

RESOLUTION NO. 2026-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE A REPAYMENT AGREEMENT WITH THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT RELATED TO THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM.

WHEREAS, the City of San Marcos administers the Community Development Block Grant (CDBG) Program in accordance with requirements established by the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, HUD has provided the City with a Repayment Agreement establishing the terms for repayment of certain previously expended CDBG funds; and

WHEREAS, the Repayment Agreement requires repayment of \$1,490,811 through three annual installments of \$496,937 due no later than July 31, 2026, July 31, 2027, and July 31, 2028; and

WHEREAS, pursuant to the Repayment Agreement, funds repaid by the City will be restored to the City's CDBG line of credit and made available for future eligible CDBG activities in accordance with HUD requirements; and

WHEREAS, City Council previously approved Substantial Amendments to prior CDBG Annual Action Plans through Resolution No. 2025-9435 and Resolution No. 2026-9580, establishing eligible activities for future allocation of restored CDBG funds; and

WHEREAS, the amount of the Repayment Agreement exceeds the City Manager's signing authority and therefore requires approval by the City Council.

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of San Marcos hereby:

- Authorizes the Repayment Agreement with the U.S. Department of Housing and Urban Development in the amount of \$1,490,811 related to the Community Development Block Grant Program, and authorizes the City Manager to finalize, execute, and administer the agreement and any related documents necessary to implement its terms.
- Authorizes the City Manager to appropriate funds in the appropriate operational and capital improvement program budgets as needed to satisfy the requirements of the agreement.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of San Marcos this 23rd day of June 2026, by the following roll call votes:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

Rebecca D. Jones, Mayor
City of San Marcos

ATTEST:

Phillip Scollick, City Clerk
City of San Marcos