

# City of Watsonville

## Community Development Block Grant 2021 DRAFT ACTION PLAN

(July 1, 2021-June 30, 2022)

**Community Development Department  
250 Main Street  
Watsonville, CA 95076**



This page intentionally left blank

## 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. This is a draft and will be updated as new revised information is obtained.

#### 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	798,441	80,000	137,519	1,015,960	2,856,620	Based on level funding in subsequent years.

Table 1 - 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**

**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 (RDA), has a limited 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. One of these properties has been sold to Habitat for Humanity and will yield 7-9 affordable units.

## 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	2020	2024	Affordable Housing		Affordable Housing	CDBG: \$200,000	Homeowner Housing Rehabilitated: 3 Household Housing Unit Housing Code Enforcement/Foreclosed Property Care: 100 Household Housing Unit
2	Economic Development	2020	2024	Non-Housing Community Development		Economic Development	CDBG: \$211,934	Businesses assisted: 50 Businesses Assisted
3	Public Services	2020	2024	Public Services		Public Services	CDBG: \$122,259	Public service activities other than Low/Moderate Income Housing Benefit: 350 Persons Assisted
4	Public Facilities	2020	2024	Public Facilities		Public Facilities	CDBG: \$350,000	Other: 2 Other

**Table 2 – Goals Summary**

#### Goal Descriptions

1	<b>Goal Name</b>	Affordable Housing
	<b>Goal Description</b>	Goal outcome indicator and funding shown is per year.
2	<b>Goal Name</b>	Economic Development
	<b>Goal Description</b>	Goal outcome indicator and funding allocated is per year.
3	<b>Goal Name</b>	Public Services
	<b>Goal Description</b>	Goal outcome indicator and funding shown is per year.
4	<b>Goal Name</b>	Public Facilities
	<b>Goal Description</b>	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	Affordable Rehabilitation Housing
7	Ramsay Park Accessibility & Parking Lot Imp. Ph I
8	Senior Center Kitchen ADA & Other Improvements Ph II
9	Contingency-Ramsay Park Accessibility & Parking Lot Imp Ph II
10	Contingency-Franich Park Accessibility & Parking Lot Imp
11	Contingency-Ramsay Park Dog Park & Accessibility Imp
12	Contingency-Peace Drive Park Accessibility & Pedestrian Imp

Table 3 - 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 2021 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.

Homeownership Opportunities Housing Rehabilitation

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

*Excel In Place Distance Learning Program*

The Excel In Place Distance Learning Program is geared towards youth between the ages of 5 to 12 years. During the pandemic, the program provides distance learning support, active games, arts and crafts, recreational enrichment activities and field trips in small cohorts at 5 recreational centers.

*Virtual Recreation Center*

During the pandemic, the Virtual Recreation Center was created for a place for fun, education and resources to stay active, connected and informed. Composed of three section, *Stay Active* – provides lots of great ways to keep moving and having fun; *Stay Connected* – provides many educational resources for your student at home to be engaged in learning; and *Stay Informed* – provides the latest information on COVID 19.

*F.L.Y.E.R.S. After School Program (Currently on hold due to COVID-19)*

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 (Currently on hold due to COVID-19)*

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 (Currently on hold due to COVID-19)*

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 (Currently on hold due to COVID-19)*

The youth soccer program offers recreational and competitive opportunities for boys and girls ages 5 to 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 (Currently on hold due to COVID-19)*

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

<b>1</b>	<b>Project Name</b>	Section 108 Loan Repayment
	<b>Target Area</b>	
	<b>Goals Supported</b>	Economic Development
	<b>Needs Addressed</b>	Economic Development
	<b>Funding</b>	CDBG: \$161,934
	<b>Description</b>	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
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	N/A
	<b>Planned Activities</b>	Project was originally a downtown parking lot. Now activity only includes planned loan repayments.
<b>2</b>	<b>Project Name</b>	Youth Center Staffing
	<b>Target Area</b>	
	<b>Goals Supported</b>	Public Services
	<b>Needs Addressed</b>	Public Services
	<b>Funding</b>	CDBG: \$122,259

	<b>Description</b>	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.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	300 low income youth within the City
	<b>Location Description</b>	30 Maple Avenue, Watsonville, CA 95076
	<b>Planned Activities</b>	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.
<b>3</b>	<b>Project Name</b>	Code Enforcement
	<b>Target Area</b>	
	<b>Goals Supported</b>	Affordable Housing
	<b>Needs Addressed</b>	Affordable Housing
	<b>Funding</b>	CDBG: \$100,000

	<b>Description</b>	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.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	50 households that are in code violation located in identified areas below which represent the most deteriorated neighborhoods.
	<b>Location Description</b>	Eligible Targeted block groups located within the City limits that are primarily residential Low/mod income areas with deteriorated or deteriorating conditions;  BLOCK GROUPS <ul style="list-style-type: none"> <li>• 1101002,1101004</li> <li>• 1102001,1102002,1102004,1102005</li> <li>• 1103001,1103004</li> <li>• 1105011,1105013,1105014,1105021,1105022</li> <li>• 1106003,1106005</li> <li>• 1107001</li> </ul>
	<b>Planned Activities</b>	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.
<b>4</b>	<b>Project Name</b>	Administration and Planning
	<b>Target Area</b>	
	<b>Goals Supported</b>	

	<b>Needs Addressed</b>	
	<b>Funding</b>	CDBG: \$131,766
	<b>Description</b>	Planning administration and management of CDBG Program. Oversight will include reporting, expenditure tracking, IDIS entry, action plan development, citizen participation, program guidelines, etc.
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	N/A
	<b>Planned Activities</b>	Planning administration and management of CDBG Program.
<b>5</b>	<b>Project Name</b>	Micro-Enterprise Business Technical Assistance
	<b>Target Area</b>	
	<b>Goals Supported</b>	Economic Development
	<b>Needs Addressed</b>	Economic Development
	<b>Funding</b>	CDBG: \$50,000
	<b>Description</b>	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.
	<b>Target Date</b>	6/30/2022

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	50 business will receive technical assistance
	<b>Location Description</b>	23 E Beach Street, Watsonville, CA 95076
	<b>Planned Activities</b>	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
<b>6</b>	<b>Project Name</b>	Ramsay Park Accessibility Y Parking Lot Improvements Ph. I
	<b>Target Area</b>	
	<b>Goals Supported</b>	Public Facilities
	<b>Needs Addressed</b>	Public Facilities
	<b>Funding</b>	CDBG: \$200,000
	<b>Description</b>	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. This project will fall under matrix code 03F-Parks, Recreational Facilities and will meet the LMA National Objective-570.201(C).
	<b>Target Date</b>	6/30/2022

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	An estimated 16,382 of low-mod income persons utilize Ramsay Park.
	<b>Location Description</b>	1301 Main Street, Watsonville, CA 95076
	<b>Planned Activities</b>	Phase II-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
<b>7</b>	<b>Project Name</b>	Housing Rehabilitation Program
	<b>Target Area</b>	
	<b>Goals Supported</b>	Housing Rehabilitation
	<b>Needs Addressed</b>	Affordable Housing
	<b>Funding</b>	\$100,000
	<b>Description</b>	The on-going Watsonville Housing Rehabilitation Program assists in the rehabilitation of homes owned or rented by low- and moderate-income residents. In addition to the provision of low-interest loans for rehabilitation projects, City staff assists eligible participants to develop the scope of work and plans and specifications for their projects, and handle contract bidding and construction management. The City anticipates rehabilitating up to three housing units during 2021. This activity will fall under matrix code 14A Rehab; Single-Unit Residential. The housing rehabilitation program will meet the LMA National Objective-570.202(C).
	<b>Target Date</b>	6/30/2022



	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	3 Housing Units
	<b>Location Description</b>	City-wide program
	<b>Planned Activities</b>	To address units that are found to be deteriorated, deteriorating, and/or unsafe living conditions.
<b>8</b>	<b>Project Name</b>	Senior Center Kitchen ADA & Other Improvements Ph. II
	<b>Target Area</b>	
	<b>Goals Supported</b>	Public Facilities
	<b>Needs Addressed</b>	Public Facilities
	<b>Funding</b>	\$150,000
	<b>Description</b>	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)
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	7320 low income persons that utilize the Center
	<b>Location Description</b>	114 East Fifth Street, Watsonville, CA 95076

	<b>Planned Activities</b>	Phase II-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.
<b>9</b>	<b>Project Name</b>	Contingency-Ramsay Park Accessibility & Parking Lot Imp. Ph. II
	<b>Target Area</b>	
	<b>Goals Supported</b>	Public Facilities
	<b>Needs Addressed</b>	Public Facilities
	<b>Funding</b>	\$200,000
	<b>Description</b>	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. This project will fall under matrix code 03F-Parks, Recreational Facilities and will meet the LMA National Objective-570.201(C).
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	An estimated 16,382 of low-mod income persons utilize Ramsay Park.
	<b>Location Description</b>	1301 Main Street, Watsonville, CA 95076

	<b>Planned Activities</b>	Phase II-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
<b>10</b>	<b>Project Name</b>	Contingency-Franich Park Accessibility & Parking Lot Imp.
	<b>Target Area</b>	
	<b>Goals Supported</b>	Public Facilities
	<b>Needs Addressed</b>	Public Facilities
	<b>Funding</b>	\$25,000
	<b>Description</b>	The parking lot is deteriorated and needs to be repaired. The parking lot needs to be resurfaced, resealed, and re-striped to eliminate all the cracks, repair the lot, and comply with all ADA parking stalls. This project will fall under matrix code 03F-Parks, Recreational Facilities and will meet the LMA National Objective-570.201(C).
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	1,005 low income persons who reside near the park (Census Tract 1105.01, Block Group 3)
	<b>Location Description</b>	795 Vista Montana Drive, Watsonville, CA 95076
	<b>Planned Activities</b>	The existing parking lot would be resurfaced, resealed, and re-striped to eliminate cracks, repair the lot, and improve ADA accessible parking stalls.
<b>11</b>	<b>Project Name</b>	Contingency-Ramsay Park dog Park & Accessibility Imp.
	<b>Target Area</b>	
	<b>Goals Supported</b>	Public Facilities

	<b>Needs Addressed</b>	Public Facilities
	<b>Funding</b>	\$372,048
	<b>Description</b>	The proposed construction location of the dog park is within Ramsay Park and is on an existing hilltop in order to keep it a safe distance away from planned playground amenities, will necessitate much needed accessibility improvements for park users to access the dog park. Currently, access to the hilltop already needs to be improved, so improved accessibility to the dog park would provide a co-benefit by enhancing the ability of park users to access other amenities within the hilltop area as well. This project will fall under matrix code 03F-Parks, Recreational Facilities and will meet the LMA National Objective-570.201(C).
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	An estimated 16,382 of low-mod income persons utilize Ramsay Park.
	<b>Location Description</b>	1301 Main Street, Watsonville, CA 95076
	<b>Planned Activities</b>	The dog park and proposed pedestrian and ADA improvements. Increased inclusive and enhanced pedestrian access to and through the park.
<b>12</b>	<b>Project Name</b>	Contingency-Peace Drive Park Accessibility & Pedestrian Imp.
	<b>Target Area</b>	
	<b>Goals Supported</b>	Public Facilities
	<b>Needs Addressed</b>	Public Facilities
	<b>Funding</b>	\$100,000
	<b>Description</b>	This project will fall under matrix code 03F-Parks, Recreational Facilities and will meet the LMA National Objective-570.201(C).
	<b>Target Date</b>	6/30/2022

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	1,005 low income persons who reside near the park (Census Tract 1105.01, Block Group 3)
	<b>Location Description</b>	Peace Park
	<b>Planned Activities</b>	

**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 4 - 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.

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

**Table 5 - One Year Goals for Affordable Housing by Support Requirement**

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

**Table 6 - One Year Goals for Affordable Housing by Support Type**

#### Discussion

Ongoing 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**

The 8 formerly “public housing” complexes located in the City of Watsonville have been converted for use in the Section 8 Voucher program. These complexes are owned and operated by New horizons Affordable Housing and Development Inc., a nonprofit subsidiary of the Housing Authority of Santa Cruz County (HACO). In addition, HACO offers housing choice vouchers (formerly Section 8) that can be used in Watsonville. HACO also offers Project Based Vouchers (PBV. Pippin Orchard Apartments and Pajaro Valley Shelter Service are projects located in the City that have been fully developed and occupied with these PB vouchers. HACO has its own policies and procedures for inspections and maintenance of units they own or manage for New Horizons 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 (HACO) has issued a request for proposals for Project Based Vouchers (PBV). This Request for Proposals (RFP) is published on an ongoing basis to provide interested parties in the community with the opportunity to request additional Project Based Vouchers. The Housing Authority has conditionally approved project based voucher for 37 units in Eden Housing’s 1482 Freedom Blvd development, 40 units for Miles Lane, and 37 units for Pippin Phase II in Watsonville. The commitment of Project Based Vouchers can assist with the financing of new affordable developments.

The Housing Authority invites affordable housing development through the RFP process.

### **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 by HUD as a High



Performer.

### **Discussion**

In addition to the above actions, the HACO will continue to offer housing choice vouchers and manage the New Horizons affordable units located in Watsonville, and provide additional programs and services such as security deposit assistance and landlord incentive programs.

## **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, 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 non-shelter, 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)<sup>1</sup> 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.<sup>45</sup> 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 (HHP) 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 (HHP), 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 13, 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 from 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 2021-2022 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
<b>Total Program Income:</b>	<b>80,000</b>

#### Other CDBG Requirements

1. The amount of urgent need activities	0
---	---

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%

**Discussion:**

This Action Plan is being designated as year two of a one-year overall benefit period consisting of 2021.