> |
|------------------------------------|-------------------------------------|---|----------------------------------|
| Transect                           |                                     |   |                                  |
| <b>Guadalupe Street / SH 123</b>   |                                     |   |                                  |
| <b>01</b>                          | Downtown Square to Grove St.        | 0.69 Mi./ 3650 LF                                     | \$8,400,000.00                   |
| <b>02</b>                          | Grove St. to IH 35                  | 0.38 Mi./2000 LF                                      | \$9,700,000.00                   |
| <b>03</b>                          | IH 35 to DeZavala Dr.               | 0.94 Mi./4950 LF                                      | \$9,400,000.00                   |
| <b>04</b>                          | De Zavala Dr. to Wonder World Dr.   | 0.62 Mi./3250 LF                                      | \$24,400,000.00                  |
| <b>05</b>                          | Wonder World Dr. to SH 110          | 1.09 Mi./5,750 LF                                     | \$18,800,000.00                  |
| <b>Hopkins Street / SH 80</b>      |                                     |   |                                  |
| <b>01A</b>                         | Downtown Square to San Marcos River | 0.34 Mi./1800 LF                                      | \$3,900,000.00                   |
| <b>01B</b>                         | San Marcos River to Thorpe Ln.      | 0.64 Mi./3400 LF                                      | \$19,500,000.00                  |
| <b>02</b>                          | Thorpe Ln. to River Rd.             | 0.80 Mi./4200 LF                                      | \$7,200,000.00                   |
| <b>03</b>                          | River Rd. to SH 110                 | 2.42 Mi./12800 LF                                     | \$34,900,000.00                  |
| <b>North-South Connector</b>       |                                     |   |                                  |
| <b>01</b>                          | SH 80 to Staples Rd.                | 2.33 Mi./12300 LF                                     | \$45,000,000.00                  |
| <b>02</b>                          | Staples Rd. to Wonder World Dr.     | 0.91 Mi./4800 LF                                      | \$10,300,000.00                  |
| <b>03</b>                          | Wonder World Dr. to Posey Rd.       | 3.85 Mi./20350 LF                                     | \$52,000,000.00                  |

\* OPCC presented in this Plan do not include subsurface utilities.

