

DRAFT
CONSOLIDATED PLAN
(July 1, 2020-June 30, 2024)
AND
ANNUAL ACTION PLAN
(July 1, 2020-June 30, 2021)

Community Development Department
City of Watsonville
831-768-3080
250 Main Street Watsonville, CA
95076



Executive Summary

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The City of Watsonville (City) is an entitlement jurisdiction that receives federal funds from the U. S. Department of Housing and Urban Development (HUD) to invest in local communities.

The City receives HUD funding under the Community Development Block Grant (CDBG) Program, which is designed to assist low and moderate income (LMI) households. The consolidated plan must also address special needs identified as the needs of elderly, persons with disabilities, homeless individuals and others.

To meet the community's needs, the Plan is guided by the following goals:

- Affordable Housing – Providing safe, decent affordable housing for extremely low to moderate income households, preserving and increasing the affordable housing stock and supporting housing programs for the homeless, including emergency shelter, transitional and permanent housing programs, and homeless prevention
- Economic Development – Provide opportunities to promote economic development and enhance housing stock by expanding economic opportunities through enhancement of downtown living areas and commercial/industrial environments through improvement programs
- Public Services – Enhance public safety and suitable living environments by: 1) Supporting Crime prevention and Code enforcement activities; increased affordable housing opportunities; and 2) By increasing supportive services to people with special needs, homeless persons, and low-income persons and families
- Public Facilities – Enhance the community's image and living conditions by fostering improved infrastructure , and parks conditions to serve low and moderate income needs including continued improvements with public facilities rehabilitation and infrastructure reconstruction

Enhance the community's image and living conditions by fostering improved infrastructure, and parks conditions to serve low and moderate income needs including continued improvements with public facilities rehabilitation and infrastructure reconstruction

As an entitlement jurisdiction, HUD requires that the City prepare a Consolidated Plan every five years to foster a community-wide dialogue regarding the market environment and affordable housing and community development needs of the City. The City is also required to prepare an Annual Action Plan to report on the distribution of federal funding and a Consolidated Annual Performance Evaluation Report

(CAPER) to identify the City’s progress in meeting the goals discussed in the Consolidated Plan’s Strategic Plan and Annual Action Plan.

The 2020-2024 Consolidated Plan serves the following functions:

1. A planning document for the City of Watsonville, which builds on a participatory process;
2. An application for federal funds under HUD’s CDBG formula grants program;
3. A strategy to be followed in carrying out HUD’s programs; and
4. An allocation of funds to specific projects for the first fiscal year of the Consolidated Plan.

Introduction

Consolidated Plan Timeframe

The 2020-2024 Consolidated Plan covers the timeframe from July 1, 2020 to June 30, 2025, a period of five fiscal years. During this timeframe, the City anticipates receiving only CDBG funding directly from HUD.

Consolidated Plan Format

HUD released a new tool for grantees that allows the preparation of the Consolidated Plan and Action Plan in the Integrated Disbursement and Information System (IDIS), which is the system in which projects and funding are tracked. The goal of the new tool was to standardize the preparation of the Consolidated Plan and ensure that all jurisdictions met the statutory requirements for the documents.

The Consolidated Plan tool provides data from HUD-selected sources, primarily the American Community Survey (ACS) 2011-2015 data set. In addition, the Plan tool offers a question and answer format. Limited opportunities for customization are available. In some cases, the questions are targeted toward grantees receiving other HUD funding sources, such as HOME, Emergency Shelter Grant (ESG), and Housing Opportunities for People with AIDS (HOPWA).

Income Definitions

The primary focus of the CDBG program is on assisting low-income households. The Median Family Income is a measure used to help HUD and other federal and State granting agencies determine the prevalence of lower income households in specific regions. It is based on several measures, including local housing costs, local costs of living, and local incomes. The 2020 HUD determined Median Family Income (for a family of four) in the City of Watsonville for 2020 is \$110,000. Throughout this document, there are several references to various income levels. These levels are:

Introduction 2 Table

The maximum income for each category is defined by HUD on an annual basis, and is adjusted based on household size.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

Each year the U. S. Department of Housing and Urban Development (HUD) assesses the City's management of CDBG program funds, compliance with the Consolidated Plan, and City efforts to preserve and develop decent and affordable housing, create suitable living environment, and expand economic opportunities.

Overall, the City has performed satisfactorily in addressing its priority needs and carrying out the programs described in the Consolidated Plan. For example, the city administered a rehabilitation program, provided affordable housing and down payment assistance utilizing both CDBG and other funding sources. The City also worked with El Pájaro Community Development Corporation to provide micro-enterprise business technical assistance.

The Needs Assessment identified several target populations:

- Extremely low-income and very low-income populations;
- Homeless persons;
- Seniors; and
- Youth

The Needs Assessment also identified several types of projects that are needed in the community:

- Affordable Housing, especially for the lowest income brackets
- Transitional Housing and/or emergency housing for families and children
- Public facilities (either new or upgraded) including senior and youth centers and parks facilities
- Public improvements, especially those focused on increased accessibility
- Public services for a wide range of populations, including seniors, youth, and homeless

Over the next five years the City anticipates funding projects related to these needs, subject to availability of funding resources, nonprofit partnerships and market conditions, which may ultimately limit the City's ability to fund some projects.

3. Evaluation of past performance

The City evaluated its past performance as part of setting the goals and strategies associated with this Consolidated Plan. The City had great success completing the following projects since its last consolidated plan:

Affordable Housing

- Completed 2 100% affordable rental housing developments, Blackbird Apartments consisting of 48 units and Pippin Orchard also consisting of 48 units
- Rehabilitated 37 owner occupied residential housing units
- Rehabilitated 100 rental residential housing units
- Provided 17 homebuyer loans

Economic Development

2015

- School Crossing Upgrades
- Main Street Improvement Project
- Freedom Boulevard Adaptive Signal Project
- Citywide Fiber Optic Project
- Alley Improvements
- Recruited 3 new companies

2016

- Lakeside Organic Gardens LLC Expansion
- Hazelwood Park Trail
- Airport Boulevard Reconstruction
- Rail Trail-Pedestrian Trail
- City Wide Re-Striping for Traffic Safety
- Senior Center Repairs
- Recruited 3 new companies

2017

- CVS Pharmacy Expansion
- Chevrolet of Watsonville Expansion
- Sidewalk Infill Project
- Airport Boulevard Improvement Project
- Rail Trail Project
- Downtown Revitalization
- Driscoll's Inc. Expansion
- Recruited 3 new companies

2018

- Safe Routes/Complete Streets to School Plan
- Complete Streets Downtown Watsonville
- Recruited 5 new companies

2019

- Bicycle Safety Improvements
- Airport Boulevard Roadway Reconstruction
- Green Valley Adaptive Signal Project
- Recruited 3 new businesses
- Started 2 development projects

2020

- Pedestrian and Traffic Safety Improvement Project
- Community Bridges Expansion
- Recruited 2 new businesses
- More to come!

3.1 Evaluation of past performance

Youth Services

Local objectives of providing positive alternatives for youth in order to prevent juvenile crime and gang violence are addressed through several ongoing programs under the Police and the Parks and Community Services Departments. These programs include the following:

Caminos Program: targets first time offenders between the age of 10 -17 years old and hold youth accountable for their actions through restorative justice: Teen Peer Court or Neighborhood Accountability Board Program. The family is also offered case management, cognitive behavior therapy, individual/group/family counseling, mentoring, pro-social activities as well as Guiding Good Choices. Between January 2012 and December 2019, 405 youth have completed the program and 348 youth out of 405 (86%) have remained arrest-free.

School Resource Officer Program (SROs): Watsonville law enforcement officers are placed at Watsonville High School and Pájaro Valley High School to proactively promote safety within schools by building trusting relationships with students, staff and caregivers. SRO's fulfill a variety of roles: preventing and responding to school-based crime; fostering positive relationships among law enforcement, educators, and youth; and promoting a positive school climate. Through these partnerships, SRO's act as information liaisons, gathering and sharing knowledge across sectors and help develop effective prevention strategies.

Police Activities League (PAL): is a youth crime prevention program that serves youth 4 to 20 years of age and it relies on educational, mentorships, athletic and other recreational activities to cement a bond among police officers, recreation leaders, youth and their parents. PAL provides youth the opportunity to become a positive influence in their community through their participation various leadership/team building activities.

The Watsonville Police Cadet Program: operates under the sponsorship of the Chief of Police and the Watsonville Police Department. The youth are between fourteen and twenty years old. Watsonville police officers volunteer their services as advisers whose role is to mentor the cadets. The program provides young people with the opportunity to explore the law enforcement field as a possible career choice. The Cadets are active in traffic control for a number of events including the AT&T Golf Tournament. They also attend the San Diego Law Enforcement Explorer Academy each year and compete throughout the year with other posts.

3.2 Evaluation of past performance

Youth Programs Parks and Community Services

F.L.Y.E.R.S. After School Program

An after school program for youth in first through fifth grade. Transportation is provided from school to the program. Each day youth receive homework assistance and a healthy snack. They also participate in sports, games and arts & crafts activities.

Spring Break Day Camp

A week long day camp for youth ages 5 to 12 held during the Pájaro Valley Unified School District spring and winter breaks. The full day camp features a variety of fun activities, healthy snacks and lunches and a trip to a local attraction.

Camp W.O.W. Summer Day Camp

Camp W.O.W is a summer day camp for youth ages 5 to 12. The camp is comprised of 8, 1-week sessions. Each session features a different theme and a trip to a destination related to the theme. All of the activities offered during a session support the theme. Youth participate in a variety of sports, games and arts & crafts activities. They are also served healthy snacks and a healthy lunch.

Youth Soccer Program

The youth soccer program offers recreational and competitive opportunities for boys and girls ages 5-14. The program offers leagues in the spring and fall and is affiliated with Club de Fútbol Universidad Nacional A. C. (Pumas).

Youth Gymnastics Program

The gymnastics programs for youth ages 3 to 10 follow the USA Gymnastics progression. It is designed to teach basic gymnastics skills. Emphasis is on developing motor skills, eye-hand coordination and confidence.

Youth Center Programs

The Youth Center is open for youth to participate in a variety of structured and non-structured activities. Youth may play games, use sports equipment on their own or take part in structured activities such as cooking classes, arts & crafts activities and sports tournaments.

3.3 Evaluation of past performance

Summer Aquatics Program

The summer aquatics program features swim lessons for youth of all ages. From the Parents & Tots class to the Swimmers class, there is an opportunity for youth of all skill levels to participate. In addition, the program offers open recreational swim times each day during the summer.

Police Activities League

The Police Activities League (PAL) is a youth crime prevention program that works with the Police Department and relies on educational, athletic, and other recreational activities to cement a bond among police officers, recreation leaders, youth and their parents. The PAL program is designed to give youth a chance to better themselves and become a positive influence within their community.

Senior Center

The City offers a variety of programs and activities for Older Adults in our community at the Watsonville Senior Center located at 114 E. Fifth Street.

Enrichment Programs

The City offers a variety of enrichment programs that are skill based, fun, and are specifically designed to provide recreational opportunities for youth and adults. Classes include yoga, ballet, karate, and Lego engineering.

Public Facilities – Infrastructure

The City's infrastructure is improved by various Public Works projects, including reconstruction, rehabilitation, and/or addition of streets, sidewalks, and other types of infrastructure, and the removal architectural barriers to accessibility for the physically challenged within public areas and ways.

Public Facilities

Summary 2015 - 2020

- School Crossing Upgrades
- Citywide Fiber Optic Project
- Freedom Boulevard Adaptive Signal Project
- Freedom Boulevard Reconstruction PH2
- Hazelwood Park Trail
- Sidewalk Infill Project
- Downtown Revitalization
- Airport Boulevard Improvement Project
- Safe Routes/Complete Streets to School Plan
- Complete Streets Downtown Plan
- Bicycle Safety Improvements
- Pedestrian and Traffic Safety

3.4 Evaluation of past performance

Homelessness and Special Needs

The City addresses the needs of the homeless and citizens with special needs by ongoing support of local service agencies through the City's Social Service Grant Program. Additionally, the City participates in the Santa Cruz County-wide Continuum of Care strategy through financial and human resources contributions to the Homeless Action Partnership (formerly the Santa Cruz County Continuum of Care Committee).

Special Housing Need

Housing and supportive services for elderly, frail elderly, person with disabilities (mental, physical, developmental), persons with alcohol or other drug addiction, persons with HIV/AIDS and their families is provided by various community and social service agencies that are assisted by the City's Social Service Grant Program.

Transitional Housing Programs

Two transitional housing programs currently operate facilities and provide services in the City of Watsonville with a third Shelter run by Grace Harbor, a branch of Pájaro Valley Rescue Mission, opened in 2015 but unfortunately closed in 2018.

- Pájaro Valley Shelter Services (PVSS) utilizes a comprehensive, outcome-oriented approach to homelessness, which includes counseling and other services such as the childcare center, to help families move beyond the cycle of poverty and homelessness.
- The Salvation Army continues to manage the Loma Prieta Transitional Housing Complex, which is made up of three older homes that were rehabilitated with FEMA 403 funds and technical help provided by the City's Housing Rehabilitation Program. The Loma Prieta program provides services and counseling to prepare their clients to make the transition to permanent housing and independent living.

Non-Housing Community Development

Through Subgrantee, El Pájaro Community Development Corporation, provided technical assistance to 575 local businesses, including 55 Plaza Vigil Business Incubator merchants during 2015-2020.

4. Summary of citizen participation process and consultation process

The City offered several opportunities for participation and comment throughout the Consolidated Plan process

- Date of Public Meeting: January 28, 2020
- Date of Public Meeting: February 24, 2020
- The Plan was published for review on March 23, 2020
- Date of Public Meeting: March 23, 2020
- Date of Remote/Teleconference Public Meeting: October 12, 2020
- Date of Remote/Teleconference Public Meeting: October 23, 2020
- The Plan was published for review on October 9, 2020
- Notice of the Availability of the Plan was published on September 25, 2020, in the Register-Pajaronian, a newspaper of local circulation
- Notice of Public Hearing on the Plan was published October 23, 2020
- Public Hearing was held November 10, 2020
- City published a draft summary of Consolidated Plan on September 25, 2020, inviting citizen and community group involvement in establishing priorities and planning process
- Thirty-day citizen comment period opened October 9, 2020, and closed November 9, 2020
- Staff emailed a survey to service providers to obtain feedback
- Staff made an online survey available to service providers and residents

Feedback received through the outreach efforts, such as meetings with nonprofits, service providers and online survey responses, is incorporated into the Plan.

5. Summary of public comments

Public comments received during the public hearing were all supportive of the funding of activities identified.

6. Summary of comments or views not accepted and the reasons for not accepting them

To date the City has not received any public comments that were not accepted. The City attempted to incorporate feedback received throughout the Consolidated Plan outreach efforts into the Plan.

7. Summary

Based on the needs assessment, market analysis, and public outreach, the City identified the following priorities for the Consolidated Plan that would build a healthy community and expand economic opportunities:

- Affordable Housing – Providing safe, decent affordable housing for extremely low to moderate income households, preserving and increasing the affordable housing stock and supporting housing programs for the homeless, including emergency shelter, transitional and permanent housing programs, and homeless prevention
- Economic Development – Provide opportunities to promote economic development and enhance housing stock by expanding economic opportunities through enhancement of downtown living areas and commercial/industrial environments through improvement programs
- Public Services – Enhance public safety and suitable living environments by: 1) Supporting Crime prevention and Code enforcement activities; increased affordable housing opportunities; and 2) By increasing supportive services to people with special needs, homeless persons, and low-income persons and families
- Public Facilities – Enhance the community's image and living conditions by fostering improved infrastructure, and parks conditions to serve low and moderate income needs including continued improvements with public facilities rehabilitation and infrastructure reconstruction

These goals align closely with the City Council's five goals, which include:

- Affordable Housing
- Public Services
- Economic Development
- Reduce Reliance on Reserve Funds

- Improve Communications
- Enhance Community Image

To address these goals, the City plans to fund downtown improvement plans and infrastructure upgrades, improvements to parks and senior and youth, service centers, continuing code enforcement activities in low income areas, provide loans to homeowners needing health and safety repairs, support microenterprise businesses, support services to the homeless, assist with accessibility and new facility projects. Other types of projects may be considered as needed throughout the Consolidated Plan timeframe.

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	WATSONVILLE	Community Development Department

Table 1 – Responsible Agencies

Narrative

The City of Watsonville (City) is the Lead Agency for the United States Department of Housing and Urban Development (HUD) entitlement programs. The City's Community Development Department is responsible for administering the funds it receives under the Community Development Block Grant (CDBG).

Consolidated Plan Public Contact Information

City of Watsonville

Community Development Department

250 Main Street, Watsonville, CA 95076

Phone: (831) 768-3080; Fax: (831) 763-4114

Email: angela.paz@cityofwatsonville.org

PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.215(I) and 91.315(I)

1. Introduction

In preparing the Consolidated Plan, the City consulted a variety of agencies, including local and regional non-profits, government organizations, faith-based organizations, fair housing advocates and other organizations involved in the development and preservation of affordable housing , creation of job opportunities for low- and moderate-income residents, and/or provision of services to children, elderly persons, persons with disabilities, persons with HIV/AIDS and their families, and homeless persons. To facilitate this consultation, the City solicited feedback through the following methods:

- Stakeholder surveys (web-based, social media, and paper surveys)
- Individual stakeholder consultations
- Public meetings
- Public hearings
- Receipt of written comments

The City prepared a Community Needs Survey, in both English and Spanish. The survey was distributed at key locations throughout the City and was also accessible in both languages and formats on the City's website and emailed to service providers.

The goal of the consultation process was to gather data to help determine the priority needs of City of Watsonville residents and opportunities for coordination to improve availability and accessibility to services.

The input gathered from these consultation partners helped establish and inform the objectives and goals described in the Strategic Plan.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I)).

The City of Watsonville recognizes the importance of careful coordination and alignment among various service providers to maximize the effectiveness of their programs. As a result, during the development of this Consolidated Plan, the City closely consulted with organizations that provide assisted housing, health services and other community-focused agencies. Engagement efforts included outreach on social media and surveys that included specific questions associated with coordination, invitations to community meetings and follow-up interviews where appropriate.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

The City of Watsonville is an active member of the Watsonville/Santa Cruz City & County Continuum of Care (CoC). The Santa Cruz County Homeless Action Partnership (HAP) is the lead agency responsible for the application to HUD's Continuum of Care Homeless Assistance Program and oversees and acts on behalf of the full CoC membership. The City of Watsonville is an active partner on the HAP Governance Board, the HAP Jurisdictional Executive Committee, and the Strategic Planning Committee.

The CoC assists homeless persons or those in danger of becoming homeless, who are also served by support units countywide, including Watsonville.

The CoC is broadly representative and includes individuals and organizations from throughout the CoC geographic area, representing a range of opinions, knowledge and interests. In establishing sub-groups, the CoC specifically invites not only CoC members, but also other interested community organizations and individuals.

The HAP Governance Board is represented by County Mental Health; the Cities of Santa Cruz, Watsonville and Scotts Valley; United Way; Mountain Community Resources; VA; Medical Center; Watsonville Law Center; and a homeless individual. CoC planning committees or workgroups include the following:

The full CoC membership meets on a quarterly basis to identify gaps in homeless services, establish funding priorities, and to pursue an overall systemic approach to addressing homelessness.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Association of Watsonville Area Seniors
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
2	Agency/Group/Organization	Big Brothers Big Sisters of Santa Cruz County
	Agency/Group/Organization Type	Services-Children
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
3	Agency/Group/Organization	California Rural Legal Assistance, Inc.
	Agency/Group/Organization Type	Services-Victims of Domestic Violence Service-Fair Housing Legal Assistance and Continuum of Care
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Non-Homeless Special Needs Market Analysis Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
4	Agency/Group/Organization	CASA of Santa Cruz County
	Agency/Group/Organization Type	Services-Children Services-Victims of Domestic Violence

	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
5	Agency/Group/Organization	Catholic Charities
	Agency/Group/Organization Type	Housing Continuum of Care and Faith Based Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Non-Homeless Special Needs Market Analysis Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
6	Agency/Group/Organization	Center for Employment Training (CET)
	Agency/Group/Organization Type	Services-Education Services-Employment
	What section of the Plan was addressed by Consultation?	Anti-poverty Strategy Non-Housing Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
7	Agency/Group/Organization	Central Coast Center for Independent Living
	Agency/Group/Organization Type	Services-Persons with Disabilities Continuum of Care
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis, Non-housing Community Development Needs

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
8	Agency/Group/Organization	Central Coast Energy Services, Inc.
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
9	Agency/Group/Organization	Central Coast Small Business Development Center (SBDC)
	Agency/Group/Organization Type	Small business services
	What section of the Plan was addressed by Consultation?	Non-housing Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
10	Agency/Group/Organization	COMMUNITY ACTION BOARD OF SANTA CRUZ.
	Agency/Group/Organization Type	Housing Continuum of Care, Referral and counseling service
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Non-Homeless Special Needs Market Analysis Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.

11	Agency/Group/Organization	Community Bridges (AKA La Manzana Community Resources)
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Health Services-Education Continuum of Care, Referral Service
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Non-housing Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
12	Agency/Group/Organization	El Pajaro Community Development Corporation
	Agency/Group/Organization Type	Services-Education Services-Employment Economic Development
	What section of the Plan was addressed by Consultation?	Non-housing Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
13	Agency/Group/Organization	Encompass
	Agency/Group/Organization Type	Housing Services-Children Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Health Services-Education Continuum of Care

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis Non-housing Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
14	Agency/Group/Organization	Families in Transition of Santa Cruz County, Inc.
	Agency/Group/Organization Type	Services-homeless Continuum of Care
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
15	Agency/Group/Organization	Family Service Agency of the Central Coast
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Health
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
16	Agency/Group/Organization	Farm Bureau of Santa Cruz County
	Agency/Group/Organization Type	Services-Education Farming Advocacy

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Market Analysis Non-housing Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
17	Agency/Group/Organization	Housing Authority of Santa Cruz County
	Agency/Group/Organization Type	PHA Continuum of Care
	What section of the Plan was addressed by Consultation?	Public Housing Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input. In addition, the Agency was contacted via email seeking information about public housing activities in Watsonville, which was provided and included in the Plan.
18	Agency/Group/Organization	Housing Choices Coalition
	Agency/Group/Organization Type	Housing Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
19	Agency/Group/Organization	Monarch Services (AKA Women's Crises Support-Defensa de Mujeres)
	Agency/Group/Organization Type	Services-Victims of Domestic Violence
	What section of the Plan was addressed by Consultation?	Housing Need Assessment

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input. In addition, the Director was contacted via email seeking information about victims of domestic or other violent acts.
20	Agency/Group/Organization	Pajaro Valley Chamber of Commerce
	Agency/Group/Organization Type	Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Anti-poverty Strategy Non-housing Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
21	Agency/Group/Organization	Pajaro Valley Children's Center
	Agency/Group/Organization Type	Services-Children
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Non-housing Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
22	Agency/Group/Organization	Pajaro Valley Loaves and Fishes
	Agency/Group/Organization Type	Food Pantry
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Non-housing Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.

23	Agency/Group/Organization	PAJARO VALLEY SHELTER SERVICES
	Agency/Group/Organization Type	Housing Services-Victims of Domestic Violence Services-homeless Continuum of Care,
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Non-Homeless Special Needs Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
24	Agency/Group/Organization	Salud Para La Gente
	Agency/Group/Organization Type	Services-Health Health Agency
	What section of the Plan was addressed by Consultation?	Lead-based Paint Strategy Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
25	Agency/Group/Organization	Salvation Army
	Agency/Group/Organization Type	Housing Services-Children Services-Elderly Persons Services-Victims of Domestic Violence Services-homeless Regional organization Continuum of Care, Emergency Disaster Relief

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Non-Homeless Special Needs Market Analysis Anti-poverty Strategy Non-housing Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
26	Agency/Group/Organization	San Andreas Regional Center
	Agency/Group/Organization Type	Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
27	Agency/Group/Organization	Santa Cruz AIDS Project
	Agency/Group/Organization Type	Services-Persons with HIV/AIDS Continuum of Care
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input. In addition, Agency was consulted by telephone.
28	Agency/Group/Organization	Santa Cruz County Business Council
	Agency/Group/Organization Type	Business Leaders
	What section of the Plan was addressed by Consultation?	Market Analysis Non-housing Community Development Strategy

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
29	Agency/Group/Organization	Santa Cruz County Planning Department (Economic Development)
	Agency/Group/Organization Type	Other government - County
	What section of the Plan was addressed by Consultation?	Anti-poverty Strategy Non-housing Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
30	Agency/Group/Organization	Santa Cruz County Planning Department (Housing)
	Agency/Group/Organization Type	Other government - County Continuum of Care
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Non-Homeless Special Needs Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input. In addition, Agency was contacted via phone seeking information about homelessness.
31	Agency/Group/Organization	Santa Cruz County Workforce Investment Board
	Agency/Group/Organization Type	Services-Employment Other government - County Planning organization
	What section of the Plan was addressed by Consultation?	Anti-poverty Strategy Non-housing Community Development Strategy

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
32	Agency/Group/Organization	SECOND HARVEST FOOD BANK
	Agency/Group/Organization Type	Food Bank
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
33	Agency/Group/Organization	Senior Circle
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis Non-housing Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
34	Agency/Group/Organization	Seniors Council of Santa Cruz County (AKA Area Agency on Aging)
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis Non-housing Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.

35	Agency/Group/Organization	United Way of Santa Cruz County
	Agency/Group/Organization Type	Regional organization Continuum of Care, Variety of Services
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted by phone seeking information about victims of domestic or other violent acts.
36	Agency/Group/Organization	Volunteer Center of Santa Cruz County
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted by phone seeking information about the needs of persons with HIV/AIDS.
37	Agency/Group/Organization	Watsonville Family YMCA
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Non-housing Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.

38	Agency/Group/Organization	Watsonville Law Center
	Agency/Group/Organization Type	Services-Victims of Domestic Violence Service-Fair Housing Legal Assistance
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Non-Homeless Special Needs Market Analysis Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
39	Agency/Group/Organization	Youth Services (AKA Pajaro Valley Prevention and Student Assistance)
	Agency/Group/Organization Type	Services-Children
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Non-housing Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
40	Agency/Group/Organization	YWCA
	Agency/Group/Organization Type	Services-Children Services-Victims of Domestic Violence Services-Health Services-Education Services-Employment
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis Anti-poverty Strategy Non-housing Community Development Strategy

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Agency was contacted via email and invited to provide input.
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Identify any Agency Types not consulted and provide rationale for not consulting

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	County of Santa Cruz	The County of Santa Cruz Homeless Action Partnership (HAP) identifies gaps in funding and applies to HUD for CoC funds annually for new and renewing projects based on local needs and priorities and is consistent with the Countys 10-Year Strategy to End Homelessness. The City of Watsonville is an active participant in these efforts.
Strategic Plan 2018-2020	City of Watsonville City Council	The City of Watsonvilles Strategic Plan shares the goals of expanding quality housing opportunities, enhance the fiscal sustainability, protecting public safety, maintain built structure, economic development, community engagement and well-being, public safety.
City of Watsonville 2015-2023 Housing Element	City of Watsonville Community Development Department	The Housing Element includes many goals that are consistent with the Strategic Plan including promotion of fair housing for all, provision of special needs housing, preservation of existing housing and production of new affordable housing.
Watsonville 2005 General Plan and draft Vista 2030	City of Watsonville	Aligns with the strategic plan goal of improving the quality of life for the Citys low- and moderate-income community. The General Plans address a wide range of issues that affect Watsonville, such as development and economic and social concerns that can affect the overall quality of life.
2-1-1 Santa Cruz County Quarterly Needs Report	United Way of Santa Cruz County	Aligns with the strategic plan goal of assisting in the Continuum of Care. This report details the needs of Watsonville residents and serves as an ongoing needs assessment of our low- and moderate-income residents.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
AMBAG	AMBAG	AMBAG is the tri-county agency responsible for identifying regional housing needs for the three county region. Every 7 years they coordinate the States Regional Housing Needs assessment (RHNA) numbers to the three county region for affordable housing development including Santa Cruz, Monterey, and San Benito Counties. These numbers are then included as part of local jurisdictions Housing Elements updates. They also are coordinating the SGS sustainable Growth strategies identified for AB375 for the three county region that establishes a longer term growth vision for the region.

Table 3 – Other local / regional / federal planning efforts

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(l))

The City of Watsonville participates in regional planning efforts and several working groups on matters of mutual interest related to CDBG and housing and will continue to work collaboratively with the Housing Authority of Santa Cruz County and the Homeless Action Partnership (HAP).

Narrative (optional):

PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

- Date of Public Meeting: January 28, 2020
- Date of Public Meeting: February 24, 2020
- The Plan was published for review on March 23, 2020
- Date of Public Meeting: March 23, 2020
- Date of Remote/Teleconference Public Meeting: October 12, 2020
- Date of Remote/Teleconference Public Meeting: October 23, 2020
- The Plan was published for review on October 9, 2020
- Notice of the Availability of the Plan was published on September 25, 2020, in the Register-Pajaronian, a newspaper of local circulation
- Notice of Public Hearing on the Plan was published October 23, 2020
- Public Hearing was held November 10, 2020
- City published a draft summary of Consolidated Plan on September 25, 2020, inviting citizen and community group involvement in establishing priorities and planning process
- Thirty-day citizen comment period opened October 9, 2020, and closed November 9, 2020
- Staff emailed a survey to service providers to obtain feedback
- Staff made an online survey available to service providers and residents

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Public Meeting	Minorities Non-English Speaking - Specify other language: Spanish Non-targeted/broad community	No comments were received during public meeting.	No comments were received during public meeting.	N/A	
2	Public Meeting	Minorities Non-English Speaking - Specify other language: Spanish Non-targeted/broad community	No comments were received during public meeting.	No comments were received during public meeting.	N/A	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Public Meeting	Minorities Non-English Speaking - Specify other language: Spanish Non-targeted/broad community	No comments were received during public meeting.	No comments were received during public meeting.	N/A	
4	Public Meeting	Minorities Non-English Speaking - Specify other language: Spanish Non-targeted/broad community	No comments were received during public meeting.	No comments were received during public meeting.	N/A	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
5	Public Hearing	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p> <p>https://zoom.us/j/92706609937 or by calling +16699009128,, 92706609937# or +12133388477,, 927066099</p>	No comments were received during public meeting.	No comments were received during public meeting.	N/A	
6	Newspaper Ad	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Non-targeted/broad community</p>	No comments were received during public meeting.	No comments were received during public meeting.	N/A	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
7	2020-2024 Consolidated Plan Needs Assessment Survey	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Non-targeted/broad community</p>	The Needs Assessment Survey was disseminated in paper hard copy and in electronic form on the City's website and on Social Media (Facebook), in English and Spanish, to advise the City on the highest priority housing, community and economic development needs in Watsonville	All comments were accepted and incorporated into the survey results	N/A	

Table 4 – Citizen Participation Outreach

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The City of Watsonville is located at the heart of the Pájaro Valley, one of the nation's most agriculturally rich areas. As a result, Watsonville is also the primary place of residence for a number of farm workers and workers in food processing. These jobs are generally not well-paying and often do not generate enough income for a family to afford quality housing. This is compounded by the fact that over 200 units of "housing of last resort" are maintained in Watsonville, most of which are SRO type housing, which represents the bulk of this type of housing in Santa Cruz County. The County and other agencies that assist individuals in need of housing frequently place residents that are impoverished, struggling with substance abuse, mentally ill, and parolees and probationers in these units. The condition of this housing has improved but due to the high concentration of this type of housing in Watsonville's Downtown area, there are some negative spill-over impacts on the area. All of this, coupled with the fact that the housing supply in Santa Cruz County is far outpaced by demand, resulting in the highest cost of living for any small Metropolitan Service Area in the United States, makes adequately housing low income and even middle income residents exceedingly difficult.

Watsonville's existing housing stock was mostly built over 35 years ago and much of it built prior to 1950. Due to high demand, there are a number of units that are unsafe, substandard or otherwise in need of attention. The City and other agencies are working to ensure that these conditions are addressed through a combination of incentives and code-enforcement efforts.

The City of Watsonville and area agencies have proactively attacked the issues with housing in Watsonville. Over 25 agencies are working on the multitude of issues surrounding housing in such a high cost area. Over 30% of Watsonville residents are unable to find housing that is less than 30% of their family income, and 20% are unable to find housing for less than 50% of their family income. Local non-profits, Santa Cruz County and the City of Watsonville are working to increase the available housing stock, to find permanent supportive housing for the homeless and to ensure that low and middle income residents are able to find safe, affordable homes.

NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

Summary of Housing Needs

Watsonville is primarily a community of families. Small related families comprise the majority of households, with an average household size of 3.7, most of which contain at least one elderly person (age 62 or older) and one or more children 6 years old or younger. Almost half of the single person households in Watsonville consist of an elderly person, many of whom typically face special housing needs due to fixed incomes, high health care costs and physical disabilities.

Almost half of the total households in Watsonville are considered low income with more than half contributing 30% or more of their income towards housing costs. The high cost of housing coupled with the lower incomes of Watsonville residents not only contributes to instability of households to obtain or maintain housing but also to overcrowding.

Watsonville has a significant stock of older homes with more than half of the housing units having been built over 35 years ago, many of which have begun or will begin showing signs of deterioration if not properly maintained. Resources to maintain these units are scarce given the number of households with high housing cost burdens.

Because of the City geographic constraints and the policy decisions that have been made at the County and State level, Watsonville is limited in its ability to grow, provide and/or preserve affordable housing. New housing has consisted mainly of infill projects within existing neighborhoods, none of which are affordable to extremely low income households and only a few to low-moderate income households.

Providing and improving access to and the quality of housing is important in maintaining and enhancing the quality of life for all segments of the population in Watsonville.

Demographics	Base Year: 2009	Most Recent Year: 2015	% Change
Population	51,199	52,545	3%
Households	13,606	14,215	4%
Median Income	\$47,526.00	\$46,018.00	-3%

Table 5 - Housing Needs Assessment Demographics

Data Source: 2005-2009 ACS (Base Year), 2011-2015 ACS (Most Recent Year)

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	3,420	3,355	3,180	1,315	2,945
Small Family Households	1,215	1,435	1,705	630	1,390
Large Family Households	675	1,090	795	360	650
Household contains at least one person 62-74 years of age	460	520	555	230	725
Household contains at least one person age 75 or older	655	265	385	170	265
Households with one or more children 6 years old or younger	975	1,325	1,065	255	360

Table 6 - Total Households Table

Data 2011-2015 CHAS
Source:

Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total	0-30% AMI	>30- 50% AMI	>50- 80% AMI	>80- 100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	100	85	4	0	189	30	10	0	0	40
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	155	300	265	95	815	0	20	10	40	70
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	470	505	475	115	1,565	50	40	75	20	185
Housing cost burden greater than 50% of income (and none of the above problems)	1,325	730	100	0	2,155	180	190	110	20	500

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Housing cost burden greater than 30% of income (and none of the above problems)	495	725	590	90	1,900	105	205	430	260	1,000
Zero/negative Income (and none of the above problems)	0	0	0	0	0	25	0	0	0	25

Table 7 – Housing Problems Table

Data 2011-2015 CHAS
Source:

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	2,050	1,615	845	210	4,720	260	260	195	80	795
Having none of four housing problems	810	940	1,140	335	3,225	275	540	1,000	690	2,505
Household has negative income, but none of the other housing problems	0	0	0	0	0	25	0	0	0	25

Table 8 – Housing Problems 2

Data 2011-2015 CHAS
Source:

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	1,030	1,030	515	2,575	55	110	380	545
Large Related	520	710	260	1,490	50	155	130	335
Elderly	485	115	140	740	210	155	80	445
Other	425	225	15	665	50	10	20	80
Total need by income	2,460	2,080	930	5,470	365	430	610	1,405

Table 9 – Cost Burden > 30%

Data 2011-2015 CHAS
Source:

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	695	405	20	1,120	55	70	80	205
Large Related	445	360	15	820	50	70	0	120
Elderly	305	85	65	455	105	55	30	190
Other	320	55	0	375	50	10	0	60
Total need by income	1,765	905	100	2,770	260	205	110	575

Table 10 – Cost Burden > 50%

Data 2011-2015 CHAS
Source:

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	575	560	525	155	1,815	60	60	35	35	190

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Multiple, unrelated family households	65	245	210	55	575	10	0	50	24	84
Other, non-family households	0	20	0	0	20	0	0	0	0	0
Total need by income	640	825	735	210	2,410	70	60	85	59	274

Table 11 – Crowding Information – 1/2

Data Source: 2011-2015 CHAS

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present	0	0	0	0	0	0	0	0

Table 12 – Crowding Information – 2/2

Data Source
Comments:

Describe the number and type of single person households in need of housing assistance.

According to the U.S. Census Bureau 2010 Tenure, Household Size, and Age of Householder Summary, there are 1,078 single person household homeowners and 1,398 single person renters in the City of Watsonville. While homeownership rates for single person households as well as two-person households, have the largest decline over other household sizes, single person renters have the largest increase since the 2000 Census. Even though the overall change for single person households has increased less than 1%, it is lower than the increase of 3, 4 and 5 person households.

Household size and composition is a complex issue, often reflective of market conditions as well as demographic factors. The high cost of housing in Watsonville, coupled with the lower incomes of Watsonville residents, has resulted in larger household sizes, most of which consists of related household members with children. Watsonville is primarily a community of families with an average household size, according to the 2011-2015 American Community Survey (ACS) of 3.7. Single person households comprise approximately 18% of all households in the City, with 46% of them headed by a person aged 65 years or older according to the ACS.

Senior households typically have special housing needs due to three primary circumstances: fixed income, high health care costs, and physical disabilities. Because of these financial and/or physical constraints, seniors may have difficulty obtaining and/or maintaining affordable housing.

Programs assisting with homeownership and rental housing costs as well as housing rehabilitation can benefit single person households regardless of age. However, given the number of single person households headed by seniors, additional programs designed to provide supportive services, congregate care, and accessible housing are also needed.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

There are approximately 5,208 noninstitutionalized civilians with a disability in the City of Watsonville according to the 2011-2015 ACS, representing 10% of the total population of the City. Approximately 3.1% of the total population with a disability are under 18 and 41.3% are 65 years or older with the highest percentage (8.7%) in the 18 to 64 age category. Living arrangements for disabled persons depend on the severity of the disability. Many persons whether living independently or with other family members need housing assistance such as special housing design features, in home supportive services, financial assistance to rent or purchase, and/or transportation services. Data obtained from the State of California Department of Social Services indicate that there are 68 licensed facilities in Santa Cruz County capable of serving 1,799 persons with disabilities who require more specialized care outside of the home. Information regarding how many of those are located in Watsonville was unavailable, however, the City's 2015-2023 Housing Element, indicate that Watsonville has 13 licensed facilities with a total capacity of serving 185 persons.

Very little data was available regarding the number and type of families who were victims of domestic violence or other sexual or physical abuse. However, information provided by the Watsonville Police Department, the number of domestic violence incidents from 2015 to 2019 were 484.

Assistance for victims is still an on-going need in the community in the form of temporary/transitional housing and financial assistance to rent or purchase permanent housing as a single person household or single head of household with children or other related household members.

What are the most common housing problems?

The cost of housing is by far the most common housing problem facing Watsonville residents with 18% of all households having a housing cost burden greater than 30% of income and 20% with a housing cost burden greater than 50% of income. Cost burden is the ratio of housing costs to household income. For renters, the housing cost is rent plus utilities and for owners, it is mortgage, insurance, taxes, association fees, and utilities.

The next most common housing problem is overcrowding. The City is surrounded by farmland, sloughs and the Pájaro River and has reached its potential development of available vacant and underdeveloped land. Given these constraints as well as the policies of the County of Santa Cruz and Local Agency Formation Commission (LAFCO) toward annexation of surrounding unincorporated areas and Measure U (the Watsonville Urban Limit Line and Development Timing Initiative) passed by voters in 2002, future housing development will consist mainly of infill projects within existing neighborhoods.

In addition, Watsonville has a significant stock of older homes with over 70% of the housing units having been built over 35 years ago according to the 2011-2015 CHAS data. As a general rule, structures older than 30 years begin showing signs of deterioration and if not maintained properly will require rehabilitation.

Maintaining and improving the quality of housing is an important goal for Watsonville. Like any tangible asset, housing is subject to deterioration and, if not properly and regularly maintained, can discourage investment, depress property values and impact the quality of life in a neighborhood.

Are any populations/household types more affected than others by these problems?

Extremely low income households for both renters and owners face the biggest challenge in securing and maintaining housing with renters experiencing a greater cost burden as well as overcrowding issues. Small related households are the largest group affected by high housing costs with single family households experiencing the majority of overcrowding issues.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

There are 14,216 households in Watsonville. Low income households comprise 49% (6,755 households) of the total households in Watsonville. Extremely low income households make up 29% (4,055 households) of the total households and 60% of the total low income households. Approximately one-third (31%) of the extremely low income households have one or more children 6 years old or younger. The number of extremely low income households affected by high housing costs compared to other groups puts them at a higher risk for homelessness.

More affordable housing and supportive services are needed to ensure these households are able to obtain and maintain housing. These services may include temporary/permanent financial assistance, temporary/transitional shelters, education/job training, and affordable rental/ownership units.

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

Watsonville does not have specific estimates of the at-risk population.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

Low income households comprise almost half of the total households in Watsonville. Low incomes combined with high housing costs is the primary factor contributing to financial instability and increased risk of homelessness in Watsonville. The higher share of their income that households must contribute to housing costs decreases the availability of funds for other necessary items such as food, transportation, health care and clothing. It also diminishes the ability of households to save for emergencies, retirement or other unexpected expenses, which further contribute to inability of households to obtain or maintain housing.

Discussion

The majority of the households in Watsonville are small related single family households with incomes at or below 50% of the County median income (considered low income). Many of these households contain at least one elderly person aged 62 or older and one or more children 6 years old or younger. Most of these households contribute more than 30% of their income to housing costs, which is the primary factor for housing instability in Watsonville.

Finding ways to preserve our existing housing stock and increase the number of affordable housing options as well as supportive services are essential in order to enhance and maintain the quality of life for all Watsonville residents.

NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

A housing problem is when a home lacks one or more of the following: complete kitchen facilities, complete plumbing facilities, overcrowding (more than one person per room) or high housing cost burden (household contributes more than 30% of income toward housing).

A disproportionately greater need exists when the percentage of persons in a category are at least 10 points higher than the total in that category.

According to the data provided below, 82% of the households in the 0-30% income category (extremely low) experienced one or more housing problem. Since none of the racial or ethnic groups were 10% points higher, no group experienced a disproportionately greater need in this income category.

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,920	480	25
White	475	120	25
Black / African American	25	0	0
Asian	75	20	0
American Indian, Alaska Native	20	0	0
Pacific Islander	25	0	0
Hispanic	2,275	320	0

Table 13 - Disproportionally Greater Need 0 - 30% AMI

Data 2011-2015 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,805	555	0
White	335	185	0
Black / African American	0	0	0
Asian	50	45	0
American Indian, Alaska Native	0	0	0
Pacific Islander	15	0	0
Hispanic	2,400	325	0

Table 14 - Disproportionally Greater Need 30 - 50% AMI

Data 2011-2015 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,065	1,120	0
White	330	415	0
Black / African American	0	0	0
Asian	15	15	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	1,725	660	0

Table 15 - Disproportionally Greater Need 50 - 80% AMI

Data 2011-2015 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	640	675	0
White	155	95	0
Black / African American	0	0	0
Asian	25	75	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	460	505	0

Table 16 - Disproportionally Greater Need 80 - 100% AMI

Data 2011-2015 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

Discussion

A total of 8,430 households experienced one or more housing problem, 34% of which are comprised of low income households. The extremely low (0-30%) income category represented the highest percentage of households that experienced a housing problem. While there were no racial or ethnic group that experienced a disproportionately higher need in this income category, Hispanic households was the only group that experienced a higher need (5%) than that of the income category as a whole.

Pacific Islander households had a disproportionately higher need in the 30-50% (low) income category and American Indians and Alaska Natives had a disproportionately higher need in the 80-100% (above moderate) income category. No disproportionate need existed in the 50-80% (moderate) income category. However, the sample size for Pacific Islander and American and Alaska Natives group is 4 and 15 respectively and too small to ascertain if a true disproportionately greater need actually exists.

Although it appears that no true disproportionate greater need exists for any of the race or ethnic groups at any of the income categories, Hispanic households consistently experienced a higher percentage of housing problems than the total households for each income category. Of course, Hispanic households also represent the majority of the households (72%). Nevertheless, more than half (59%) of the total households in Watsonville experienced one or more housing problems.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

A severe housing problem is when a home lacks one or more of the following: complete kitchen facilities, complete plumbing facilities, overcrowding (more than 1.5 persons per room) or high housing cost burden (household contributes more than 50% of income toward housing).

A disproportionately greater need exists when the percentage of persons in a category are at least 10 points higher than the total in that category.

According to the data provided below, 50% of the households in the 0-30% income category (extremely low) experienced one or more severe housing problem. Since none of the racial or ethnic groups were 10% points higher, no group experienced a disproportionately greater need in this income category.

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	2,310	1,085	25
White	350	240	25
Black / African American	25	0	0
Asian	65	30	0
American Indian, Alaska Native	20	0	0
Pacific Islander	25	0	0
Hispanic	1,805	790	0

Table 17 – Severe Housing Problems 0 - 30% AMI

Data 2011-2015 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,875	1,480	0
White	215	305	0
Black / African American	0	0	0
Asian	25	70	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	15	0
Hispanic	1,635	1,085	0

Table 18 – Severe Housing Problems 30 - 50% AMI

Data 2011-2015 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,040	2,140	0
White	150	595	0
Black / African American	0	0	0
Asian	0	30	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	890	1,490	0

Table 19 – Severe Housing Problems 50 - 80% AMI

Data 2011-2015 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	290	1,025	0
White	10	230	0
Black / African American	0	0	0
Asian	0	100	0
American Indian, Alaska Native	0	0	0
Pacific Islander	0	0	0
Hispanic	280	690	0

Table 20 – Severe Housing Problems 80 - 100% AMI

Data 2011-2015 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

Discussion

A total of 5,515 households experienced one or more severe housing problem, 50% of which were comprised of low income households. The extremely low (0-30%) income category represented the highest percentage of households that experienced a severe housing problem.

The only category that indicated a disproportionately greater need was in the 80-100% (above moderate) range, where Hispanic households were 34% more likely to experience one or more severe housing problems than the category as a whole.

Although, only one income category had a true disproportionately greater need, Hispanic households was only 1% from experiencing a true disproportionately greater need in the 50-80% (Moderate) income category.

Despite the fact that none of the groups in the extremely low (0-30%) and low (30-50%) income categories experienced a disproportionately greater need, the number of households (71%) in these categories that have experienced one or more severe housing problems is significant.

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction:

A cost burden is when a household contributes more than 30% of their income on housing expenses. A severe cost burden is when a household contributes more than 50% of their income on housing expenses. For renters, the housing cost is rent plus utilities and for owners, it is mortgage, insurance, taxes, association fees, and utilities.

A disproportionately greater need exists when the percentage of persons in a category are at least 10 points higher than the total in that category.

Approximately 62% of the households in Watsonville experienced a cost burden or severe cost burden. Of those households, 30% contribute 30-50% of their income to housing and 32% contribute 50% or more of their income to housing.

The group experiencing the highest cost burden was Pacific Islanders with 100% of the households contributing 30-50% of their income to housing. The next highest group was American Indian and Alaska Natives, with 41% of the households contributing 30-50% of their income to housing. Based on the information provided, it appears that only one group (Black and African Americans) did not experience any cost burdens.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	6,580	4,200	3,405	40
White	1,890	710	685	25
Black / African American	0	4	25	0
Asian	330	135	90	0
American Indian, Alaska Native	0	0	20	0
Pacific Islander	0	15	25	0
Hispanic	4,245	3,300	2,530	20

Table 21 – Greater Need: Housing Cost Burdens AMI

Data 2011-2015 CHAS
Source:

Discussion:

In looking at the number of households in each group that experienced a housing cost burden, it would appear that Pacific Islanders experienced a disproportionately greater need than any other group followed by American Indian and Alaska Natives.

However, given the relatively small number of Pacific Islander households, whether or not a true disproportionately greater need actually exists is uncertain. In addition, American Indian and Alaska Native households only represented 1% of the total households and may not be a true indicator of a disproportionately greater need.

Regardless, the data indicates that all but one group experienced a housing cost burden to some degree.

NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

Pacific Islanders in the low income category and American Indian and Alaska Natives and Hispanics in the above moderate income category had disproportionately greater housing needs. However, the number of households in the Pacific Islander and American Indian and Alaska Native groups was relatively small (representing $\leq 1\%$ of the total households), so it is difficult to determine if a true disproportionately greater need actually exists for these groups.

If they have needs not identified above, what are those needs?

As discussed in previous sections, the primary housing problem affecting households in Watsonville is cost burden. 62% of the households pay more than 30% of their income to housing costs, with 78% of those comprised of Hispanic households. The high cost of housing coupled with the lower incomes of the majority of the households in Watsonville also contributes to overcrowding. In addition, given the City's growth constraints and the age of the majority of the existing housing stock, maintaining or improving those units is essential in helping to provide adequate housing.

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

NA-35 Public Housing – 91.205(b)

Introduction

The Housing Authority of Santa Cruz County (HACSC) administers various housing programs within the incorporated and unincorporated area of the County, which includes the City of Watsonville. In addition to offering Housing Choice Vouchers, the HACSC owns and operates 135 public housing units in Watsonville. The Housing Authority was consulted about housing availability and needs, which was included in this Plan and provided guidance in determining the City's strategies and goals as it relates to affordable housing.

Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	51	226	4,252	39	3,993	51	77	85

Table 22 - Public Housing by Program Type

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

Characteristics of Residents

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	
Average Annual Income	0	12,530	24,517	17,954	14,442	18,172	11,446	15,677	
Average length of stay	0	6	10	7	3	7	0	5	

Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers				
				Total	Project-based	Tenant-based	Special Purpose Voucher	
							Veterans Affairs Supportive Housing	Family Unification Program
Average Household size	0	1	3	2	2	2	1	3
# Homeless at admission	0	12	0	106	3	88	5	3
# of Elderly Program Participants (>62)	0	18	38	882	23	824	15	2
# of Disabled Families	0	14	39	1,160	5	1,048	21	14
# of Families requesting accessibility features	0	51	226	4,252	39	3,993	51	77
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Table 23 – Characteristics of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Race of Residents

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	50	214	4,028	38	3,786	45	73	79

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Black/African American	0	1	5	118	1	109	5	1	2
Asian	0	0	6	57	0	53	0	1	3
American Indian/Alaska Native	0	0	1	45	0	41	1	2	1
Pacific Islander	0	0	0	4	0	4	0	0	0
Other	0	0	0	0	0	0	0	0	0
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 24 – Race of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Ethnicity of Residents

Program Type									
Ethnicity	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project-based	Tenant-based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	18	167	2,177	8	2,107	7	32	21
Not Hispanic	0	33	59	2,075	31	1,886	44	45	64
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 25 – Ethnicity of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

According to the Housing Authority of Santa Cruz County (HACSC), of the 4,244 Watsonville residents on the waiting list for housing, 286 of those have indicated a need for an accessible unit. At this time, no existing public housing tenant is on a wait list for an accessible unit in Watsonville.

Most immediate needs of residents of Public Housing and Housing Choice voucher holders

More affordable housing is needed to accommodate the number people on the waiting list for Watsonville as well as the County as a whole.

How do these needs compare to the housing needs of the population at large

Affordability is the highest factor affecting households in Watsonville as evidenced by the number of households experiencing high housing cost burdens. Almost half of the total households in Watsonville are considered low income with more than half contributing 30% or more of their income towards housing costs.

Discussion

The number of people on the HACSC's waiting list for housing in Watsonville is indicative of the need for more affordable housing. Most of the public housing residents have an annual average income equal to or less than 30% of the AMI. Without the assistance provided by the HACSC, these resident would be contributing more than 30% of their income toward housing costs, contributing to financial instability and increased risk of homelessness.

NA-40 Homeless Needs Assessment – 91.205(c)

Introduction:

This section presents data on homelessness for the Continuum of Care the County of Santa Cruz City that Watsonville is located in. Jurisdiction-specific data is unavailable.

The City of Watsonville is within Santa Cruz County CoC. This data set was obtained from the point-in-time count (physical count of the homeless people encountered county-wide during a one-day period). This data was collected to meet the requirements of HUD, as well as determine the needs of the homeless community in Santa Cruz County so services can be identified and developed. This data was collected on January 31, 2019. At the direction of staff from the Applied Survey Research, approximately 95 volunteers were deployed to physically count the homeless population in Santa Cruz County during the PIT event. The total PIT count was 2,167.

Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	47	94	0	0	0	0
Persons in Households with Only Children	124	3	0	0	0	0
Persons in Households with Only Adults	2,195	217	0	0	0	0
Chronically Homeless Individuals	883	57	0	0	0	0

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Chronically Homeless Families	32	9	0	0	0	0
Veterans	343	50	0	0	0	0
Unaccompanied Child	0	0	0	0	0	0
Persons with HIV	29	5	0	0	0	0

Table 26 - Homeless Needs Assessment

Data Source
Comments:

*This information was collected from the Watsonville/Santa Cruz County CoC Point-in Time count of 1/31/2019 (CA-508)

Indicate if the homeless population is: Has No Rural Homeless

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

Point in Time (PIT) counts have varied in the last few years showing homelessness on the decline in Santa Cruz County. The PIT count in 2015 showed the homeless population at 1,964 or 14% of the County's population while the 2017 pit count shows 2,249 as homeless. In the last few years these rates have shown a decrease, including the tally of the most recently performed and completed PIT count of 2019. The City of Watsonville does not currently have the tools in place that would estimate the number of days people experience homelessness within the confines of the City.

Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
White	0	0
Black or African American	0	0
Asian	0	0
American Indian or Alaska Native	0	0
Pacific Islander	0	0
Ethnicity:	Sheltered:	Unsheltered (optional)
Hispanic	0	0
Not Hispanic	0	0

Data Source

Comments:

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

It is estimated that on any given night, Santa Cruz County has a chronically homeless population of approximately 403 persons. Of those, 49 were living in families. In 2019, there were 354 chronically homeless single individuals, a 46% decrease from 525 chronically homeless individuals enumerated in 2017. The available reports do not break down the family information of veterans but show that on any given night, 151 veterans are homeless in Santa Cruz County

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

Compared to the overall county population, there were fewer homeless individuals who identified as Hispanic/Latino, and more who identified as Blacks/African Americans. The percentage of White/Caucasian was nearly the same in the survey population as in the overall County population. 66% of homeless survey respondents identified their racial/ethnic group as White/Caucasian. 30% of homeless survey respondents were Hispanic/Latino. 9% of homeless survey respondents were Black/African American. In South County (Watsonville) the Hispanic/Latino count while not broken out would have a higher percentage.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

As stated before a total of 2,167 homeless individuals were counted in the 2015 Homeless Census. Between 2011-2015, the total number of homeless individuals enumerated during the homeless census decreased 4% from 2,771 to 2,167. The number of unsheltered persons decreased by 78% between

2011-2015 while the number of sheltered persons decreased by 22% since 2011. In 2017, 80% of the population (2,249 individuals) was unsheltered. This included the individuals counted on the streets, as well as the number of people estimated to be living in the occupied cars, vans, RVs, encampments, and abandoned buildings that were counted by enumeration team. Nearly one-quarter (20%) were sheltered (450 individuals). This number included individuals who were occupying emergency shelters (including domestic violence shelters) and transitional housing facilities, or using vouchers to stay in motels or hotels.

Discussion:

The General trend of the Point In Time (PIT) count show that Santa Cruz County went from 2,771 homeless with 9% unemployment rate to an increase in 2015 with 3,536, homeless with the unemployment rate dropping by 1% to 8%. This trend changed with the 2013 PIT count whereas the homeless rate dropped to 2,265 yet the unemployment rate increased to 13%. In 2017 the PIT count showed homelessness at 2,249 (very close to the 2013 count) and unemployment decreased from 4.7% to 3.6%. The most recent count that we have all the data reported on shows 2019 with a decrease of homelessness to 2,167 but the unemployment rates increased to 6.5% up from 3.6% in 2017.

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NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d)

Introduction:

The special needs population consists of persons who are not homeless but for various reasons, require supportive

housing. This includes the elderly and frail elderly; persons with mental, physical, and/or developmental disabilities; persons with alcohol or drug addiction; persons with HIV/AIDS and their families; and victims of domestic violence, dating violence, sexual assault and stalking. Given the high cost of housing in Watsonville and the surrounding areas, obtaining affordable housing for these special needs populations is very challenging.

The Homeless Action Partnership (HAP), of which the City of Watsonville is a member, is a broad-based, community-wide action team, which has met every two months since 1996 to implement a Continuum of Care (CoC) strategy for resolving homelessness. The HAP's vision is that all Santa Cruz County residents will have the stable housing and appropriate services they need to live in dignity and reach their highest potential. Its mission is to develop and implement a coordinated system of housing and services for preventing and ending homelessness in Santa Cruz County.

The CoC strategy organizes and delivers housing and services to meet the specific needs of homeless people as they move from the streets to stable housing and maximize self-sufficiency. The CoC strategy also includes housing and services for a variety of homeless subgroups, including families, chronically homeless, seriously mentally ill, chronic substances abusers, veterans, persons with HIV/AIDS, victims of domestic violence, and unaccompanied youth. Over the years, Santa Cruz County agencies, non-profits and faith groups have developed a considerable array of services to help overcome the homelessness crisis we are currently experiencing and meet other related needs including outreach programs, informational and referral tools, basic need services, mental health and substance abuse treatment, job training and placement, mainstream benefits assistance, family and childcare services, educational supports and more. Specific efforts to reducing people from becoming homeless includes transforming the crises response system by a coordinated entry system implemented to improve access to housing and services for all populations, increased prevention and diversion resources to reduce the number of households falling into homelessness and interim housing returned to its original emergency purpose.

Certain groups may have more difficulty finding housing and may require more specialized services or assistance. Due to their special circumstances, they are more likely to be low-income. These groups include the following:

- Elderly persons, including frail elderly
- Persons with disabilities
- Large Households
- Female-headed households

- Homeless persons
- Victims of domestic violence
- Farmworkers

While a few providers have offices in Watsonville, most are located in the City of Santa Cruz or in unincorporated areas of the County. A regional online and telephone referral service called 2-1-1 offers a comprehensive listing of countywide services.

Describe the characteristics of special needs populations in your community:

*See NA-45 Non-Homeless Special Needs Assessment Text Attachment

What are the housing and supportive service needs of these populations and how are these needs determined?

Housing and supportive services needs for each special needs population are discussed in the previous section. Local needs are determined by local Point In Time Counts (PIT), County of Santa Cruz Mental Health Teams, local faith based agencies, our soup kitchen and food pantries, local shelters and other agencies in our community.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

The City of Watsonville is not a recipient of Housing Opportunities for People with AIDS (HOPWA) funding.

According to the California Department of Public Health Office of AIDS, there were 522 persons living with HIV and 433 persons in care in Santa Cruz County as of December 2018. The county level is the lowest level at which data was available. The Census Bureau estimates the City of Watsonville's 2019 population at 53,856, or 19.7% of the County of Santa Cruz's 273,213 population estimate for the same period.

Statewide, persons with HIV/AIDS tend to be overwhelmingly male at 87%. Whites at 38% and Hispanic/Latinx at 37% have the highest incidence. About 47% are adults between the ages of 20 and 49.

Discussion:

City of Watsonville residents with special needs include, but are not limited to, the elderly, frail elderly, severe mentally ill, developmentally disabled, persons with alcohol and other drug addictions, persons with HIV/AIDS and victims of domestic violence. Challenges that these special needs populations face

include low income and high housing cost. This segment of the population also struggles for a decent quality of life that includes basic necessities, adequate food and clothing and medical care.

The City of Watsonville provides funding for social service and community service grants, along with other public and private resources, to address the needs of these populations in the City.

NA-50 Non-Housing Community Development Needs – 91.215 (f)

Describe the jurisdiction's need for Public Facilities:

The City of Watsonville is in need of a number of new or upgraded public facilities. These needs include:

- Improvements to the existing tree canopy.
- Improvements to recreational amenities.
- An additional fire station to reduce response time.
- Improvements to aging water and sewer lines
- Public Restrooms

How were these needs determined?

Over the past several years, the needs of the community have been discussed at a number of community meetings, commission meetings and City Council Meetings. The list above represents the needs the community is asking to have addressed as well as needs based upon new requirements handed down by the State of California and Federal Government Agencies. Additionally, some of these items are contemplated as part of the City's Capital Improvement Plan which is vetted annually by City Council as well as by city staff.

Describe the jurisdiction's need for Public Improvements:

- Upgrades to the water treatment infrastructure to deal with a higher than allowed Chromium 6 concentration that naturally occurs in our water sources.
- Improved access to broadband and other telecommunications services.
- Infrastructure and flood control improvements on City's last remaining opportunity site
- Improvements to Downtown to improve walkability, transit access and economics.
- Improvements to parking management systems.
- Various roadway/transportation improvements to improve safety, walkability and access.
- Improvements to storm water systems to reduce pollution as required by the Clean Water Act.
- Enforcement of standards in commercial and residential structures and surrounding areas.
- Improvements to aging water and sewer lines

How were these needs determined?

Over the past several years, the needs of the community have been discussed at a number of community meetings, commission meetings and City Council Meetings. The list above represents the needs the community is asking to have addressed as well as needs based upon new requirements handed down by the State of California and Federal Government Agencies. Additionally, some of these

items are contemplated as part of the City's Capital Improvement Plan which is vetted annually by City Council as well as by city staff.

Describe the jurisdiction's need for Public Services:

The City of Watsonville is currently limited by poor fiscal health. A number of City Services could be increased or improved. The following list is top level needs but is not comprehensive:

- Development Services Improvements
- Improved access to public trash/recycling receptacles
- Enforcement of standards in commercial and residential structures and surrounding areas.
- Sports and Recreation classes and programs
- Environmental education
- Nature education
- More coordination of workforce training

How were these needs determined?

Over the past several years, the needs of the community have been discussed at a number of community meetings, commission meetings and City Council Meetings. The list above represents the needs the community is asking to have addressed as well as needs based upon new requirements handed down by the State of California and Federal Government Agencies. Additionally, some of these items are contemplated as part of the City's Capital Improvement Plan which is vetted annually by City Council as well as by city staff.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

The housing market in the City of Watsonville suffered a substantial downturn due to the worldwide recession and financial system collapse that occurred in late 2008. The market price for “for sale” housing dropped by over 30% and in some cases that were mostly concentrated in the newest homes in town, the losses exceeded 50%. As one might expect, this resulted in a halt to any development of new homes for over 7 years. Somewhat surprisingly, rents did not see a corresponding magnitude in price reduction, as demand for rental units continued to be high throughout the economic downturn that followed. This can be attributed to the strong demand for housing that results from a large farm worker population and due to Watsonville’s proximity to less hard hit areas such as Silicon Valley.

As the economy has recovered many of these losses have been recouped, and prices have returned to just slightly lower than pre-crash numbers. At the same time, demand for rental housing has also increased and there has been a corresponding increase in rents. Again, this current high demand is the result of a stable community of low income farm workers plus pressure from surrounding areas that have the highest housing prices in the country. These adjacent areas also severely limit the ability to build new housing, which further exacerbates the problems of having high housing cost and in an area with a number of low wage and seasonal jobs.

As the economy has improved and demand for housing has increased, Watsonville has seen an increase in applications to develop new housing. However, most of the new housing proposed does not include a large increase in units that will be affordable to most of Watsonville’s existing residents. Proposals for new multi-family units have primarily been market rate projects. Proposals for detached single family houses will include inclusionary low income housing as required by City Ordinance.

Data regarding the condition of existing housing, including inventory of housing available to persons with special needs, is not available except as already provided and discussed in other Plan sections related to housing needs, public housing, homelessness, and housing market analysis.

There are a number of factors that can impact development such as market conditions, environmental/physical constraints, government codes, and budgetary limitations. Watsonville is located in a very high cost of housing area, which makes it challenging in addressing the housing needs of the community. The high cost of housing is directly attributable to the artificial limits on housing growth that are placed on the City by the County and State. The City continues to seek opportunities to address its housing needs through infill strategies and a proposed Expanded Urban Service Line that could potentially allow annexation of additional buildable land to the City limits.

The City of Watsonville has a limited number of facilities that operate in the City of Watsonville and offer housing/shelter service including the Interfaith Satellite/Winter Shelter, the Pájaro Valley Shelter Services and the Salvation Army Complex.

MA-10 Number of Housing Units – 91.210(a)&(b)(2)

Introduction

The City has a total of 14,216 housing units with approximately 39.6% of the units occupied by owners and 60.4% by renters. Most of the units are single family structures (54.8%) followed by multi-family buildings containing 3 or 4 units (10.3%). The remaining 8% are comprised of other types of units such as mobile homes, recreational vehicles, etc.

Because of certain geographic constraints and policy decisions, the majority of new housing will consist of mainly infill projects within existing neighborhoods. Any new for sale developments will be required to provide a percentage of the housing available for purchase by low to above moderate income households through the City's Inclusionary Housing Program. These household incomes are lower than Federal and State limits as

Over the next five years, the City will continue to work with developers to provide new rental housing affordable to low income households by offering financial as well as non-financial incentives in exchange for affordability covenants. Despite the loss of redevelopment funds and other limited financial resources, the number of new affordable rental units (approximately 125) is expected to be much higher than in previous years.

they are based on 70% of the area median income adjusted for household size.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	8,075	55%
1-unit, attached structure	1,035	7%
2-4 units	2,150	15%
5-19 units	1,580	11%
20 or more units	990	7%
Mobile Home, boat, RV, van, etc	915	6%
Total	14,745	100%

Table 27 – Residential Properties by Unit Number

Data Source: 2011-2015 ACS

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	35	1%	595	7%
1 bedroom	30	1%	1,425	17%
2 bedrooms	1,510	27%	3,675	43%
3 or more bedrooms	4,055	72%	2,890	34%
Total	5,630	101%	8,585	101%

Table 28 – Unit Size by Tenure

Data Source: 2011-2015 ACS

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

In addition to the public housing complexes located in the City of Watsonville, there are 12 other affordable apartment complexes with a total of 740 units. Of these units, 675 are available to renters with household incomes at or below 80% of the area median income (AMI) limit and 23 are available to moderate (120% of AMI) income renters.

Over 200 properties, either owned and occupied or rented to households at or below 80% of the AMI, have been assisted through the City's Housing Rehabilitation Program over the last 10 years. These properties consist of a mix of single family detached and multi-family buildings (containing up to no more than 4 units). Currently, 28 of the rental units that were assisted are restricted to households with incomes at or below 80% of the AMI. One of the properties, containing 25 mobile home sites, is restricted to owner occupants with income at or below 80% of AMI (low-income).

All of the apartment complexes are available for occupancy by a variety of households. However, one of the multi-family buildings (4 units) assisted through the City's Housing Rehabilitation Program is reserved to assist the elderly and disabled persons with incomes at or below 50% of the area median income limit.

The City also operates an Inclusionary Housing Program that provides housing for purchase by very low to above moderate income households and a First Time Homebuyer Program (FTHB) that provides low interest loans to low-income ($\leq 80\%$ of AMI) individuals. To date, the City has provided over 500 FTHB loans and has 250 units available for purchase through its Inclusionary Housing Program as follows: 5 Low Income, 86 Median Income, 56 Median Income and 103 Above Moderate Income. The income limits used by the City's Inclusionary Housing Program is calculated at 70% of the AMI and, therefore, lower than the income limits used for Federal and State Programs.

The City was last awarded a \$700,000 grant in 2011 from the State of California Housing and Community Development Department for its First Time Homebuyer Program. This Program provides deferred “silent second” mortgage loans to low-income homebuyers to make it more affordable to purchase a home in the City limits. Currently, the City has no active grants, but has over \$450,000 in program income that is available for future HOME eligible activities. The City will seek additional grant funding as resources permit.

In 2007, the City was awarded a \$600,000 grant by the State of California Housing and Community Development Department for its Owner-Occupied Housing Rehabilitation Program and another \$400,000 grant in 2010. An additional \$600,000 grant was awarded in 2011 for the City’s First Time Homebuyer Program. These Programs provide deferred mortgage loans to low income homebuyers to purchase a home or low-income homeowners to repair the home they own and occupy.

The City’s Inclusionary Housing Ordinance, which was adopted in 1991 and updated in 2001, requires developers to sell or rent a percentage of new housing units to low and moderate income households at an affordable price or pay an in-lieu fee. Only rental developments that receive some form of subsidy are subject to the Ordinance. These funds are used to help support affordable housing through development, acquisition, rehabilitation, and preservation of new and existing units.

These programs were also utilized to achieve these accomplishments. Some of these funding sources are no longer available or have diminished considerably. As a result, our goals may be lower than in the past. CDBG also provided some assistance to the rehabilitation activities noted above.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

Only two units assisted through the City’s Housing Rehabilitation Program are expected to be lost during this consolidated plan period due to expiration of their affordability restrictions.

Does the availability of housing units meet the needs of the population?

The vacancy rate for the City of Watsonville, according to the 2010 U.S. Census, is 0.9%, with the rate for rental units twice that of owner occupied units. Between 2000 and 2011, the population of Watsonville has increased 10%, with an 18% increase in the number of households per the data provided by the U.S. Census Bureau.

The population/household increase and the low vacancy rate, suggests that there is a need for additional housing units to meet current as well as future population growth.

Describe the need for specific types of housing:

Affordability is the highest factor affecting households in Watsonville as evidenced by the number of households experiencing high housing cost burdens. Watsonville has a severe housing need across the board, including seniors, those with disabilities, single-parent households, homeless. While housing is needed for all types of low income households, the greatest need is for housing that is affordable to extremely low income households, particularly families.

Discussion

Increasing the supply of housing and preserving existing housing, especially affordable housing, to meet the current and future needs of Watsonville is an important goal of the City. The City operates a variety of programs that provide financial as well as non-financial assistance to individuals as well as developers, social service agencies, public housing agency, landlords, etc. in the furtherance of this goal.

MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

Introduction

Over the last ten years, home values and rents have risen substantially. The median home value has more than doubled the median rent making it more costly to purchase than rent in Watonsville. In 2010, the number of renters and homeowners were fairly even, 52.6% and 47.4% respectively. Although the number of occupied units increased from 13,805 to 14,455 (a gain of 650 units) from 2010 to 2018, the majority of these units is occupied by renters. 442 owner occupied units were lost, while the number of rental units increased by 1,092.

Cost of Housing

	Base Year: 2009	Most Recent Year: 2015	% Change
Median Home Value	497,600	337,000	(32%)
Median Contract Rent	925	1,133	22%

Table 29 – Cost of Housing

Data Source: 2005-2009 ACS (Base Year), 2011-2015 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	1,289	15.0%
\$500-999	2,080	24.2%
\$1,000-1,499	3,365	39.2%
\$1,500-1,999	1,300	15.1%
\$2,000 or more	550	6.4%
Total	8,584	100.0%

Table 30 - Rent Paid

Data Source: 2011-2015 ACS

Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	1,135	No Data
50% HAMFI	2,700	420
80% HAMFI	5,930	1,250
100% HAMFI	No Data	1,990
Total	9,765	3,660

Table 31 – Housing Affordability

Data Source Comments:

Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	976	1,180	1,597	2,058	2,296
High HOME Rent	1,021	1,168	1,403	1,613	1,780
Low HOME Rent	852	913	1,097	1,266	1,414

Table 32 – Monthly Rent

Data Source Comments:

Is there sufficient housing for households at all income levels?

According to the 2011-2015 CHAS, there are 11,270 households with incomes at or below 80% of AMI, but only 1,670 units affordable at this income level. At the extremely low income level (0-30% of AMI), only 1,135 units are affordable for 2,995 renters (no unit information was not available for homeowners). The number of units (8,630) affordable to renters (3,400) at the other income levels exceeded the number of renters (unit information was not available for renters in the 100% HAMFI income category). However, the same is not true for owners; in this case, the number of owners (5,420) exceeded the number of units (3,660) affordable at the other income levels.

While there appears to be a shortage of affordable units for all households at or below 80% of AMI, rental housing for households at the extremely low income level and ownership units at all income levels are especially needed.

How is affordability of housing likely to change considering changes to home values and/or rents?

The median home value has risen 88% from 2000-2011, while the increase in rents was a little less than half that amount. After the market downturn in 2007-2008, many homeowners sold their homes for a loss or lost their homes to foreclosures and became renters. This downturn resulted in a significant drop in home values, making the homes more affordable to purchase. Unfortunately, many would-be home buyers lost out to investors and the availability of homeownership units became limited. The demand combined with the limited supply for ownership units has resulted in an increase in home values, making homeownership even less affordable.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

The median contract rent listed for Watsonville as of 2019 is \$1,544, which is comparable to the current Fair Market Rent (FMR) for efficiency units and lower than the FMR for the 1-4 bedroom units or High Home Rents for all unit types. The percentage of renters paying more than the median rent is slightly lower than those paying less than the median rent.

The discrepancy between the numbers of rental units affordable to extremely low versus those at the other income limits, suggests that more needs to be done to provide affordable rental units for extremely low income households.

Discussion

Managing housing costs is challenging for most households, but especially challenging for those earning less than 30% of AMI. Making housing more affordable in Watsonville is an important goal as evidenced by the implementation of the City's Inclusionary Housing Ordinance in 1991, which was updated in 2001, and other Programs that support individuals, developers, and others who provide affordable housing and supportive services. However, given the financial constraints due to the loss of Redevelopment funds, the City's ability to meet the affordable housing needs of the community continues to be a challenge.

MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

Introduction

Over 60% of the total housing units in Watsonville are 35 years or older. These units are occupied by 85% of the total households in Watsonville. In addition, 63% of the households occupy a unit that was built before 1980, which may contain lead based paint and, if not maintained properly, could pose a threat to the occupants of the unit, especially children under the age of 6.

Definitions

Substandard Housing as defined in the City's current Housing Element is housing which does not meet the minimum standards contained in the State Housing Code in that it does not provide adequate shelter and endangers the health, safety or well-being of occupants.

Substandard but suitable for rehabilitation are units that are structurally sound and the cost of rehabilitation is considered economically warranted in that it does not exceed the after-rehabilitation value of the property.

Substandard but suitable for reconstruction, which is also considered rehabilitation, is any unit which is structurally unsound and the cost of rehabilitation is infeasible in that it would exceed the cost for a newly constructed unit as well as the after-rehabilitation value of the property.

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	2,020	36%	5,260	61%
With two selected Conditions	160	3%	1,560	18%
With three selected Conditions	0	0%	30	0%
With four selected Conditions	20	0%	0	0%
No selected Conditions	3,435	61%	1,735	20%
Total	5,635	100%	8,585	99%

Table 33 - Condition of Units

Data Source: 2011-2015 ACS

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	1,135	20%	900	10%
1980-1999	1,085	19%	2,180	25%

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
1950-1979	2,295	41%	3,755	44%
Before 1950	1,115	20%	1,750	20%
Total	5,630	100%	8,585	99%

Table 34 – Year Unit Built

Data Source: 2011-2015 CHAS

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	3,410	61%	5,505	64%
Housing units built before 1980 with children present				

Table 35 – Risk of Lead-Based Paint

Data Source: 2011-2015 ACS (Total Units) 2011-2015 CHAS (Units with Children present)

Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units	0	0	0
Abandoned Vacant Units	0	0	0
REO Properties	0	0	0
Abandoned REO Properties	0	0	0

Table 36 - Vacant Units

Data Source: 2005-2009 CHAS

Need for Owner and Rental Rehabilitation

Watsonville has a significant stock of older homes with 85% (38% owner occupied and 47% rental) of the households occupying units that were built over 35 years ago. As a general rule, structures older than 30 years begin showing signs of deterioration and if not maintained properly will require rehabilitation. Data on the number of vacant units suitable or not suitable for rehabilitation is not available. This would require inspections of the units, which would not be performed unless an application for rehabilitation or complaint is received.

The high cost of homeownership in Watsonville results in limited financial resources available for owners to properly maintain their units as evidenced by the number households experiencing one or more housing problems. In addition, the high cost of housing, low rents, and number of renters experiencing one or more housing problems would suggest that landlords are also experiencing difficulty finding adequate resources to maintain their units.

Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

Lead based paint (LBP) is presumed in any housing unit built before 1978 unless tested to prove otherwise. Title X of the federal regulations states that a lead-based paint hazard is “any condition that causes exposure to lead from lead-contaminated dust; bare, lead contaminated soil; or lead-based paint that is deteriorated or intact lead-based paint present on accessible surfaces, friction surfaces, or impact surfaces that would result in adverse human health effects.” Thus, under this definition, intact lead-based paint on most walls and ceilings is not considered a “hazard,” although the condition of the paint should be monitored and maintained to ensure that it does not become deteriorated. While most efforts to reduce lead hazards in housing will now be aimed at controlling lead based paint hazards as defined by Title X, Federal law makes one notable exception: in public and Indian housing, all lead-based paint must be abated when the housing is modernized.

Approximately 63% of the households in Watsonville occupy a housing unit that was built prior to 1979. It would be difficult to determine how many of these units contain LBP hazards without further information and testing.

Discussion

Like any tangible asset, housing is subject to deterioration and, if not properly and regularly maintained, can discourage investment, depress property values and impact the quality of life.

Maintaining and improving the quality of housing is an important goal for Watsonville. In addition to a Housing Rehabilitation Program, the City has an active Code Enforcement Program.

Homeowners who occupy their home and make less than 80% of AMI or rent to households that earn less than 80% of AMI are eligible for assistance through the Housing Rehabilitation Program. Rental units assisted through the Program are restricted from 5-20 years, for occupancy by households earning less than 80% of AMI and at an affordable rent set by the City. In addition, all units rehabilitated through the Program are tested for LBP and any hazards are abated.

MA-25 Public and Assisted Housing – 91.210(b)

Introduction

The Housing Authority of Santa Cruz County (HACSC) operates 8 public housing complexes and housing choice voucher (formerly Section 8) and Mortgage Credit Certificate Programs in Watsonville. HACSC has its own policies and procedures for inspections and maintenance of units they own or that are occupied by voucher users.

Totals Number of Units

	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available	0	51	234	3,986	42	3,944	103	1,067	885
# of accessible units									
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 37 – Total Number of Units by Program Type

Data PIC (PIH Information Center)
Source:

Describe the supply of public housing developments:

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

There 8 public housing developments in the City of Watsonville for a total of 135 units, 9 of which are wheelchair accessible. Currently, the HACSC does not have any project based vouchers in the City of Watsonville. However, as a result of their 2013 Project Based Voucher RFP, they have agreed to project base 11 units at the proposed Phippen Apartment Development in Watsonville. Of those 11 units, 6 units will be designated for persons with developmental disabilities.

All of the units are in good condition with a HUD inspection score of 91%. HUD considers all units as one single project and provides a rating for the entire program rather than individual scores for each development.

Public Housing Condition

Public Housing Development	Average Inspection Score
100-146 Seneca Court	N/A
225-239 Crestview Drive	N/A
308 Clifford Avenue	N/A
310-314 Clifford Avenue	N/A
320-326 Clifford Ave., and 179-195 Montebello Drive	N/A
50 Arista Court	N/A
55 Arista Lane	N/A

Table 38 - Public Housing Condition

Describe the restoration and revitalization needs of public housing units in the jurisdiction:

Units are rehabilitated upon turnover or as needed and are in good condition as evidenced by the HUD inspection score previously listed.

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

Interior and exterior improvements are completed utilizing the Agency's capital funds. Over the past few years, energy efficiency improvements such as replacement of single pane with double pane windows and low flow toilets have been completed. In addition, all damaged siding and trim were replaced on all of the buildings and new landscaping, including irrigation, was installed at many of the complexes.

Units are completely rehabilitated upon turnover including but not limited to new flooring and energy efficient appliances and lighting and plumbing fixtures.

Discussion:

MA-30 Homeless Facilities and Services – 91.210(c)

Introduction

Various organizations in Santa Cruz County provide housing facilities and services to homeless individuals. Housing facilities available to the homeless individual include emergency shelters, transitional housing, safe havens, help with utility bills and permanent supportive housing opportunities. Support services for homeless individuals include outreach and engagement, housing location assistance, health care services, job education and training, substance abuse services, legal assistance, veteran services, childcare, domestic violence support mental health and food banks.

Facilities and Housing Targeted to Homeless Households

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	137	0	140	161	0
Households with Only Adults	199	28	116	132	0
Chronically Homeless Households	105	100	0	128	0
Veterans	12	0	0	230	0
Unaccompanied Youth	0	0	17	0	0

Table 39 - Facilities and Housing Targeted to Homeless Households

Data Source
Comments:

The above information was obtained from the 2013 homeless point in time (PIT) and the HUD's 2014 Continuum of Care Homeless Assistance Programs Housing Inventory Count. Watsonville numbers are included in the Santa Cruz County counts.

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

Santa Cruz County has full range of mainstream employment services and benefits, e.g., CalWORKS, Medi-Cal, Supplemental Security Income (SSI), Cal Fresh (Food Stamps), veterans' benefits, benefits assistance, employment counseling, child care, and food and nutrition) delivered within all shelter and housing programs; referrals to in- and out-patient recovery programs; and specialized services for unique subpopulations, such as victims of domestic violence, emancipating foster youth, veterans, persons with HIV/AIDS and more. In 2019 37% of homeless people reported not receiving government assistance, 10% had SSI, 10% had CalWORKS, 44% had food stamps, and 9% Social Security.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

Over the years, Santa Cruz County agencies, nonprofits, and faith groups have developed a considerable array of services to help overcome the homelessness crisis and meet other related needs, including outreach programs, information and referral tools, basic need services, mental health and substance abuse treatment, job training and placement, mainstream benefits assistance, family and childcare services, educational supports, and more. Some of these programs are not directly part of a shelter or housing program, such as the Homeless Persons Health Project (health outreach and services), Daytime Essential Services Center (daytime shelter, basic needs, and service linkages), the Homeless Garden Project (employment), the Shelter Project (basic needs assistance), Students in Transition program (educational services for children experiencing homelessness), and food programs. These bring critical services directly to people experiencing homelessness, but many are located in the City of Santa Cruz. Reducing and eventually ending homelessness will require increased outreach and services to underserved areas with large homeless populations, such as Watsonville.

MA-35 Special Needs Facilities and Services – 91.210(d)

Introduction

There are certain segments of the population with special needs that may have difficulties in finding community social service facilities as well as special supportive and housing services due to their special needs. The "special needs" groups include the elderly and frail elderly, persons with severe mental illness, persons with physical and/or developmental disabilities, persons with alcohol or other drug addiction, and because of the make-up of our area as an agricultural community a majority of our homeless are farm-workers.

Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs

The elderly, including the frail elderly, need access to facilities or programs that ensure safe, decent, affordable housing. Many elderly are on a fixed-income which impacts their ability to retrofit housing as the need for better accessibility increases. Likewise when the elderly are no longer able to care for themselves the need for in-home care or residential facilities for them becomes crucial. Over the next several years the vanguard of the "Baby Boomers" will begin to hit retirement age and their incomes will level since they will be past the peak earning years as a generation. Health care and supportive services will gradually become a larger concern as they get older, which will impact the system in a more dramatic fashion since they are the largest cohort to reach retirement age in US history.

As with the elderly, persons with mental, physical, and developmental disabilities also need access to facilities or programs that ensure safe, decent, affordable housing. The impacts for this group are different than those of the elderly because children and young adults are represented in this population. The length of time that they need supportive housing is generally much longer.

Public housing, primarily through the Veterans Assistance and Supportive Housing (VASH) Program offers housing vouchers with wrap around supportive services in conjunction with the Veterans Administration (VA) for former members of the armed services that need assistance. Former Service members are unfortunately more likely to become homeless than the population as a whole and suffer from very specific service-related disabilities and as such have very specific special needs. As documented in the previous sections, alcohol or drug addiction supportive services are needed to provide a safe environment for those afflicted in order for them to become sober and clean.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

Persons with special needs such as the elderly and those with disabilities must also have access to housing in or community. The City of Watsonville is part of the Watsonville/Santa Cruz County Continuum of Care (CoC). Participating agencies include: Monarch Services/Defensa de Mujeres, Homeless Service Center, Pájaro Valley Rescue Mission, Pájaro Valley Shelter Services, Families in Transition, Santa Cruz Aids Project and the Santa Cruz Community Counselling Center.

Other available community resources for people returning from mental and physical health institutions are The Santa Cruz County Mental Health Team with services that include Coordinated Care Treatment Teams for Older Adults Team (60 and above with a complex medical condition) and Services are focused on older adults with a major mental illness and complex medical conditions who are in need of case management and medication services. They offer a Recovery Team (26 and above) that provides coordinated care to individuals with chronic mental illnesses with severe functional impairments, a South County Adult (SCA) Team that provides coordinated care to mental health patients living in Watsonville and the southern areas of Santa Cruz County who are in need of case management, medication services and therapy, and a Transition Age Youth (TAY) Team (Youth 18-25) that will coordinate care to young adults with a major mental illness who are in need case management, medication services, therapy as well as vocational and educational supports.

The Homeless Persons Health Project (HPHP) provides services throughout Santa Cruz County to homeless or marginally housed youth, adults, and families with children.

The Recuperative Care Center (RCC) is operated through a partnership between HSC and the County Homeless Persons' Health Project (HPHP), with the support and investment of Dominican Hospital/Dignity Health, Watsonville Community Hospital, Central California Alliance for Health, Hospice of Santa Cruz, the County Health Services Agency, and the Health Improvement Partnership.

This program serves up to 12 homeless adults, providing 24-hour shelter with meals, housekeeping, security, and onsite case management provided by HSC in combination with primary care, including medication management support, clinical social work and case management, provided by HPHP. RCC is not a licensed care facility, but instead combines 24-hour shelter with care and services tailored to meet the needs of homeless adults.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

A portion of the CDBG funds are directed to Low-income Housing via the City of Watsonville's Housing Rehabilitation program focusing on both renters and owners.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

Funds have been used by removing architectural barriers for the disabled in City of Watsonville facilities such as Ramsay Park Family Center and the Watsonville Senior Center. As part of our Continuum of Care (CoC) affiliation partners such as Families in Transition, The Homeless Services Center, Pajaro Valley Shelter Services, Community Action Board/Shelter Project and Community Technology Alliance (our coordinated entry HMIS Lead) we continue working towards making it easier for our special needs residents to better function in our community.

MA-40 Barriers to Affordable Housing – 91.210(e)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

There are a number of factors that can impact development such as market conditions, environmental/physical constraints, government codes, and budgetary limitations. Watsonville is located in a very high cost of housing area, which makes it challenging in addressing the housing needs of the community.

Development costs vary depending on the type of development, cost of land, labor costs and environmental conditions. Costs associated with development are often reflected in the purchase price and rents. Watsonville has environmental and physical constraints in that it is surrounded by wetlands, sloughs, the Pajaro River and agricultural fields that affect both the cost and feasibility of development within the existing City limits. Geologic and flood hazards and the cost to mitigate those hazards affect the suitability of available land and cost to develop. The limited availability of land is caused by County actions; however, we continue to seek opportunities to address needs by utilizing infill strategies. In addition to exploring potential updates to the City's infill policies in order to allow higher densities in transit corridors, the City is proposing an Expanded Urban Service Line in its 2030 General Plan. If the Plan is approved, it could potentially allow annexation of additional buildable land to the City limits.

Government regulations and policies such as zoning, development standards, permit procedures and fees, and code requirements not only impact price, but also the ability to maintain, develop and improve housing. Development imposes short term costs, which include planning services and inspections, while also resulting in significant long term costs to maintain and improve the City's infrastructure and ability to provide other services such as police and fire.

In addition, the availability of mortgage financing affects a person's ability to purchase or improve a home. Most low income borrowers and homeowners lack the resources to purchase or improve existing housing and need assistance.

Budgetary issues at the local, state and national levels and Proposition 13 have limited the funding available to address local housing and infrastructure needs and supportive services. The elimination of local Redevelopment Agencies in February 2012 by the State of California resulted in the loss of a crucial resource for the development and preservation of affordable housing. All of these constraints can result in increased prices and overcrowding.

MA-45 Non-Housing Community Development Assets – 91.215 (f)

Introduction

Watsonville's economy continues to improve after the massive downturn in 2008 and despite the COVID-19 pandemic, there has been an increase in jobs, an increase in employment and several new companies have located here. We are still lacking critical infrastructure required to be competitive for many jobs that could be attracted. Broadband, transportation and workforce all are in need of critical upgrades. While Watsonville is home to many highly skilled jobs and has a suitable workforce, the agricultural nature of the community and surrounding region results in a large unskilled workforce, with an outsized portion of the working age population lacking in basic education. The city's workforce also is lacking in "middle skill" employees in spite of a growing number of middle skill employment opportunities.

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	3,280	4,749	18	26	8
Arts, Entertainment, Accommodations	2,449	1,322	14	7	-7
Construction	1,069	720	6	4	-2
Education and Health Care Services	3,036	3,184	17	17	0
Finance, Insurance, and Real Estate	636	682	4	4	0
Information	201	146	1	1	0
Manufacturing	1,563	2,002	9	11	2
Other Services	697	457	4	2	-2
Professional, Scientific, Management Services	1,074	1,371	6	7	1
Public Administration	0	0	0	0	0
Retail Trade	2,414	2,166	14	12	-2
Transportation and Warehousing	414	367	2	2	0
Wholesale Trade	942	1,319	5	7	2
Total	17,775	18,485	--	--	--

Table 40 - Business Activity

Data 2011-2015 ACS (Workers), 2015 Longitudinal Employer-Household Dynamics (Jobs)
Source:

Labor Force

Total Population in the Civilian Labor Force	25,210
Civilian Employed Population 16 years and over	22,920
Unemployment Rate	9.12
Unemployment Rate for Ages 16-24	25.00
Unemployment Rate for Ages 25-65	5.26

Table 41 - Labor Force

Data Source: 2011-2015 ACS

Occupations by Sector	Number of People
Management, business and financial	2,495
Farming, fisheries and forestry occupations	2,170
Service	3,000
Sales and office	4,695
Construction, extraction, maintenance and repair	5,790
Production, transportation and material moving	1,415

Table 42 – Occupations by Sector

Data Source: 2011-2015 ACS

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	14,160	65%
30-59 Minutes	6,645	31%
60 or More Minutes	940	4%
Total	21,745	100%

Table 43 - Travel Time

Data Source: 2011-2015 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	7,400	500	2,690
High school graduate (includes equivalency)	4,385	320	985
Some college or Associate's degree	4,785	325	1,360
Bachelor's degree or higher	1,875	180	270

Table 44 - Educational Attainment by Employment Status

Data Source: 2011-2015 ACS

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	570	1,375	2,020	3,755	2,055
9th to 12th grade, no diploma	1,045	1,215	1,125	1,100	455
High school graduate, GED, or alternative	2,140	2,025	1,600	2,060	975
Some college, no degree	2,335	1,370	1,415	2,120	515
Associate's degree	250	700	345	515	215
Bachelor's degree	270	460	450	810	425
Graduate or professional degree	15	105	215	290	240

Table 45 - Educational Attainment by Age

Data Source: 2011-2015 ACS

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	19,088
High school graduate (includes equivalency)	22,104
Some college or Associate's degree	31,772
Bachelor's degree	46,689
Graduate or professional degree	67,622

Table 46 – Median Earnings in the Past 12 Months

Data Source: 2011-2015 ACS

Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

Watsonville is home to at least 17 national and international company headquarters. Due to Watsonville's location in one of the most fertile coastal valley plains, there is a significant sector of employment that is centered around agriculture and food production. While this sector is an important part of Watsonville's employment picture, the number of well-paying jobs in low skill and moderately skilled labor has been shrinking since the passage of NAFTA. These jobs have been largely replaced by manufacturing in lifestyle industries such as bicycling and motor sports, fabrication of farm and food processing equipment, and in sales and marketing positions in a number of areas including food. Unfortunately, many of the jobs that have replaced the canning, sorting and food processing jobs are much higher skilled than the jobs that are no longer available. Other important sectors included natural food supplements, machining and fabrication, lifestyle manufacturing and sales and marketing.

Companies such as Driscolls, Martinelli's, Superior Foods, Fox Racing Shox, West Marine, Nordic Naturals and Whole Foods hire a significant number of skilled employees. These jobs range from factory work to jobs requiring advanced degrees in engineering, industrial design, sales, business and life sciences.

Describe the workforce and infrastructure needs of the business community:

Watsonville, like many communities, is missing key infrastructure and workforce components. Due to the high cost of housing and other economic factors, it is very difficult to import highly skilled workers in various industries. For instance, Fox Racing (Watsonville's largest private employer) reports that hiring key engineering and automotive experts requires moving people from low cost states such as Michigan, Ohio and Indiana to an area where housing prices are least affordable for a small metropolitan area. This is not unique to just one company. Furthermore, many companies in Watsonville report that mid-skilled workers who have command of basic computer and math skills are difficult to locate. Higher skilled workers and professional workers are available from adjacent areas such as Silicon Valley with similar cost of living issues, however certain specialty skills still must be imported and the cost of housing is a key detractor in hiring.

The infrastructure components missing in Watsonville include a significant need for additional fiber optic network expansion. Currently, Watsonville is served by only two pairs of fiber and some wireless connections. This makes it nearly impossible for Watsonville to attract any high tech or information intensive users. The City of Watsonville has partnered with the Central Coast Broadband Coalition in an effort to bring backbone infrastructure to Watsonville and a project is underway that should make significant inroads. However, Watsonville still lacks middle and last mile broadband infrastructure.

Watsonville also has some expensive upgrades to existing infrastructure that will need to be completed over the coming years. Due to the Chromium 6 concentration that naturally occurs in our City's wells, a new system that can remove most of the Chromium needs to be purchased. The City also has

improvements that are needed to improve walkability and bicycle friendliness throughout out street network. We also need better and more efficient lighting, although much of our streetlight system has been updated to improve efficiency.

Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

The City of Watsonville has worked for the past 6 years to create a shovel ready 60 net acre business park. The primary problem with developing this land is the relatively large cost of building out infrastructure compared to the overall potential for development and the likelihood of having enough users come online at once to fund this extraordinary expense. To facilitate the development of this land, the City helped the property owners develop construction plans and cost estimates for the required infrastructure. In addition, the City devoted resources to applying for EDA funding for this parcel twice. Unfortunately, the EDA did not fund this project in spite of its importance and priority position in our Comprehensive Economic Development Strategy. Fortunately, the City and the property owners have seen a significant increase in inquiries regarding this land. There are several potential tenants investigating this property, and two that are rather far along in the decision making process. The City and the property owners believe that if one of these tenants decides to move forward that it will result in the construction of the needed infrastructure and will allow future growth in this area.

The potential tenants are exceptionally well-suited for our workforce, however, the City would like to see a diverse tenant base in this park at build out. Our analysis concludes that we will need more workers with college educations, primarily in STEM coursework.

How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?

Watsonville has a large number of highly educated individuals and a large number of adults with a high school or less education. This doesn't tell the whole story, but it is important to note the lack of middle skilled workers in this region. While this workforce does not have the required level of education for many employers, a number of new and incumbent Watsonville employers have found that in certain fields the hard working residents of Watsonville fit very well. These fields include food processing, fabrication, machining and repair. While this is positive, the income and security of Watsonville residents would be greatly increased by increasing the number of middle and high skilled workers in town.

Watsonville's most educated workers tend to work in technology fields. While many are able to find employment in the region, more often than not the high skilled tech sector residents are employed in Silicon Valley over 45 minutes away.

Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.

As part of its implementation of the new Workforce Innovation and Opportunity Act, the local Workforce Investment Board (WIB) is working with sector businesses and employers to develop customized cohort based training opportunities with the Cabrillo College Corporate Education department, providing job seekers with industry recognized certificates leading to jobs that are in demand in the local and regional economy.

The WIB is seeking state Proposition 39 grant funding to operate a tri-County regional trades pre-apprenticeship program to youth and veterans in Santa Cruz, San Benito, and Monterey Counties preparing trainees to enter formal apprenticeship programs in the construction trades.

The WIB continues to use the WorkKeys online program to assess skill levels and provide proficiency documents for job seekers and employers; and to develop a regional plan to use common methods and strategies to inform employers about the certificates.

The WIB continues to promote the California Employment Development Department Employment Training Panel funds as an option for incumbent worker training for local businesses to increase the skill level of employees in order to remain competitive and preserve jobs.

Digital Nest: The Digital NEST is a high-tech space located in the heart of Watsonville. Young people ages 12-24 from Santa Cruz County have access to computers, software, Wi-Fi, and other digital tools and classes. They master skills necessary to thrive in the high tech, globally connected world in which we all live. Digital NEST does not stop at "training" – we turn our members into technology consultants who provide technology support services to local businesses, fostering entrepreneurship and fueling community economic development. Digital NEST teaches young people relevant skills including JAVA, HTML, PHP and other commonly used web development programming languages, web development and graphic design.

Cabrillo College: Cabrillo College, a state funded community college, is engaged in a number of workforce development efforts. They recently built the Solari Green Building Center, a space that has been designed to allow students to learn current building technology that also reduces occupant's energy usage. These courses teach practical job skills including solar installation, welding, design, software, LEED project compliance and other skills that lead to stable well-paying employment.

Cabrillo also teaches general education courses that are designed to help meet current workforce needs. This includes math, computer, science and soft-skills that are required by local and regional businesses.

Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?

Yes

If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.

The Following Goals will be coordinated with the Consolidated Plan:

- Manabe-Ow Industrial park Infrastructure and Flood Control Improvements.
- Downtown Area Revitalization
- Ongoing Implementation of Economic Gardening Plan
- Third Fire Station

Discussion

The City is working with several large expanding businesses that need a Central Coast location to build and occupy the city's last remaining greenfield development site. The development of the infrastructure supporting this business park is a key goal in the Santa Cruz County Comprehensive Economic Development Strategy. This development also includes an area set aside for workforce housing. This area has a proposed development that is expected to move forward soon. The development will include just over 90 units, of which 20% will be deed restricted for low and low-mod residents.

Watsonville is also working on a CEDS goal to improve the walkability and economic vitality of the Downtown Area. This effort included major changes to the streetscape, improved pedestrian facilities, improvements to downtown parks, improved parking systems, a new specific plan for Downtown and efforts to increase the number of residential units in the Downtown. These efforts are underway and have been consistently coordinated with the City's CDBG Action Plan. We intend to continue this.

The City has had an ongoing economic gardening effort in place for the past 6 years, which has resulted in a number of expanding businesses. This effort will continue for the foreseeable future.

The City is also seeking to reduce response times for calls for service from our Fire Department. To do so will require the construction and provision of a new fire station. As money becomes available, the City will leverage Federal, State and Local funds to complete this project.

The goals also include improving the walkability and transit access to residents, improving water supply management and increasing water supply reliability, improving infrastructure, improving business viability, streamlining permitting processes and improving community access to recreational opportunities. All of these efforts are underway.

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

Areas where households with multiple housing problems are concentrated are census tracts where a large number of households are experiencing 1 or more housing problem such as cost burden, overcrowding, lack of complete kitchen or plumbing facilities.

As discussed in previous sections, low income households comprise the majority of households experiencing one or more housing problems. In all but two of the census tracts (1107 and 1223) in Watsonville, between 51% and 100% of the households in each tract are experiencing one or more common housing problem with 30%-100% of the households in each tract experiencing 1 or more severe housing problem. The majority of the census tract 1107 consists of the Watsonville Municipal Airport and 1223 agricultural land, which is the reason for a lack of households experiencing housing problems.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

Area of low income concentration is census tracts where at least 51% of the households have incomes at or below 80% of the AMI. Area of minority concentration is census tracts where the percentage of persons of a particular racial or ethnic group is at least 20 points higher than the total percentage of minorities citywide.

All but two of the census tracts (1107 and 1223) have high concentrations of low-income households. There are no areas of minority concentration, according to the definition above, except for Hispanics who are heavily concentrated in all census tracts except for tracts 1103 (downtown), 1107 (airport) and 1223 (agricultural land).

However, all of the Pacific Islanders are located in either Census Tract 1103 (downtown area) or 1105-02 (Freedom-Carey area), with the majority in the downtown area. American Indians and Alaska Natives are primarily concentrated in Census Tract 1105-02 (Freedom-Carey area). The Freedom-Carey area has the highest concentration of minorities, primarily Hispanic. Census Tract 1101, which contains a combination of new housing and senior housing, has the highest concentration of other racial groups that are not Hispanic. In addition, there is one Census Tract (1225), which is north of the Freedom-Carey area, where 100% of the households are Hispanic.

What are the characteristics of the market in these areas/neighborhoods?

There are 14,744 total housing units in Watsonville according to the 2011-2015 ACS. A significant number of these units (63%) were built over 35 years ago and are occupied by 85% of the total households in Watsonville (39.6% owner occupied and 60.4% rental). As indicated previously, more than half of the units in each census tract experience one or more housing problem. However, 100% of the units in census tract 1225, which contains less than 1% of the total housing units in Watsonville, experience one or more housing problem. Census tract 1225 also has the highest concentration of extremely low income households but a larger percentage of owner occupied homes compared to the other census tracts.

Based on current U.S. Census data, 21% to 42% of the rental units in all of the census tracts containing housing units are subsidized. Foreclosure rates are relatively even throughout Watsonville, averaging 14% with census tract 1103 (downtown area) experiencing the least amount of foreclosures at 7%. Census tract 1103 has a larger percentage of rental units, which could account for the lower foreclosure rate.

Are there any community assets in these areas/neighborhoods?

All neighborhoods in Watsonville have access to parks, built out infrastructure and services. Watsonville is only 6.5 sq. miles and few locations in Watsonville are further than walking distance from most services. Watsonville's neighborhoods also enjoy access to transportation through the local transit district and through several services that provide transportation for persons with disabilities and those that cannot access regular transit services.

Are there other strategic opportunities in any of these areas?

Watsonville is mostly built out; however, there are several small areas that are opportunities to increase the affordable housing stock. The City is actively working with local developers, the local community college (Cabrillo) and University of California, Santa Cruz (UCSC) to deliver units on these properties.

MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

The City of Watsonville is approximately 78% low- and moderate-income which makes a large percentage of households unable to access Wifi service. As a result of the 2019 COVID-19 pandemic the Pajaro Valley Unified School District implemented distance learning which made a great need for broadband wiring and connections for household. The City in collaboration with Cruzio and the Pajaro Valley School District and our Parks and Community Department have provided internet and have also identified various sites throughout the City that will serve as access points for students that are distance learning.

Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)

Describe the jurisdiction's increased natural hazard risks associated with climate change.

Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

The City receives HUD funding under the Community Development Block Grant (CDBG) Program, which is designed to assist low and moderate income (LMI) households. The consolidated plan must also address special needs identified as the needs of elderly, persons with disabilities, homeless individuals and others.

To meet the community's needs, the Plan is guided by the following goals:

- Affordable Housing – Providing safe, decent affordable housing for extremely low to moderate income households, preserving and increasing the affordable housing stock and supporting housing programs for the homeless, including emergency shelter, transitional and permanent housing programs, and homeless prevention
- Economic Development – Provide opportunities to promote economic development and enhance housing stock by expanding economic opportunities through enhancement of downtown living areas and commercial/industrial environments through improvement programs
- Public Services – Enhance public safety and suitable living environments by: 1) Supporting Crime prevention and Code enforcement activities; increased affordable housing opportunities; and 2) By increasing supportive services to people with special needs, homeless persons, and low-income persons and families
- Public Facilities – Enhance the community's image and living conditions by fostering improved infrastructure , and parks conditions to serve low and moderate income needs including continued improvements with public facilities rehabilitation and infrastructure reconstruction

SP-10 Geographic Priorities – 91.215 (a)(1)

Geographic Area

Table 47 - Geographic Priority Areas

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

The City is not proposing any geographic area targeting. This table is therefore not included.

The City of Watsonville will use a need-based strategy, as opposed to place-based strategy, over the course of the five year planning period. In consultation with City staff, service providers, and community groups, no consensus of particular areas were identified as needing a high level of investment.

The City of Watsonville's Neighborhood Services Division reinforces the City's commitment to building strong neighborhoods through programs designed to increase communication between residents and city government, enhance community pride, encourage civic awareness and participation, and provide more effective coordination among City departments to address neighborhood needs. Deteriorated areas are targeted, and it is expected that working together with code enforcement, police, public works, and other public and private improvements, rehabilitation, or services to be provided will improve or arrest the decline of an area.

Certain types of projects, including affordable housing, homeless services and accessibility improvements, were consistently designated as high priority. Given the difficulties that already exist in implementing these types of projects, it does not make sense to further limit them to a certain area within the City, as most of the City, with few exceptions, is considered to be low-mod, and therefore the most of the City would be considered as needing a high level of investment.

The City plans to continue to identify the need for proposed projects on an annual basis through the citizen participation process. The City also plans to consult service providers and partners in determining the level of need for proposed activities.

SP-25 Priority Needs - 91.215(a)(2)

Priority Needs

Table 48 – Priority Needs Summary

1	Priority Need Name	Affordable Housing
	Priority Level	High
	Population	Extremely Low Low Large Families Families with Children Elderly Chronic Homelessness Families with Children Mentally Ill veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth Elderly Frail Elderly Persons with Physical Disabilities Persons with Developmental Disabilities Persons with HIV/AIDS and their Families Victims of Domestic Violence
	Geographic Areas Affected	
	Associated Goals	Affordable Housing
	Description	Providing safe, decent affordable housing for extremely low to moderate income households, preserving and increasing the affordable housing stock and supporting housing programs for the homeless, including emergency shelter, transitional and permanent housing programs, and homeless prevention
	Basis for Relative Priority	Basis for Relative Priority Based on Needs Assessment. Providing and improving access to and the quality of housing is important in maintaining and enhancing the quality of life for all segments of the population in Watsonville.

2	Priority Need Name	Public Services
	Priority Level	High
	Population	Extremely Low Low Large Families Families with Children Elderly Chronic Homelessness Families with Children Unaccompanied Youth Non-housing Community Development
	Geographic Areas Affected	
	Associated Goals	Public Services
	Description	Enhance public safety and suitable living environments by: 1) Supporting Crime prevention and Code enforcement activities; increased affordable housing opportunities; and 2) By increasing supportive services to people with special needs, homeless persons, and low-income persons and families
	Basis for Relative Priority	Needs Assessment.
3	Priority Need Name	Economic Development
	Priority Level	High
	Population	Extremely Low Low Non-housing Community Development
	Geographic Areas Affected	
	Associated Goals	Economic Development

	Description	Provide opportunities to promote economic development and enhance housing stock by expanding economic opportunities through enhancement of downtown living areas and commercial/industrial environments through improvement programs
	Basis for Relative Priority	Needs Assessment.
4	Priority Need Name	Public Facilities
	Priority Level	High
	Population	Extremely Low Low Large Families Families with Children Elderly Chronic Homelessness Elderly Frail Elderly Persons with Physical Disabilities Non-housing Community Development
	Geographic Areas Affected	
	Associated Goals	Public Facilities
	Description	Enhance the community's image and living conditions by fostering improved infrastructure , and parks conditions to serve low and moderate income needs including continued improvements with public facilities rehabilitation and infrastructure reconstruction
	Basis for Relative Priority	Needs Assessment.

Narrative (Optional)

Priority needs were identified through a public input session, a survey, an online survey and the needs assessment. The survey questions covered housing, homeless, special needs, infrastructure, public facilities, public service, and economic development.

- Affordable Housing – Providing safe, decent affordable housing for extremely low to moderate income households, preserving and increasing the affordable housing stock and supporting housing programs for the homeless, including emergency shelter, transitional and permanent housing programs, and homeless prevention
- Economic Development – Provide opportunities to promote economic development and enhance housing stock by expanding economic opportunities through enhancement of downtown living areas and commercial/industrial environments through improvement programs
- Public Services – Enhance public safety and suitable living environments by: 1) Supporting Crime prevention and Code enforcement activities; increased affordable housing opportunities; and 2) By increasing supportive services to people with special needs, homeless persons, and low-income persons and families
- Public Facilities – Enhance the community's image and living conditions by fostering improved infrastructure , and parks conditions to serve low and moderate income needs including continued improvements with public facilities rehabilitation and infrastructure reconstruction

SP-30 Influence of Market Conditions – 91.215 (b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	Watsonville has high housing costs with more than half of the households making less than 80% of AMI, but contributing more than 30% of their income towards housing. Between 21-42% of the rental units throughout the City are subsidized and another 4,244 persons are on HACSC's waiting list for assistance. Rental assistance in Watsonville is offered through the Housing Authority of Santa Cruz County (HACSC).
TBRA for Non-Homeless Special Needs	Rental assistance in Watsonville is offered through HACSC and is intended to assist low income residents with or without special needs.
New Unit Production	<p>There are 10,030 households with incomes at or below 80% of AMI, but only 1,670 units affordable at this income level. Development is affected by a number of factors, as indicated in MA-40, which must be considered to determine the feasibility of a project.</p> <p>These factors have and will continue to affect the production of new housing units.</p>
Rehabilitation	Watsonville has a significant stock of older homes with 85% (38% owner occupied and 47% rental) of the households occupying units that were built over 35 years ago. High housing costs and low rents make it difficult for owners to find adequate resources to properly maintain their units as evidenced by the number of households experiencing one or more housing problem.
Acquisition, including preservation	The median home value has risen 88% from 2000-2011, while homeownership rates have decreased. Of the 14,216 total households in Watsonville, 8,585 are renters, 87% of which earn equal to or less than 80% of AMI. The high cost of housing combined with lower incomes affects a households ability to obtain or maintain housing.

Table 49 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

Introduction

The City anticipates continuing to receive CDBG funding throughout the Consolidated Plan period. The City of Watsonville will continue to leverage CDBG funding in its First Time Homebuyer and Housing Rehabilitation Programs, which utilize multiple funding sources including HOME, CDBG, CalHome and Inclusionary Housing in-lieu fees. These Programs provide gap financing to make it more affordable for low income individuals to purchase a home and financial/technical assistance to low income homeowners or homeowners who rent to low income households make repairs to an existing home.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	754,617	80,000	25,000	859,617	2,856,620	Based on level funding in subsequent years.

Table 50 - Anticipated Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The CDBG program does not have a matching requirement. The City does add local funds and other funds to further support many of the activities.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City, as Successor Agency to the former Redevelopment Agency (RA), has a number of vacant properties that may be used to support additional affordable housing projects over the next few years, and will be moving forward on the next steps related to previously owned RDA land.

Discussion

SP-40 Institutional Delivery Structure – 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
City of Watsonville	Government	Economic Development Non-homeless special needs Ownership Planning Rental neighborhood improvements public facilities public services	Jurisdiction
COUNTY OF SANTA CRUZ	Government	Homelessness Non-homeless special needs Planning	Region
Housing Authority of Santa Cruz County	PHA	Public Housing	Region
Homeless Action Partnership	Continuum of care	Homelessness	Region
Community Bridges (AKA La Manzana Community Resources)	Community/Faith-based organization	Homelessness Non-homeless special needs public services	Region
Encompass	Community/Faith-based organization	Non-homeless special needs public services	Region
California Rural Legal Assistance, Inc.	Regional organization	Non-homeless special needs	Region
SECOND HARVEST FOOD BANK	Regional organization	Non-homeless special needs	Region
Family Service Agency of the Central Coast	Community/Faith-based organization	Non-homeless special needs	Region
WALNUT AVENUE WOMEN'S CENTER	Community/Faith-based organization	Non-homeless special needs	Region

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
Monarch Services (AKA Women's Crises Support-Defensa de Mujeres)	Community/Faith-based organization	Non-homeless special needs	Region
Pajaro Valley Loaves and Fishes	Community/Faith-based organization	Non-homeless special needs	Region
PAJARO VALLEY SHELTER SERVICES	Community/Faith-based organization	Homelessness Non-homeless special needs	Region
Watsonville Law Center	Community/Faith-based organization	Non-homeless special needs	Region
El Pajaro Community Development Corporation	Subrecipient	Economic Development Non-homeless special needs	Region

Table 51 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

The South Santa Cruz County region of which, Watsonville is the primary residential and employment center, has an extensive network of services to provide services to low and moderate income people, the homeless and those with special needs. Most of these services are available within Watsonville, but some require that individuals seeking services travel to Santa Cruz or to the mid-county area. The largest gap is in the institutional delivery of affordable housing. As Watsonville is built-out to its jurisdictional boarder and only a handful of development sites still exist, construction of new affordable units is likely to cease except in infill situations within 5 years. Affordable units are scarce and rental assistance such as Section 8 is inadequate to meet the needs of the community.

A myriad of services are targeted to homeless persons in the Watsonville community. Those services include Counseling, Advocacy, Legal Assistance and Rental Assistance. Please reference the chart below for additional services that may be available to the Homeless and HIV positive individuals and families.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X	X	X
Legal Assistance	X	X	

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Mortgage Assistance	X		X
Rental Assistance	X	X	X
Utilities Assistance	X		X
Street Outreach Services			
Law Enforcement	X	X	
Mobile Clinics			
Other Street Outreach Services	X	X	X
Supportive Services			
Alcohol & Drug Abuse	X	X	
Child Care	X		
Education	X		X
Employment and Employment Training	X		
Healthcare	X	X	X
HIV/AIDS	X		X
Life Skills	X	X	X
Mental Health Counseling	X	X	X
Transportation	X	X	X
Other			
Food	X	X	X

Table 52 - Homeless Prevention Services Summary

Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)

Service providers in the area are providing services to the homeless and special needs populations. Some are focused on specific missions and others are providing assistance including healthcare, food assistance, counselling, job training and mental health. While many focus on impoverished individuals, many of these agencies are working with any residents that need assistance regardless of means.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

The primary issue facing persons experiencing homelessness is a lack of affordable housing and well-managed permanent supportive housing. There are also limited available emergency housing options,

which are primarily driven by the high cost of housing. The special needs population fares somewhat better than the homeless, but the high cost of housing still creates service gaps.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

The City of Watsonville will continue to work with local, state, federal and non-profit resources to ensure that the institutional structure and service delivery system continues to improve, expand and to cover a broader portion of the at risk population. The City of Watsonville will also continue to support the local non-profit community and to encourage economic development with a focus on creating well-paying jobs.

SP-45 Goals Summary – 91.215(a)(4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Affordable Housing	2020	2024	Affordable Housing		Affordable Housing	CDBG: \$100,000	Rental units rehabilitated: 10 Household Housing Unit Homeowner Housing Rehabilitated: 10 Household Housing Unit Housing Code Enforcement/Foreclosed Property Care: 500 Household Housing Unit
2	Economic Development	2020	2024	Non-Housing Community Development		Economic Development	CDBG: \$228,683	Businesses assisted: 50 Businesses Assisted
3	Public Services	2020	2024	Public Services		Public Services	CDBG: \$133,842	Public service activities other than Low/Moderate Income Housing Benefit: 350 Persons Assisted
4	Public Facilities	2020	2024	Public Facilities		Public Facilities	CDBG: \$313,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 7320 Persons Assisted

Table 53 – Goals Summary

Goal Descriptions

1	Goal Name	Affordable Housing
	Goal Description	Providing safe, decent affordable housing for extremely low to moderate income households, preserving and increasing the affordable housing stock and supporting housing programs for the homeless, including emergency shelter, transitional and permanent housing programs, and homeless prevention
2	Goal Name	Economic Development
	Goal Description	Microenterprise Business Technical Assistance. Provide opportunities to promote economic development and enhance housing stock by expanding economic opportunities through enhancement of downtown living areas and commercial/industrial environments through improvement programs.
3	Goal Name	Public Services
	Goal Description	Youth Center Staffing - Enhance public safety and suitable living environments by: 1) Supporting Crime prevention and Code enforcement activities; increased affordable housing opportunities; and 2) By increasing supportive services to people with special needs, homeless persons, and low-income persons and families
4	Goal Name	Public Facilities
	Goal Description	Enhance the community's image and living conditions by fostering improved infrastructure, and parks conditions to serve low and moderate income needs including continued improvements with public facilities rehabilitation and infrastructure reconstruction

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

During the 5-year plan, the City estimates that it will assist 10 extremely low, 50 low and 20 moderate income households through its existing housing programs.

SP-50 Public Housing Accessibility and Involvement – 91.215(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

The Housing Authority is not required to increase the number of accessible units, nor is the Housing Authority in a Section 504 Voluntary Compliance Agreement at this time.

Activities to Increase Resident Involvements

Public housing residents participate in a Resident Advisory Board that meets annually to review and discuss proposed changes to the Housing Authority's Agency Plan.

Is the public housing agency designated as troubled under 24 CFR part 902?

No

Plan to remove the 'troubled' designation

Not applicable. The Housing Authority of the County of Santa Cruz is designated as a High Performer for both their Housing Choice Vouchers and Low Income Public Housing programs.

SP-55 Barriers to affordable housing – 91.215(h)

Barriers to Affordable Housing

There are a number of factors that can impact development such as market conditions, environmental/physical constraints, government codes, and budgetary limitations. Watsonville is located in a very high cost of housing area, which makes it challenging in addressing the housing needs of the community.

Development costs vary depending on the type of development, cost of land, labor costs and environmental conditions. Costs associated with development are often reflected in the purchase price and rents. Watsonville has environmental and physical constraints in that it is surrounded by wetlands, sloughs, the Pajaro River and agricultural fields that affect both the cost and feasibility of development within the existing City limits. Geologic and flood hazards and the cost to mitigate those hazards affect the suitability of available land and cost to develop. The limited availability of land is caused by County actions; however, we continue to seek opportunities to address needs by utilizing infill strategies. In addition to exploring potential updates to the City's infill policies in order to allow higher densities in transit corridors, the City is proposing an Expanded Urban Service Line in its 2030 General Plan. If the Plan is approved, it could potentially allow annexation of additional buildable land to the City limits.

Government regulations and policies such as zoning, development standards, permit procedures and fees, and code requirements not only impact price, but also the ability to maintain, develop and improve housing. Development imposes short term costs, which include planning services and inspections, while also resulting in significant long term costs to maintain and improve the City's infrastructure and ability to provide other services such as police and fire.

In addition, the availability of mortgage financing affects a person's ability to purchase or improve a home. Most low income borrowers and homeowners lack the resources to purchase or improve existing housing and need assistance.

Budgetary issues at the local, state and national levels and Proposition 13 have limited the funding available to address local housing and infrastructure needs and supportive services. The elimination of local Redevelopment Agencies in February 2012 by the State of California resulted in the loss of a crucial resource for the development and preservation of affordable housing. All of these constraints can result in increased prices and overcrowding.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

In 1991, the City of Watsonville adopted an Inclusionary Housing Ordinance as a means to provide affordable housing for persons at all income levels. The Ordinance was updated in 2001 and requires developers to sell or rent a percentage of units developed at affordable prices or rents for 45-55

years. this Ordinance was once more to remove "Only rental developments that receive some form of subsidy are subject to the Ordinance". New construction that consists of less than 7 units has the option of paying a fee in-lieu instead of providing units. These funds are used to help support affordable housing through development, acquisition, rehabilitation, and preservation of new and existing units.

In addition, the City continues to seek out and obtain State and Federal Grants, such as HOME and CalHome, as well as other ways, to fund a variety of Programs or long term development costs. Two of these Programs: First Time Homebuyer and Housing Rehabilitation, provide financial assistance to low income households to make it affordable to purchase new or existing housing and/or low income homeowners or homeowners who rent to low income tenants to make repairs to existing housing. Other grants may assist with infrastructure improvements, operating costs for supportive services, youth programs, etc.

Barriers such as those discussed above are considered and addressed by the City when updating its Housing Element, Zoning Code and/or permit fees and processes. The limited availability of land is caused by County actions; however, we continue to seek opportunities to address needs by utilizing infill strategies. In addition to exploring potential updates to the City's infill policies in order to allow higher densities in transit corridors, the City is proposing an Expanded Urban Service Line in its 2030 General Plan. If the Plan is approved, it could potentially allow annexation of additional buildable land to the City limits.

Due to financial constraints, the City's ability to assist developers financially is limited. However, the City utilizes other mechanisms to facilitate development such as fee deferments, density bonuses, streamlined permit process, and varied development permits.

SP-60 Homelessness Strategy – 91.215(d)

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Preventing and ending homelessness is a HUD priority nationally and locally the City of Watsonville has partnered with many stakeholders in Santa Cruz County including policy makers, providers, funders, advocates, people with experience of homelessness and community members to create the Santa Cruz Community Strategic Plan to Prevent, Reduce, and Eventually End Homelessness. This plan, titled “All IN – Toward a Home for Every County Resident” was just adopted by our City, the City of Scotts Valley, The City of Capitola and the County of Santa Cruz. The plan includes eight priorities:

- Transforming the Crises Response System
- Increasing Access to Permanent Housing
- Integrating Systems and Community Support Ending Chronic and other Adult Homelessness
Ending Family Homelessness Addressing Needs in South County (Watsonville)Initiating a
Response to Youth and Young Adult Homelessness Ending Veteran Homelessness

The plan also addresses details achievement of the prior ten year plan: Housing, Health and Supportive Services.

Addressing the emergency and transitional housing needs of homeless persons

Our ultimate solution to ending homelessness in Santa Cruz County is permanent housing bundled closely together with supportive services. The most immediate need is housing. Other services should include but not be limited to multi-lingual trauma-informed case managers, benefits assistance, job ready placements, community outreach and education, and linkage to whole network of programs such as health treatment including mental health, corrections transition for those previously incarcerated, legal aid, transportation, VA services and employment opportunities.

Part of the strategy in reducing chronic homelessness in the area is inviting property owners incentives to relinquish / convert more rental properties from transitional housing to subsidized housing. A key element to this strategy is to educate the more property owners to the fact that rent is guaranteed each month on the properties and tenants are provided other social services including budgeting. By increasing the amount of subsidized housing available it will Reduce the average length of time persons are homeless, reduce returns to homelessness, reduce the number of families and individuals who are homeless and will improve the employment rate and income amount of families and individuals who are homeless.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to

permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

Homelessness is one of the more pressing issues in Santa Cruz County as a whole. In 2019, Applied Survey Research (ASR) conducted a survey to determine the extent and needs of homeless people in Santa Cruz County. This study was reported in the Santa Cruz County Homeless Census and Survey and documented 2,167 homeless persons in Santa Cruz County, of who 370 resided in Watsonville. The primary reason for homelessness in Santa Cruz County is unemployment.

In recent years, the high cost of housing has placed an escalating burden on families in Watsonville. As moderate and lower income families increasingly can no longer afford the median-priced home, market conditions have led to a higher prevalence of overpayment, overcrowding, and substandard living conditions. Of all family households, single parents with children and large families are disproportionately impacted. To meet the unique housing needs of the disabled, the City offers and participates in various programs. Through the County Housing Authority, disabled households may receive rental assistance to help them afford housing in the community.

According to the 2019 point in time (PIT) study done by , homeless veterans in the area represent 15% of the total homeless population in the Santa Cruz County. . Many community partners such as the HUD – Veteran Administration Supportive Housing (VASH) and the Supportive Services for Veteran Families (SSVF) programs will work together for this community-wide, collaborative approach to end veteran homelessness in Santa Cruz County.

While the City of Watsonville sees all of the needs in our local community, severe funding limitations makes it impossible to address each and every need for assistance.

Some housing counseling is available in the Santa Cruz County jurisdiction by way of Families in Transition, Pajaro Valley Shelter Services, Housing Authority of Santa Cruz County and The Community Action Board. In addition, the City contracts with the Watsonville Law Center and Neighborhood Services of Silicon Valley to provide homebuyer education classes to potential homebuyers.

The Watsonville Law Center and the California Rural Legal Assistance Center both offer free or sliding scale landlord tenant dispute counseling.

Currently there is not a mechanism in place that tracks affordable housing complexes that may have vacancies but with the currently proposed coordinated entry system, this should become a reality in the County. However, the City does publish a list of affordable housing complexes located in the City limits.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

The limited number of affordable housing in this area puts Watsonville and the Pajaro Valley way behind the curve of having an adequate supply. The County Housing Authority is not even taking names for waiting list because it is so long at this time. We are moving towards a coordinated entry system that would assist in reporting when a unit becomes available in local affordable housing complexes but at this time it is not yet been established. We do have a local partnership with the Watsonville Law Center that offers landlord-tenant mediation for those in need of that service.

SP-65 Lead based paint Hazards – 91.215(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

The City of Watsonville offers a Housing Rehabilitation Program that provides financial assistance to low income homeowners or homeowners who rent to low income tenants to make repairs to existing housing. Included in that assistance is testing for and abatement of lead based paint hazards in pre 1978 units, which is provided as a grant to the homeowner. Any contractor working with the Program are required to obtain EPA Lead-Safe Certification and use safe work practices when performing work on pre-1978 units.

In addition, homes purchased using the City's First Time Homebuyer or through the Inclusionary Housing Programs are inspected as part of the application process and any lead based paint hazards that are found must be abated prior to funding and/or purchase approval.

The City has one full time staff member that has been trained in Lead Based Paint Supervision and Monitoring requirements, and is also an EPA Lead-Safe Certification.

How are the actions listed above related to the extent of lead poisoning and hazards?

Over 60% of the total units in Watsonville were built before 1980, 10% or more of these units are occupied by children. Lead based paint testing and abatement will continue to be offered as part of the City's Housing Rehabilitation Program. All pre-1978 Homes purchased using the City's First Time Homebuyer or through the Inclusionary Housing Programs will continue to be inspected for any lead hazards and require abatement as a condition to receiving financial assistance and/or purchase approval.

Also, the City has and will continue to work closely with the County of Santa Cruz Health Department in resolving any suspected lead based paint incidents.

How are the actions listed above integrated into housing policies and procedures?

Requirements for lead based paint (presence, testing, and/or abatement) are included in the City's Housing Program Guidelines.

SP-70 Anti-Poverty Strategy – 91.215(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

Watsonville has three primary approaches to reduce poverty:

- 1) Improving the education and skill level of the workforce;
- 2) Expanding job opportunities through economic development; and
- 3) Improving and expanding affordable housing.

This is accomplished by coordinating resources with other agencies and supporting non-profits that serve low income families and individuals as well as adopting land use policies that balance job creation and housing needs.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

In addition to implementing land use policies that help to balance jobs and housing, the City of Watsonville has adopted an Inclusionary Housing Ordinance that provides affordable housing options for low to moderate income individuals and families. The Ordinance requires developers to sell or rent a percentage of new housing units to low and moderate income households at an affordable price or pay an in-lieu fee. Only rental developments that receive some form of subsidy are subject to the Ordinance. These funds are used to help support affordable housing through development, acquisition, rehabilitation, and preservation of new and existing units.

Watsonville has an Economic Development program that utilizes strategies of business retention, expansion, attraction and economic gardening. The economic development efforts are coordinated with the Santa Cruz County CEDS and staff participates in quarterly regional coordination meetings. Staff in Economic Development also works closely with the local school district, several charter schools, a local Community Development Corporation, the local SBDC, and the Workforce Investment Board to provide services including workforce development, business incubation/acceleration, STEM programs for youth and business planning assistance.

Watsonville also offers First Time Homebuyer and Housing Rehabilitation Programs, which utilize multiple funding sources including HOME, CDBG, CalHome and Inclusionary Housing in-lieu fees. These Programs provide gap financing to make it more affordable for low income individuals to purchase a home and financial/technical assistance to low income homeowners or homeowners who rent to low income households make repairs to an existing home.

The City's Code enforcement Program is another important tool in preserving and maintaining the quality of existing housing. Inspection and monitoring efforts provided by an active code enforcement program ensure a safe and healthy environment and reduce the cost burdens that can impact affordability, especially when combined with other housing assistance programs. In conjunction with this program, the City has a Residential Relocation Assistance Ordinance, which is intended to assist tenants who may be involuntarily displaced due to unsafe conditions in rental housing.

Watsonville actively participates with other agencies and organizations to provide financial and non-financial services that address the needs of the community.

SP-80 Monitoring – 91.230

Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The City's Community Development Department (CDD) staff is responsible for managing the operations of the CDBG Program and ensuring that CDBG funds are used in accordance with program requirements. This includes the administration and implementation of CDBG projects, such as housing rehabilitation and property acquisition, maintaining and monitoring agreements with other City departments implementing CDBG projects, and the administration and monitoring of subrecipient contracts. Additionally, CDD staff work closely with the Finance Department to ensure the appropriate and timely expenditure of CDBG funds.

INTERNAL MONITORING

CDBG projects implemented by the City are monitored on an on-going basis for compliance with CDBG requirements. CDD staff maintains documentation of grant compliance for each activity, including CDBG eligibility, National Objective compliance and NEPA requirements. CDD staff also work closely with other City departments that implement CDBG projects to ensure that all requirements are understood and met. CDD staff provides final approval of CDBG drawdowns, and reviews all expenditures for grant compliance before approval.

The CDD is also responsible for the timely expenditure of CDBG funds, a process that begins with the development of the annual Action Plan. Anticipated program income for the program year is estimated as accurately as possible and proposed Action Plan activities are reviewed for their readiness and probability of timely implementation.

CDD staff monitors timeliness continually throughout the year, determining the status of all CDBG activities, in order to anticipate potential problems. A thorough review of the status of all projects is conducted mid-way through the program year. At this time, if any slow-moving projects are identified, or if unanticipated program income has been received, additional projects will be proposed in an Action Plan Amendment.

SUBRECIPIENT MONITORING

CDBG subrecipients will be monitored annually to ensure their compliance with all regulations and requirements governing their administrative, financial and programmatic operations, and to verify achievement of their performance objectives within schedule and budget. The objectives of the monitoring review are to:

- Evaluate subrecipient accomplishments and achievements;
- Determine areas of non-compliance;
- Assist in resolving compliance problems; and
- Strengthen channels of communication between the City and the subrecipient.

At the beginning of each program year, CDD staff will evaluate each subrecipient for classification as a High Risk Subrecipient (per 24CFR 85.12) using the following criteria:

- Is subrecipient new to CDBG?
- Is there high turnover in key staff positions?
- Are there past compliance or performance problems?
- Are activities high risk (acquisition, housing, economic development)?
- Are there multiple CDBG-funded activities for the first time?

Subrecipients classified as High Risk will be scheduled for more frequent monitoring.

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

The City anticipates continuing to receive CDBG funding throughout the Consolidated Plan period. The City of Watsonville will continue to leverage CDBG funding in its First Time Homebuyer and Housing Rehabilitation Programs, which utilize multiple funding sources including HOME, CDBG, CalHome and Inclusionary Housing in-lieu fees. These Programs provide gap financing to make it more affordable for low income individuals to purchase a home and financial/technical assistance to low income homeowners or homeowners who rent to low income households make repairs to an existing home.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	754,617	80,000	25,000	859,617	2,856,620	Based on level funding in subsequent years.

Table 54 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The CDBG program does not have a matching requirement. The City does add local funds and other funds to further support many of the activities.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City, as Successor Agency to the former Redevelopment Agency (RA), has a number of vacant properties that may be used to support additional affordable housing projects over the next few years, and will be moving forward on the next steps related to previously owned RDA land.

Discussion

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Affordable Housing	2015	2019	Affordable Housing		Affordable Housing	CDBG: \$100,000	Homeowner Housing Rehabilitated: 3 Household Housing Unit Housing Code Enforcement/Foreclosed Property Care: 100 Household Housing Unit
2	Economic Development	2015	2019	Non-Housing Community Development		Economic Development	CDBG: \$228,683	Businesses assisted: 50 Businesses Assisted
3	Public Services	2015	2019	Public Services		Public Services	CDBG: \$133,842	Public service activities other than Low/Moderate Income Housing Benefit: 350 Persons Assisted
4	Public Facilities	2015	2019	Public Facilities		Public Facilities	CDBG: \$313,000	Other: 2 Other

Table 55 – Goals Summary

Goal Descriptions

1	Goal Name	Affordable Housing
	Goal Description	Goal outcome indicator and funding shown is per year.
2	Goal Name	Economic Development
	Goal Description	Goal outcome indicator and funding allocated is per year.
3	Goal Name	Public Services
	Goal Description	Goal outcome indicator and funding shown is per year.
4	Goal Name	Public Facilities
	Goal Description	Goal outcome indicator and funding shown is per year.

Projects

AP-35 Projects – 91.220(d)

Introduction

The Five Year Consolidate Plan outlines proposed strategies for the expenditures of the City's CDBG funds with the goal to provide a suitable living environment by revitalizing low- to moderate-income neighborhoods, to assist disadvantaged, low-income, and homeless persons by providing adequate public facilities and services and generating affordable housing opportunities. This annual plan focuses resources in the areas of affordable housing, economic development, public services, and public facilities.

Projects

#	Project Name
1	Section 108 Loan Repayment
2	Youth Center Staffing
3	Code Enforcement
4	Administration and Planning
5	Micro-Enterprise Business Technical Assistance
6	Callaghan Park Fiber Optic
7	Parklets Program
8	Senior Center Kitchen ADA & Other Improvements Ph I
9	Davis Avenue Park Basketball Court Repair
10	City Plaza New Waste Receptacles
11	Contingency-Franich Park Accessibility & Parking Lot Improvements
12	Contingency-Marinovich Park Flag Pole Replacement
13	Contingency-Ramsay Park Accessibility and Parking Lot Improvements
14	Contingency-Senior Center Kitchen ADA & Other Improvements Ph.II

Table 56 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The priority needs identified in the City's Five-Year Consolidated Plan, the corresponding local objectives, and the specific activities to be undertaken during the 2020 Program Year to address each

need are outlined below.

Affordable Housing

Several programs address the various local objectives to address the need for affordable housing in the City.

Housing Rehabilitation

Homeownership Opportunities

Residential Code Enforcement

Targeted Code Enforcement

Economic Development

Small Business / Micro-enterprise Business Technical Assistance

Entrepreneur Support

Public Services

Youth Services

Local objectives of providing positive alternatives for youth in order to prevent juvenile crime and gang violence are addressed through several ongoing programs under the Police and the Parks and Community Services Departments.

Youth Programs Parks and Community Services

F.L.Y.E.R.S. After School Program

An after school program for youth in first through fifth grade. Transportation is provided from school to the program. Each day youth receive homework assistance and a healthy snack. They also participate in sports, games and arts & crafts activities.

Spring and Winter Break Day Camp

A week long day camp for youth ages 5 to 12 held during the Pájaro Valley Unified School District spring and winter breaks. The full day camp features a variety of fun activities, healthy snacks and lunches and

a trip to a local attraction.

Camp W.O.W. Summer Day Camp

Camp W.O.W is a summer day camp for youth ages 5 to 12. The camp is comprised of 8, 1-week sessions. Each session features a different theme and a trip to a destination related to the theme. All of the activities offered during a session support the theme. Youth participate in a variety of sports, games and arts & crafts activities. They are also served healthy snacks and a healthy lunch.

Youth Soccer Program

The youth soccer program offers recreational and competitive opportunities for boys and girls ages 5-14. The program offers leagues in the spring and fall and is affiliated with Club de Fútbol Universidad Nacional A. C. (Pumas).

Youth Gymnastics Program

The gymnastics programs for youth ages 3 to 10 follows the USA Gymnastics progression is designed to teach basic gymnastics skills. Emphasis is on developing motor skills, eye-hand coordination and confidence.

Public Facilities (Infrastructure)

The City's infrastructure is improved by various Public Works projects, including reconstruction, rehabilitation, and/or addition of streets, sidewalks, and other types of infrastructure, and the removal architectural barriers to accessibility for the physically challenged within public areas and ways.

Homelessness and Special Needs

Special Housing Need

Transitional Housing Programs

The City addresses the needs of the homeless and citizens with special needs by ongoing support of local service agencies through the City's Social Service Grant Program. Additionally, the City participates in the Santa Cruz County-wide Continuum of Care strategy through financial and human resources contributions to the Homeless Action Partnership (formerly the Santa Cruz County Continuum of Care Committee).

AP-38 Project Summary

Project Summary Information

1	Project Name	Section 108 Loan Repayment
	Target Area	
	Goals Supported	Economic Development
	Needs Addressed	Economic Development
	Funding	CDBG: \$153,683
	Description	Planned loan repayment under Section 108. City used funds to construct a new downtown parking garage to spur on development and job creation. The project will fall under 19F-Planned Repayments of Section 108 Loans
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A
	Planned Activities	Project was originally a downtown parking lot. Now activity only includes planned loan repayments.
2	Project Name	Youth Center Staffing
	Target Area	
	Goals Supported	Public Services
	Needs Addressed	Public Services
	Funding	CDBG: \$133,842

	Description	Funding will be used to provide recreational classes for local youth at the City's community center. These funds are critical to providing staffing and services to operate the facility. The classes provide an opportunity for youth to participate in a variety of sports, games and arts & crafts activities in a safe environment. The project will fall under 05D-Youth Services that will meet an LMC National Objective. The public services objective will be to provide such services to 300 low income youth who live in the City.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	300 low income youth within the City
	Location Description	30 Maple Avenue, Watsonville, CA 95076
	Planned Activities	Funding for Parks and Community services staff at the Gene Hoularis Waldo Rodriguez Youth Center, which provides recreational services to approximately 100 youth each day. The Youth Center provides a variety of recreation and neighborhood services programs that benefit the City's youth. The recreational programs will focus on, sports, games, arts & crafts, and other learning programs.
3	Project Name	Code Enforcement
	Target Area	
	Goals Supported	Affordable Housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$100,000

	Description	The proposed funding will be used to operate a code enforcement program in target areas throughout the City. This activity will fall under matrix dose 15-code Enforcement and will meet the LMA National Objective-570.202 (C), focusing on geographic areas that are predominantly residential, benefit low to moderate income households and areas that are known to have deteriorated or deteriorating conditions. CDBG funds will be used for actual time of various staff involved in code enforcement in specific target areas, as well as legal costs for compliance enforcement. Logs will be maintained to track activities under the Program and to determine if the program is successful in arresting the decline in low income neighborhoods.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	50 households that are in code violation located in identified areas below which represent the most deteriorated neighborhoods.
	Location Description	<p>Eligible Targeted block groups located within the City limits that are primarily residential Low/mod income areas with deteriorated or deteriorating conditions;</p> <p>BLOCK GROUPS</p> <ul style="list-style-type: none"> • 1101002,1101004 • 1102001,1102002,1102004,1102005 • 1103001,1103004 • 1105011,1105013,1105014,1105021,1105022 • 1106003,1106005 • 1107001
	Planned Activities	To address and inspect illegal and unsafe construction, substandard housing and property maintenance issues throughout the City. In addition, City staff will hold community educational trainings and presentations in low income areas to ensure that real properties do not reach a state of deterioration or disrepair.
4	Project Name	Administration and Planning
	Target Area	

	Goals Supported	
	Needs Addressed	
	Funding	CDBG: \$84,075
	Description	Planning administration and management of CDBG Program. Oversight will include reporting, expenditure tracking, IDIS entry, action plan development, citizen participation, program guidelines, etc.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A
	Planned Activities	Planning administration and management of CDBG Program.
5	Project Name	Micro-Enterprise Business Technical Assistance
	Target Area	
	Goals Supported	Economic Development
	Needs Addressed	Economic Development
	Funding	CDBG: \$75,000

	Description	In order to strengthen local entrepreneurship in Watsonville, the City will provide funds to a non-profit to manage the Plaza Vigil Business Incubator program, that focus on providing micro enterprise technical assistance. The activity will also provide funding for the Incubator Without Walls program which provides business training and technical assistance to Watsonville business start-ups and entrepreneurs. The technical assistance will be provide to low income persons who self-certify their income falls below 80% AMI and that their business has less than 5 total persons. The activity will fall under 18C-ED Micro-Enterprise and will accomplish LMCMC National Objective.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	50 business will receive technical assistance
	Location Description	23 E Beach Street, Watsonville, CA 95076
	Planned Activities	Subrecipient grant to El Pajaro Community Development Corporation, a non-profit organization, for providing micro-enterprise business technical assistance and general technical assistance to small businesses. The Programs to be funded will be the Business Incubator Program and the Incubator Without Walls program
6	Project Name	Callaghan Park Fiber Optic
	Target Area	
	Goals Supported	Economic Development
	Needs Addressed	Economic Development
	Funding	CDBG: \$45,000

	Description	Internet and Wifi connection at Callaghan Park for residents to use throughout the Park to address the digital divide that has been amplified by the pandemic. This site also serves as a site for distance learning for students and they would be able to access the network daily for school purposes. The City Recreation Division can also use the services for afterschool programming for students and parents. This project will fall under matrix code 18A-Economic Development and will meet LMA National Objective.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	1,255 low income persons who reside near the neighborhood park (census tract 1105.01, Block Group 1)
	Location Description	225 Sudden Street, Watsonville, CA 95076
	Planned Activities	The park is widely used by residents but provides no internet or Wifi access. This project would solve this deficiency in that access points would also be installed so that residents visiting the park could log on to the network.
7	Project Name	Parklets Program
	Target Area	
	Goals Supported	Economic Development
	Needs Addressed	Economic Development
	Funding	CDBG: \$65,000
	Description	
	Target Date	6/30/2021

	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	Citywide
	Planned Activities	
8	Project Name	Senior Center Kitchen ADA & Other Improvements Ph I
	Target Area	
	Goals Supported	Public Facilities
	Needs Addressed	Public Facilities
	Funding	CDBG: \$150,000
	Description	The Watsonville Senior Center has an outdated kitchen with a poor layout making it hard to access and utilize by the Centers Senior Citizen participants. Upgrades inside the building are necessary to optimize access. Cabinetry, plumbing, fixtures, and furnishings would be re-done to comply with commercial kitchen codes. Additionally, the Centers existing single pane doors and windows would be replaced with double-pane units which will make the building more energy efficient and save heating and cooling costs. This project will fall under matrix code 03A Senior Centers and will meet the LMC National Objective 570.201(C)
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	7320 low income persons that utilize the Center
	Location Description	114 East Fifth Street, Watsonville, CA 95076

	Planned Activities	The Watsonville Senior Center has an outdated kitchen with a poor layout making it hard to access and utilize by the Center's Senior Citizen participants. Upgrades inside the building are necessary to optimize access and make it ADA compliant.
9	Project Name	Davis Avenue Park Basketball Court Repair
	Target Area	
	Goals Supported	Public Facilities
	Needs Addressed	Public Facilities
	Funding	CDBG: \$30,000
	Description	The basketball court area reached its life span and is making a rough surface for park users and Police Activity League (PAL) program participants to play. Reconstruction of the concrete court surface and associated asphalt paving of the surrounding area would result from this project. This project will fall under matrix code 03F Parks, Recreational Facilities and will meet the LMA National Objective-570.201(C)
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	1,005 low income persons who reside near the park
	Location Description	37 Davis Avenue, Watsonville, CA 95076
10	Planned Activities	Reconstruction of the concrete court surface and associated asphalt paving of the surrounding area
	Project Name	City Plaza New Waste Receptacles
	Target Area	
	Goals Supported	Public Facilities
	Needs Addressed	Public Facilities

	Funding	CDBG: \$18,000
	Description	The plaza is the gem of downtown Watsonville and will upgraded waste receptacles that are compliant with Solid Waste and Recycling Regulations to serve the public and keep the park sanitary.This project will fall under matrix code 03F-Parks, Recreational Facilities and will meet the LMA National Objective-570.201(C).
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 16,382 of low-mod income persons utilize the City Plaza.
	Location Description	358 Main Street, Watsonville, CA 95076
	Planned Activities	This project would replace approximately 12 permanent waste receptacles at the City Plaza Park in Watsonville.
11	Project Name	Contingency-Franich Park Accessibility & Parking Lot Improvements
	Target Area	
	Goals Supported	Public Facilities
	Needs Addressed	Public Facilities
	Funding	CDBG: \$20,000
	Description	This project includes resurfacing the asphalt parking lot and enhancing ADA parking stalls to improve accessibility and improve public infrastructure at Franich Park. The existing parking lot would be resurfaced, resealed, and re-striped to eliminate cracks, restore the lot, and improve ADA accessible parking stalls. This project will fall under matrix code 03F-Parks, Recreational Facilities and will meet the LMA National Objective 570.201.(C)
	Target Date	6/30/2021

	Estimate the number and type of families that will benefit from the proposed activities	1,005 low income persons who reside near the neighborhood park
	Location Description	795 Vista Montanan Drive, Watsonville, CA 95076
	Planned Activities	
12	Project Name	Contingency-Marinovich Park Flag Pole Replacement
	Target Area	
	Goals Supported	Public Facilities
	Needs Addressed	
	Funding	CDBG: \$20,000
	Description	The current flagpole at Marinovich Park is not properly installed and requires a permanent anchor. The current condition is potentially unsafe and does not allow for a flag to be flown. This project will fall under matrix code 03F-Parks, Recreational Facilities and will meet the LMA National Objective 570.201(C)
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	1,005 low income persons who reside near the neighborhood park
	Location Description	121 Second Street, Watsonville, CA 95076
	Planned Activities	This project would remove an existing flagpole at Marinovich Park and replace it with one that is structurally sound.
13	Project Name	Contingency-Ramsay Park Accessibility and Parking Lot Improvements
	Target Area	

	Goals Supported	Public Facilities
	Needs Addressed	Public Facilities
	Funding	CDBG: \$400,000
	Description	The park is currently deficient of dedicated sidewalks and pathways for pedestrians that are forced to walk along edges of the parking lot shared with cars. There is also no pedestrian access from Main St. to the Community Center and other park amenities. Additionally, the park is used as a gateway to commute to nearby schools, shopping centers, and residences. The parking lot is severely deteriorated and uneven, posing safety issues. Furthermore, there is very little ADA-accessible routes and the pedestrian conditions for the public using park are unsafe, which discourages park usage. This project would greatly expand and enhance pedestrian facilities, ADA-compliant access, and non-vehicular access throughout the park with the installation of sidewalks, transitions, trails, ADA ramps, striping, and parking lot resurfacing along with generally rehabilitating and preserving the public infrastructure for the future.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 16,382 of low-mod income persons utilize Ramsay Park.
	Location Description	1301 Main Street, Watsonville, CA 95076

	Planned Activities	This project includes installation of several pedestrian and accessibility improvements at Ramsay Park. The existing parking lot would be resurfaced, resealed, and re-striped to eliminate severe cracks, uneven surfaces, restore the lot, and reconfigure striping with improved ADA accessible parking stalls around proposed pedestrian improvements. Additionally, new pedestrian sidewalks, pathways, and ADA ramps, railings would be installed and existing non-compliant ADA features renovated for ADA compliance at the park entrance, parking lot perimeter, West-side of the park, and at the picnic/playground area to provide improved and safer access to the and surrounding neighborhood.
14	Project Name	Contingency-Senior Center Kitchen ADA & Other Improvements Ph.II
	Target Area	
	Goals Supported	Public Facilities
	Needs Addressed	Public Facilities
	Funding	CDBG: \$150,000
	Description	The Watsonville Senior Center has an outdated kitchen with a poor layout making it hard to access and utilize by the Centers Senior Citizen participants. Upgrades inside the building are necessary to optimize access. Cabinetry, plumbing, fixtures, and furnishings would be re-done to comply with commercial kitchen codes. Additionally, the Centers existing single pane doors and windows would be replaced with double-pane units which will make the building more energy efficient and save heating and cooling costs. This project will fall under matrix code 03A Senior Centers and will meet the LMC National Objective 570.201(C)
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	7320 low income persons utilize the center
	Location Description	114 East Fifth Street, Watsonville, CA 95076

	Planned Activities	The Watsonville Senior Center has an outdated kitchen with a poor layout making it hard to access and utilize by the Center's Senior Citizen participants. Upgrades inside the building are necessary to optimize access and make it ADA compliant.
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AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Not applicable. Entitlement funding will be distributed citywide, as eligible.

Geographic Distribution

Target Area	Percentage of Funds

Table 57 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Not applicable.

Discussion

Not applicable.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The City currently operates First Time Homebuyer, Housing Rehabilitation and Inclusionary Housing Programs, all of which are designed to further the affordable housing needs of the community. Funding for these Programs is provided by multiple funding sources including HOME, CDBG, CalHome and Inclusionary Housing in-lieu fees.

While there are only a few direct services located in Watsonville, the City will continue to work with the Continuum of Care and other agencies that provide direct supportive services.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	3
Special-Needs	0
Total	3

Table 58 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	3
Acquisition of Existing Units	0
Total	3

Table 59 - One Year Goals for Affordable Housing by Support Type

Discussion

Rental assistance is provided through the Housing Authority of Santa Cruz County. In addition, funding constraints at the local, State and Federal levels have limited the funding available to accomplish some of the goals such as developing and acquiring housing. Consequently, Watsonville relies on private developers, non-profits, public housing and social service agencies to provide the majority of affordable housing and assists mainly through its development process.

AP-60 Public Housing – 91.220(h)

Introduction

There are 8 public housing complexes located in the City of Watsonville. These complexes are owned and operated by the Housing Authority of Santa Cruz County (HACSC). In addition, HACSC offers housing choice voucher (formerly Section 8) and Mortgage Credit Certificate Programs that can be used in Watsonville. HACSC also offers Project Based Vouchers (PBV), however, Phippen Apartments is the only project located in the City that has been approved for use with these vouchers. HACSC has its own policies and procedures for inspections and maintenance of units they own or that are occupied by voucher users.

Actions planned during the next year to address the needs to public housing

The Housing Authority of Santa Cruz County (HACSC) has issued a request for proposals for Project Based Vouchers (PBV). This Request for Proposals (RFP) is published on an annual basis to provide interested parties in the community with the opportunity to request additional Project Based Vouchers.

Although HUD allows housing authorities to use up to twenty percent (20%) of its voucher program for PBV, HACSC has taken the position that in most circumstances the public interests are best served when families who receive rental assistance have the freedom of choice to lease a unit in their neighborhood of preference. While the Housing Authority will consider applications for PBV on an ongoing basis, there is no guarantee that any proposal will be selected as a result of the annual RFP. However, in tight rental markets voucher holders may have difficulty finding a unit to lease with their voucher. Therefore, project based units can be an important compliment to portable vouchers, and ultimately add to the choices available to voucher holders.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The Housing Authority administers a small Family Self Sufficiency (FSS) program for Low Income Public Housing tenants and Housing Choice Voucher program participants. Through this program, FSS families establish a self-sufficiency goal. As the household makes progress toward their goal, and their income increases, the Housing Authority puts the increase in their portion of rent into an escrow account on their behalf. When the family achieves the goal, they receive all of the money in the escrow account. Some families in this program have established a goal of homeownership and have used their escrow money towards the down payment of a home. Public housing residents also participate in a Resident Advisory Board that meets annually to review and discuss proposed changes to the Housing Authority's Agency Plan.

If the PHA is designated as troubled, describe the manner in which financial assistance

will be provided or other assistance

Not applicable. The Housing Authority of the County of Santa Cruz is designated as a High Performer for both their Section 8 Housing Choice Voucher and Low Income Public Housing programs.

Discussion

In addition to the above actions, the HACSC will continue to offer housing choice vouchers and operate the existing public housing units located in Watsonville. The City will continue to support the efforts of the HACSC, and to pursue any available opportunities to support the development of additional affordable housing.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City of Watsonville is part of the Homeless Action Partnership (HAP) is a broad-based, community-wide action team, which has met every two months since 1996 to implement a Continuum of Care (CoC) strategy for resolving homelessness. The HAP's vision is that all Santa Cruz County residents will have the stable housing and appropriate services they need to live in dignity and reach their highest potential. Its mission is to develop and implement a coordinated system of housing and services for preventing and ending homelessness in Santa Cruz County. A CoC strategy organizes and delivers housing and services to meet the specific needs of homeless people as they move from the streets to stable housing and maximize self-sufficiency. A CoC strategy includes housing and services for a variety of homeless subgroups, including families, chronically homeless, seriously mentally ill, chronic substances abusers, veterans, persons with HIV/AIDS, victims of domestic violence, and unaccompanied youth.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of Watsonville has several short term goals for addressing homelessness over the next program year. These include The vision of the strategic plan is that the diverse residents of Santa Cruz County will have access to safe, stable housing, will have residents will have incomes to support their well-being, and will have access to culturally competent services empowering them to meet their basic needs and lead dignified lives.

Our mission is to prevent, dramatically reduce, and eventually end homelessness and its impact on communities throughout Santa Cruz County by implementing effective programs and strategies, by working collaboratively to increase key resources and change systems to better meet the needs of diverse homeless sub-populations, and by engaging all persons and organizations needed to work together for these purposes.

The most recent Santa Cruz County Point-in-Time (PIT) count that information is available from was conducted on January 31, 2019. Enumeration teams consisting of approximately 95 local volunteers canvassed all 52 U.S Census Tracts in Santa Cruz County to directly observe persons in nonshelter, non-service, public locations. Local shelters and institutions reported their occupancy for the night prior to the count to insure that all homeless individuals and families both sheltered and on the street, were counted. Individual needs were assessed via a full year of extensive community participation and feedback from over 250 stakeholders, including people who have experienced homelessness themselves. At the very core of these strategic priorities is the intent to use the evidence-based Vulnerability Index and Service Prioritization Decision

Assistance Tool (VI-SPDAT)¹ to match individuals and families to the most appropriate housing and service intervention available. In this way, residents experiencing the longest-term, chronic homelessness – often the most visible – will be prioritized for services. As our Continuum of Care partnership evolves, we are moving to Implementing and operating a single coordinated entry system that will place homelessness data and data systems, including CoC-wide Homeless Management Information System (HMIS) into one secure database accessible by all of the CoC partners. This will make it even more possible to make “any door – the right door” for accessing services in our community.

Addressing the emergency shelter and transitional housing needs of homeless persons

The CoC’s goal is to limit the stay in transitional and emergency shelter and back into housing as quickly as possible, discharge planning as way to prevent homelessness among persons leaving other systems of care, and emergency shelter and transitional housing as an interim housing solution pending the availability of suitable permanent housing. Under the Ten Year Plan, community members:

- Delivered extensive prevention and rapid rehousing services (including financial assistance and housing stabilization services) through the federal HPRP, state administered Emergency Solutions Grants (ESG), federal CalWORKS Housing Support Program, federal Supportive Services for Veteran Families (SSVF) program, and County and City sources (that target senior and medically frail persons). Through a \$4 million HPRP grant alone, 14 agencies collaborated to serve 885 households (2,053 persons), 83% of whom retained or obtained permanent housing.⁴⁵ Coordinated strategically with representative from the Foster Care, Mental Health, Public Health, and Corrections systems to implement protocols to avoid discharging people to homelessness and to help prevent institutional recidivism.
- Developed new emergency shelter programs to cope with influx of persons newly homeless, including the 90-bed Rebele Family Shelter, 46-bed Paul Lee Loft Shelter for adults, and 12-bed Paget Center for homeless veterans, while maintaining a sizable preexisting stock of emergency shelter and transitional housing, serving varied populations and subpopulations such as families, adults, seriously mentally ill, persons with drug or alcohol issues, emancipating foster youth, persons with HIV/AIDS, and farm workers.
- Piloted nationally recognized, innovative models of permanent supportive housing for persons experiencing chronic homelessness with serious mental illness and substance addictions, including the 13-bed Nuevo Sol project, 33-bed MATCH project, and 36-bed

Shelter Plus Care program.

- Emphasized housing the most medically vulnerable persons as part of the national 100,000 Homes Campaign, succeeded in housing more 200 from this population, and the Housing Authority of the County of Santa Cruz created 120 Housing Choice Voucher preference slots for program participants.

Our short term goals (one to three years) are to 1. Establish a countywide steering committee of representatives of the key partners serving families to develop a method for identifying families most in need of prevention services. 2. Target 10% of the permanent supportive housing beds and 50% of the rapid rehousing beds proposed above to families to meet the relative need. 3. Provide the new rapid rehousing programs in collaboration with existing family interim housing to assure a continuum of services. 4. Sustain existing family (and domestic violence) shelters to meet the scale of need (including for woman only and women with children). Coordinate common lengths of stay, self-sufficiency goals and outcomes among all family shelters. 5. Working with coordinated entry, develop a common policies and a shared family waiting list, making appropriate housing interventions, based on severity of need. 6. Link children experiencing homelessness and their families to the County Office of Education Students in Transition Program. 7. Advocate for a “limited local preference” for families experiencing homelessness who are on the waiting list for the Housing Choice Voucher Program.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The Continuum of Care (CoC) is working on obtaining more permanent, supportive housing in our community by marketing and educating property and complex owners that subsidized housing is such a bad thing as some have stereotyped it to be. The monthly rent is guaranteed and supportive services such as budgeting and health care are often packaged with the voucher. This action should free up more transitional housing and make more emergency shelter available.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged

from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

Community resources for people recently released from mental and physical health institutions are The Santa Cruz County Mental Health Team with services that include Coordinated Care Treatment Teams for Older Adults Team, a Recovery Team (26 and above) that provides coordinated care to individuals with chronic mental illnesses with severe functional impairments, a South County Adult (SCA) Team that provides coordinated care to mental health patients living in Watsonville and the southern areas of Santa Cruz County who are in need of case management, medication services and therapy, and a Transition Age Youth (TAY) Team (Youth 18-25) that will coordinate care to young adults with a major mental illness who are in need case management, medication services, therapy as well as vocational and educational supports.

Also serving this targeted population is The Homeless Persons Health Project (HPHP) provides services throughout Santa Cruz County to homeless or marginally housed youth, adults, and families with children.

The Recuperative Care Center (RCC) is operated through a partnership between HSC and the County Homeless Persons' Health Project (HPHP), with the support and investment of Dominican Hospital/Dignity Health, Watsonville Community Hospital, Central California Alliance for Health, Hospice of Santa Cruz, the County Health Services Agency, and the Health Improvement Partnership.

Discussion

The City of Watsonville will continue to participate in the Santa Cruz County Continuum of Care (CoC) to find ways to assist homeless persons, especially chronically homeless individuals and families, veterans and their families and unaccompanied youth. The City will use a combination of federal, state, and local resources to rapidly re-house and stabilize homeless individuals, especially chronically homeless individuals and families, families with children, veterans and their families and unaccompanied youth. The City of Watsonville will work with local service providers, housing authorities, and the Veterans Administration via the CoC to secure housing assistance for the homeless in Santa Cruz County.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

Many factors can impact development and affect affordable housing such as market conditions, environmental/physical constraints, government codes, and budgetary limitations. Watsonville is committed to finding ways to alleviate these constraints and address the needs of the community as previously discussed and outlined below.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Barriers such as those discussed previously are considered and addressed in the City's Housing Element and General Plan, which the City is currently in the process of updating. Programs such as the First Time Homebuyer and Housing Rehabilitation Programs will continue to be offered and the City will continue to operate its Inclusionary Housing Program to provide and preserve affordable housing. Code enforcement activities will continue to be carried out to eliminate blight, which can affect investment, depress property values and impact the quality of life in a neighborhood.

In addition, the City has and will continue to seek out funding available for programs that support affordable housing and/or to assist with costs associated with development of affordable housing. Financial and non-financial support will continue to be provided to other programs, developers and governmental agencies involved in affordable housing and supportive services. Watsonville has and will continue to actively participate with other agencies and organizations in programs and policies that could affect the housing or the quality of life in Watsonville.

Discussion:

Watsonville's budgetary constraints, which is further affected by decisions and issues at the state and national level, have limited the funding available to address local housing and infrastructure needs and supportive services. Consequently, the City has had to look for other ways of addressing the housing needs of the community.

As part of the City Council's Strategic Plan, Housing is one of the Council's top priorities, including expanding quality housing opportunities, preserving existing affordable housing for Watsonville residents, and reviewing housing and land use policies that maximize development potential. Areas of focus include community education and outreach, Affordable and low income units and rental housing, workforce housing opportunities, and homeownership

assistance.

The City of Watsonville still faces a number of challenges in addressing local housing needs. These include diminishing affordability in northern Santa Cruz County jurisdictions that increases the demand for lower-cost housing in Watsonville. This market demand increases housing prices, resulting in overpayment and overcrowding for Watsonville residents.

AP-85 Other Actions – 91.220(k)

Introduction:

The greatest obstacle to meeting any underserved need is the lack of sufficient funding, including:

- Limited availability of funding from federal, state and other sources
- Limited availability of developable land
- High cost of housing and provisions in the area, which increases the difficulty of meeting affordable housing needs; and
- Reduced or frozen funding from the state, and other sources due to inadequate state revenue

Actions planned to address obstacles to meeting underserved needs

Most of the obstacles identified above are beyond the control of the City of Watsonville. The reduction in State and Federal funding limits the City's ability to address needs, however, staff actively seeks to leverage any funding to the extent possible and continue to lobby State and Federal agencies to provide adequate funding. The limited availability of land is caused by County actions, however we continue to seek opportunities to address needs by utilizing infill strategies. The high cost of housing is directly attributable to the artificial limits on housing growth that are placed on the City by the County and State, but the City is seeking to maximize the available opportunities to increase the supply of housing. In addition to exploring potential updates to the City's infill policies in order to allow higher densities in transit corridors, the City is proposing an Expanded Urban Service Line in its 2030 General Plan. If the Plan is approved, it could potentially allow annexation of additional buildable land to the City limits.

The City is committed to finding new ways to fund these activities through leveraging the existing available funds and by seeking to implement other special tax districts to deal with blight and poverty issues.

The City will continue to work with non-profit housing and service providers to collaborate on improving awareness and expansion of available resources to address the needs of the homeless population.

Actions planned to foster and maintain affordable housing

Low to 0% interest loans will continue to be offered through the City's First Time Homebuyer and Housing Rehabilitation Programs. These Programs provide gap financing to make it more affordable for low income individuals to purchase a home and financial/technical assistance to low income homeowners or homeowners who rent to low income households make repairs to

an existing home.

The City's Economic Development efforts have resulted in a substantial increase in jobs in Watsonville in spite of the slow recovery since the 2008 crash and the COVID-19 pandemic. The Economic Development program includes business retention, expansion, attraction and gardening efforts. While the City is constrained by a lack of developable land, the City has been able to find users for nearly all of the existing opportunity sites, and are actively working to rehabilitate and increase job density in areas that have underutilized spaces. The City also works with local partner agencies like the El Pájaro Community Development Corporation, the Small Business Development Center and the Workforce Investment Board to provide education, job training, incubation/acceleration and other efforts to ensure the workforce is properly trained and prepared to take new jobs as they become available. Staff also works closely with the local community college, universities and other institutions of higher learning to identify potential new business development opportunities, and to coordinate existing workforce needs.

Code enforcement is another important tool in preserving and maintaining the quality of existing housing. Inspection and monitoring efforts provided by an active Code Enforcement Program ensure a safe and healthy environment and reduce the cost burdens that can impact affordability, especially when combined with other housing assistance programs.

The City will continue to look for opportunities to assist developers, non-profits, and other providers in preserving and constructing affordable housing to meet the needs of the community. Currently, the City's main affordable housing resource is its Inclusionary Housing Program. This Program either collects an in-lieu fee for new construction or requires a percentage of new housing construction (7 or more units) be restricted for purchase or rent by low to above moderate income households at affordable prices. The income limits for this Program are based on 70% of the AMI. The fees collected are used to further affordable housing goals.

Actions planned to reduce lead-based paint hazards

All applicants assisted through the City's Housing Rehabilitation Program will be provided information on lead based paint. If the unit was built prior to 1978, it will be tested for LBP and any hazards will be abated. Contractors working with the Program will be required to obtain EPA Lead-Safe Certification and use safe work practices when performing work on pre-1978 units.

In addition, those homes purchased using the City's First Time Homebuyer or through the Inclusionary Housing Programs will be inspected as part of the application process and any lead

based paint hazards that are found will be required to be abated prior to funding approval.

Actions planned to reduce the number of poverty-level families

The City of Watsonville will support various public service programs, both with CDBG funding and its own General Fund, to provide essential services aimed at helping to reduce the number of poverty-level families, including supporting programs that meet the critical needs of family, such as food and medical care.

Actions planned to develop institutional structure

One of the Institutional gaps identified was that not all services are located in the City of Watsonville. As a result, residents must travel to receive some services. The City will continue to work with service providers to offer services in Watsonville, and will support those programs that do so. New applicants for Social Service Grant funding are required to complete a Focus Watsonville addendum that specifically seeks to identify services and resources provided in Watsonville, including:

- What percentage of this grant will be used for Watsonville residents?
- How many unduplicated clients were from Watsonville last year?
- Do you have a Watsonville office?
- What is the number of your Watsonville Staff?
- How many of Watsonville staff speak Spanish?
- Race / Ethnicity of Watsonville staff and clients
- Briefly describe your accomplishments in Watsonville in the past 12 months
- Specify how you coordinate with other agencies to provide services in Watsonville.

A regional online and telephone referral service called 2-1-1 offers a comprehensive listing of services in the County.

Actions planned to enhance coordination between public and private housing and social service agencies

To ensure an environment of mutual cooperation is an important goal of Watsonville. City efforts to support local agencies, other jurisdictions, developers and providers of housing and supportive services will continue to involve participation on various boards, at various meetings and events as well as project collaborations. Opportunities to encourage and assist affordable housing efforts will continue to be pursued through improved development procedures,

assistance and cooperation.

Discussion:

The City of Watsonville will continue to support providers of housing and supportive services utilizing all available resources to meet the needs of its residents and businesses. Many of the obstacles limiting the City's ability to meet these needs are beyond the City's control such as limited funding, lack of developable land, and government regulations imposed by the County and State. However, the City continues to actively pursue opportunities to expand available resources and identify other means of addressing the needs of its community.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

The City of Watsonville will follow all HUD regulations in the implementation of programs and activities in the 2020-2021 Annual Action Plan concerning the use of program income, forms of investment, and overall low- and moderate-income benefit for the CDBG program.

The following provides additional information about the CDBG program income and program requirements.

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included projects to be carried out.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	80,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	80,000

Other CDBG Requirements

1. The amount of urgent need activities	0
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2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.

100.00%

This Action Plan is being designated as year one of a one-year overall benefit period consisting of 2020.