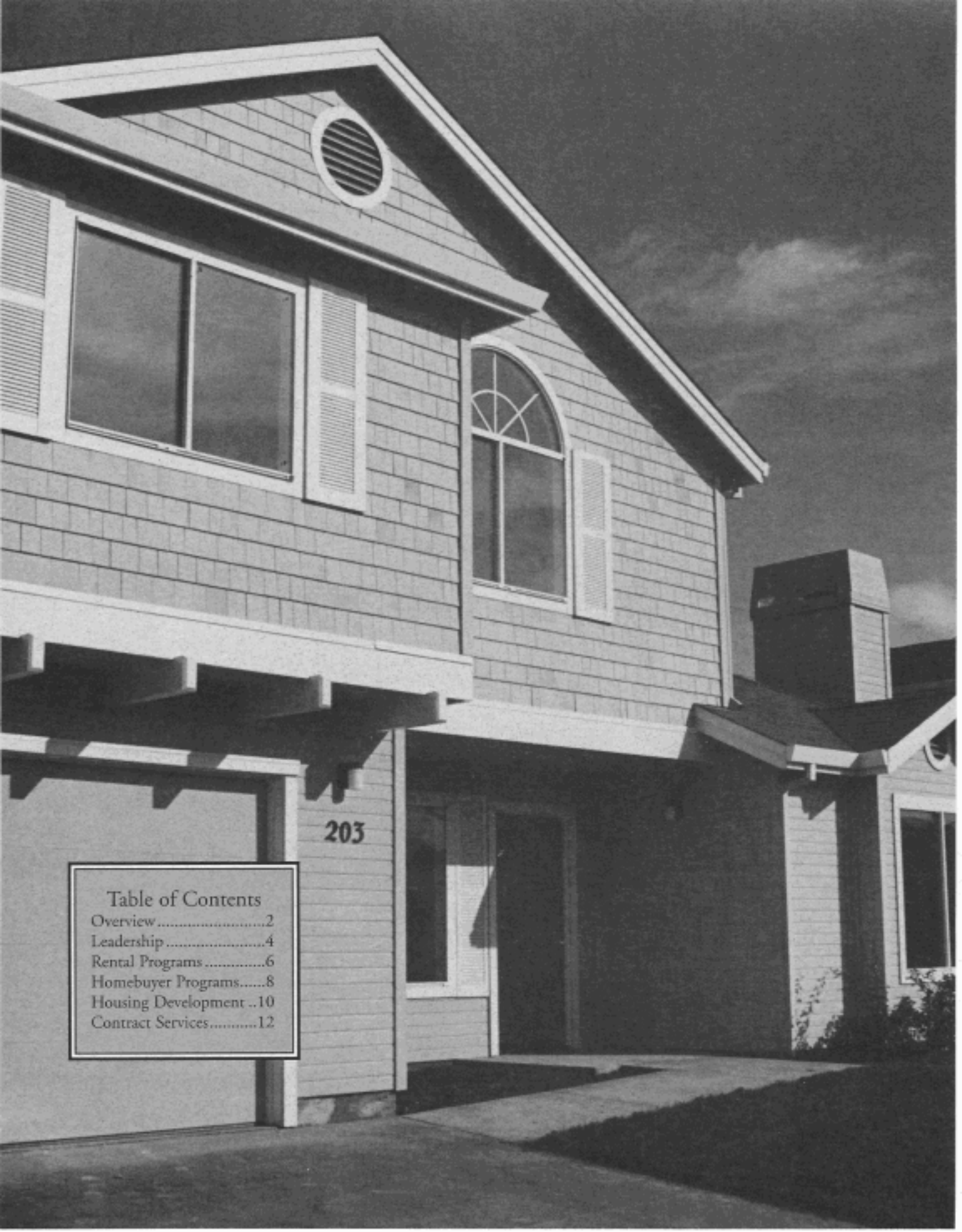


Celebrating 25 Years:
Building the Future from a Solid Foundation





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*Lyman "Mac" McGuffin
Commissioner*



*Celia Organista
Commissioner*



*Carlos Rico
Commissioner*



*J.T. "Mark" Schaeffer
Commissioner*



*Mary McKenzie James
Executive Director*

A message from the Board of Commissioners

Housing Authority of the County of Santa Cruz

For 25 years, the Housing Authority of the County of Santa Cruz has been providing housing assistance to our community. We have done it quietly, without fanfare, and we are pleased that our housing and our clients cannot be differentiated from the rest of our community.

Anniversaries are a time when the recognition of achievements (and a little fanfare) is expected, and so we have created this quarter-century anniversary report to explain our programs, our purpose, our goals.

Agencies such as the Housing Authority do not succeed without the support of

many. Elected officials, community leaders, citizens, neighbors and other agencies have all contributed to our ability to assist thousands of families and elderly people.

Ultimately, however, the recognition of achievement must go to the many low- and moderate-income families who have received housing assistance, bettered themselves and become self-sufficient. What they tell us about our programs is that decent, affordable housing is a most basic need that, once met, can be the key to keeping families together, gaining an education, job training and employment.

We look forward to the next 25 years.

Cover Photo: Having some hilarious good fun together are three young friends, all residents of a Housing Authority low-rent public housing development in Santa Cruz.

At left is Arroyo Verde, an award-winning development of single-family, for-sale homes just outside of Watsonville.

Celebrating 25 Years: Building the Future from a Solid Foundation



A house is only as good as its foundation. Builders know that. Many learned that firsthand in the 1989 Loma Prieta Earthquake when house after house was damaged or destroyed as they slid from their foundations.

The Housing Authority of the County of Santa Cruz has spent the past 25 years building a solid foundation from which it carries out its goal of serving the community in the area of affordable housing, a task it believes contributes significantly to the future of our community.

What are the characteristics of this foundation?

Experience – Together, the staff of the Housing Authority provides a body of experience in all aspects of the housing field.

Commitment – The Housing Authority Board of Commissioners and staff believe that safe, sanitary and decent housing is necessary for all and are committed to making such housing affordable in the community it serves.

A broad-based approach – There is no one answer to the challenge of providing safe, affordable housing. That's why the Housing Authority



Housing Authority Eligibility Specialist Lorraine Sanchez meets with Watsonville resident Sandra Muñoz-Santana and her children, Chanté, 9, and Ivan, 3. After 10 years, Sandra was happy to tell Lorraine that she and her husband no longer needed housing assistance. "I just want to say thank you for being there for 10 years," she said.

Miguel and Ofelia Arevalo had their names on the Housing Authority waiting list for years before a four-bedroom Santa Cruz apartment became available in January, 1994. Ofelia, pictured here with four of the couple's five children, said, "It was worth the wait!"



Grandview, a 15-unit low-rent public housing development in west Santa Cruz, with its pleasant, mission style, blends nicely with the surrounding neighborhood.



has developed a variety of approaches and a network of creative partnerships with governmental bodies, businesses and non-profit organizations to deal with this critical need.

Ingenuity – In an era of shrinking resources and growing need, it takes good old-fashioned ingenuity to continue to develop viable solutions. The Housing Authority leverages financing in the public and private sectors and funds projects through a complex and sophisticated mix of resources.

Vision – The Housing Authority does more than

deal with the day-to-day demands of providing adequate housing. It envisions solutions, then step by step, turns the vision into reality. The 101 single-family homes that make up Arroyo Verde are an example. Another is transitional housing for families making their way back to self-sufficiency.

Experience, commitment, a broad-based approach, ingenuity and vision. Add it all up, and you have the Housing Authority of the County of Santa Cruz, an agency building the future from a solid foundation.



Sound Leadership

Dramatic growth has characterized the Housing Authority's first 25 years. The agency has expanded from a single program to more than 35 programs, from assisting several hundred families to assisting more than 3,000 families annually.

Sound leadership has proven key to that growth.

When the organization began in 1969, it was headed by a five-member Board of Commissioners, appointed by the County Board of Supervisors. In the 1970s, two tenant commissioners, one a senior citizen, were added to the group.

The commissioners, who are responsible for charting the course the agency has taken over the years, are active in the community and dedicated to the philosophy that better housing makes better lives.

Local residents have become confident in the agency's ability to respond to local needs with solutions that are creative, appropriate and financially sound.



1969

Housing Authority of the County of Santa Cruz founded, with Commissioners Louis Haber, Norman Levin, Eliza Ochso, Thomas Shiltown and Florence Wyckoff and Florence Dierker, Executive Director, Robert Paddy. Section 23 federal housing programs begin.

1976

Section 8 Rental Program begins.

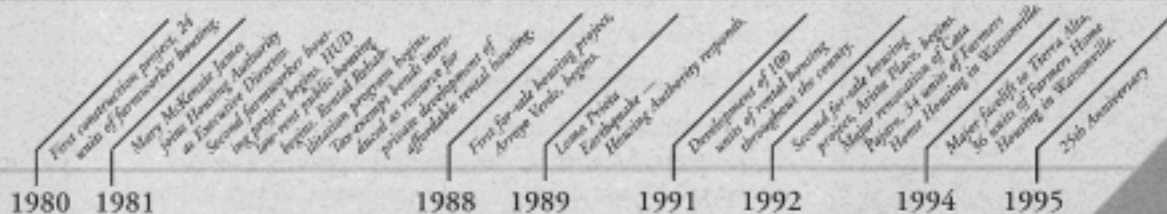


Working together are three members of the Housing Authority's management team, from left, Bea Perez, Eligibility and Occupancy Director; Bill Raffo, Assistant Executive Director; and, Theresa Watson, Finance Director.

The Housing Authority played a particularly critical role locally following the October 17, 1989 Loma Prieta earthquake. In its wake, the tremor left eight percent of the County's housing stock uninhabitable.

Residents were left emotionally jarred and in need of assistance in the effort to rebuild. The Housing Authority took on a major role helping property owners make their homes and rental units livable again.

From left, commissioners Carlos Rico, Celia Organista, Lyman "Mac" McGuffin, J.T. "Mark" Schaeffer and Eloise Graham study plans for a Housing Authority project.



In the months following the quake, the agency administered almost \$24 million in California Disaster Assistance Program funds in the form of low-interest loans and grants. The agency also administered a Security Deposit Grant Program for renters, making 195 state-funded grants totaling almost \$150,000, and Brace-for-the-Quake, a County program funded by the Federal Emergency Management Agency to structurally strengthen housing to withstand future quakes.

As it oversaw the disbursement of millions in emergency monies, the Housing Authority moved forward in seeking funds for new programs. Indeed, obtaining development funds has become the single greatest challenge to continuing the agency's work.

The Board of Commissioners, working with the executive director and staff, will press ahead in this area, continuing to lead the way in providing affordable, safe and sanitary housing for those in need.



Rental Programs create a level playing field



Charles Canfield, President of the Seaside Company, in front of the Rivers Edge Apartments in Santa Cruz, a Moderate Rehabilitation project. Canfield describes the Mod Rehab program as a "classic win-win situation."



Claire Main, who has been in the Section 8 program since 1984, has two words to describe the program, "It works!" Without it, she says, "In all honesty, I'd probably be on the street."

They are sometimes senior citizens, sometimes single mothers. They are sometimes field workers sometimes dental assistants. They are sometimes dealing with a disability, sometimes with a run of bad luck.

"They" are living on incomes that are less than 50 to 80 percent of the area median. "They" are the thousands of families who receive monthly assistance from the Housing Authority through rental programs, and, unfortunately, "they" are also the thousands who wait for assistance.

Rental programs make up the lion's share of the Housing Authority's work. And because the demand is so great, the agency works very hard each year to successfully secure funds to expand the rental programs.

Most of those receiving help are in the the federal Section 8 program. The idea behind Section 8 is to make low-income households competitive in the rental housing market. Families pay a percentage of their income toward housing; the balance of their rent is paid with federal funds administered by the Housing Authority.

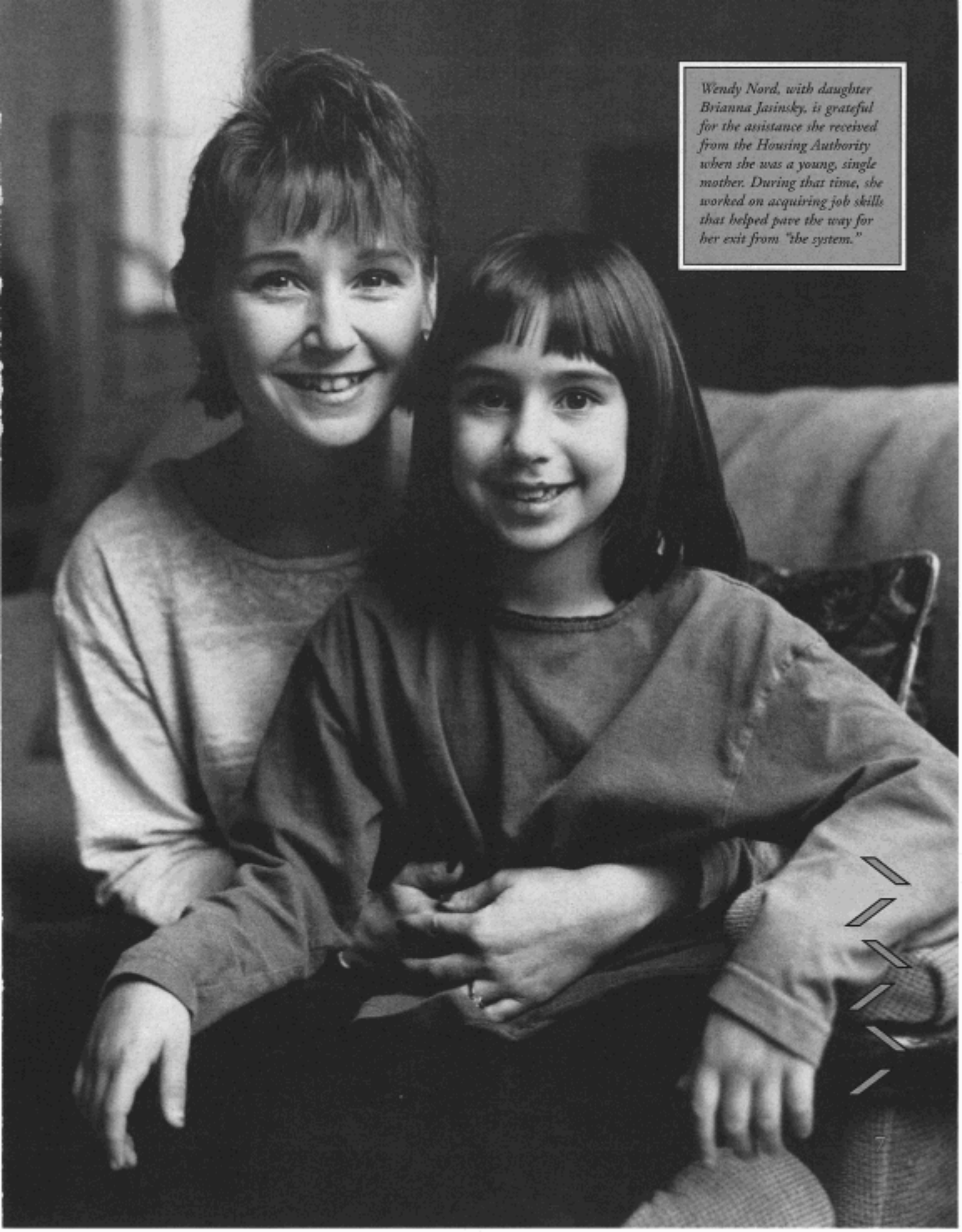
In Aftercare programs, people with disabilities are assisted.

The Moderate Rehabilitation Program is a way to guarantee the stock of affordable housing in the county. Property owners rehabilitate rental properties and agree to rent to low-income tenants for 15 years. Associated costs for the eligible improvements are then reimbursed through rent subsidies.

The Family Self-Sufficiency program works with families to develop a plan for living independently of public assistance.

And every month, the agency receives letters from people who are doing just that. People like Alexandra, who wrote: "I want to thank you... for the opportunity to live in public housing. That support made it possible for me to graduate from college and to be admitted to an excellent graduate school. It gave me the boost up I needed to get my son and I out of the 'poverty rut,' into the mainstream of society."

It is the hope of the Housing Authority that, someday, all of their clients can write a letter like Alexandra's.



Wendy Nord, with daughter Brianna Javinsky, is grateful for the assistance she received from the Housing Authority when she was a young, single mother. During that time, she worked on acquiring job skills that helped pave the way for her exit from "the system."

The American Dream: Making it affordable



The Bloom-Sweeney family is happy to call Arroyo Verde home. Pictured from left are: Natalia, 9, Laurie, Brendan, 7, Patrick, and Emma, 5. Front and center is 10-month-old Daisy Mae Gump.



An employee with contractor George W. Davis works on Arista Place, a Watsonville development that includes 14 single-family homes.



Home ownership. It is a dream for most people. And for some in Santa Cruz County, it seems that is all it will ever be — a dream.

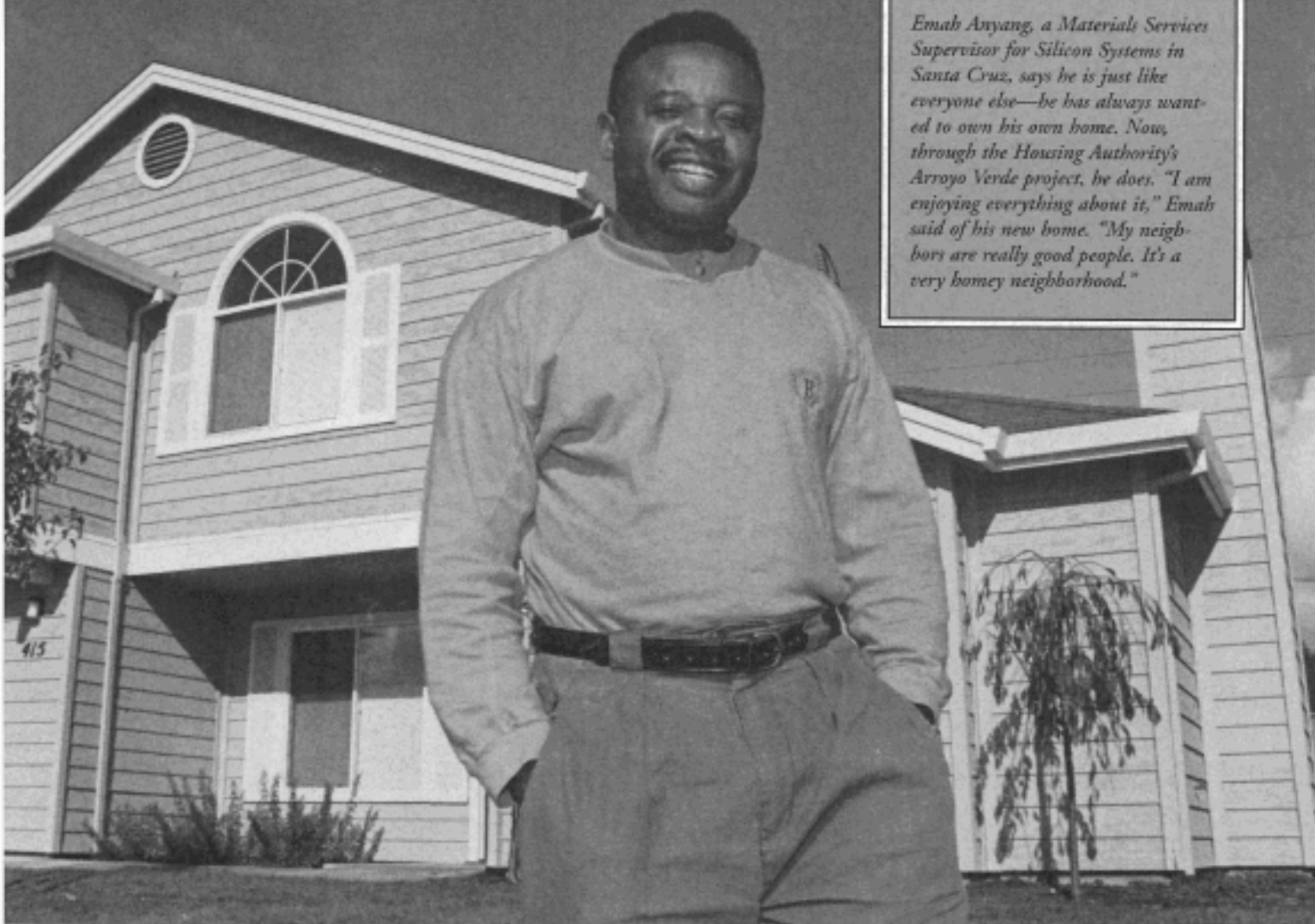
Not because they don't work hard. Sometimes they even work two jobs. Not because they are temporary residents. Often, they have lived here all their lives and want to raise their families here.

The simple reality is, despite hard work and roots in the community, they don't earn enough to afford a home in this area. They have been priced out of the market.

So when the Housing Authority was presented the opportunity to work with the County to develop an affordable, for-sale housing subdivision just outside of Watsonville, they took it.

Relying heavily on good working relationships with entities including the County of Santa Cruz, Fannie Mae, the American Red Cross and local banks, the Housing Authority brought Arroyo Verde to life.

From arranging for funding for the property to managing construction, from developing financing strategies for purchasers to assisting families step-



Emah Anyang, a Materials Services Supervisor for Silicon Systems in Santa Cruz, says he is just like everyone else—he has always wanted to own his own home. Now, through the Housing Authority's Arroyo Verde project, he does. "I am enjoying everything about it," Emah said of his new home. "My neighbors are really good people. It's a very homey neighborhood."

by-step in the purchase process, the Housing Authority coordinated all aspects of Arroyo Verde.

The agency's assessment of the need for such a project was confirmed by an overwhelming response from people interested in owning one of the 101 homes. More than 2,500 applications were submitted.

When another opportunity to develop affordable for-sale housing presented itself, the Housing Authority pursued it. It came in the form of competitively priced property in an appropriate location. Arista Place, located in Watsonville, is a mix

of rental units and homes, a mix designed to reflect the profile of the surrounding neighborhood.

Fourteen single-family, for-sale, affordable homes are included in the project. They represent the Housing Authority's belief in providing a continuum of housing opportunities.

As long as home-ownership is a dream for people in this county, and as long as there are hard-working people who can't afford homes through conventional channels, the Housing Authority will work to create opportunities to make that dream come true.



Developing Housing from A to Z



Ignacio Juarez, left, and Enrique Ayala have been friends since 1984. They also have called each other "neighbor" since 1986, when they and their families moved into Tierra Alta, a Farmers Home Administration project in Watsonville that is owned by the Housing Authority.

Capitola Courtyard, a 12-unit low-rent housing development in Capitola, offers inviting exteriors and is conveniently located near shopping areas.





Builder...Landlord...Property Manager... Owner. The Housing Authority wears many hats for some projects. When working with the federal government on Low-Rent Public Housing, the nature of the program is such that the Housing Authority not only develops projects, but continues to own and manage them—cleaning gutters, maintaining landscaping, repairing playground equipment, doing move-in and move-out inspections, handling emergencies.

Today, there are more than 200 low-rent public housing units built or under construction in the county. They are home to people who earn below 50 percent of the area's median income.

Farmers Home Administration is a Department of Agriculture program that operates in a similar way. The Housing Authority owns and manages 70 rental units for families engaged year-round in the agriculture industry.

The Housing Authority makes a conscious effort to elevate the image of public housing. People who live in public housing do their part as well. They have generally waited years for an opening, have been carefully screened and do not take the opportunity lightly.

Some of the biggest compliments paid to the Housing Authority are from neighbors surprised to learn they live across the street from a low-rent public housing project. Or from people who have driven by a Farmers Home project many times, never realizing it was any different from any other townhouse development they passed every day.

In recent years, the agency has worked with social service providers who offer transitional housing and support services to families and individuals in crisis. The Housing Authority has purchased and rehabilitated housing for use by these agencies, thus participating in providing affordable housing to yet another segment of the community.



Rebecca Colby and her daughter, Monica, received life-changing assistance through the local Families in Transition program. The Housing Authority owns and manages the housing for that program.



Experience for hire



The Housing Authority has acted as construction manager on City of Santa Cruz projects. Pictured here are those involved in transforming an old automotive repair shop into showers, bathrooms and a laundry area at the Homeless Community Resource Center. From left, architect Bill Bagnall, Center Director Karen Gillette, former Santa Cruz Mayor Scott Kennedy, architect Peter Bagnall, and Housing Authority staff Jon Sisk, Project Manager, and Tom Poble, Technical Services Director.

It might entail managing construction of a day-care facility. It could involve developing a financial feasibility plan for a troubled housing project. Or it could mean acting as an affordable-housing development consultant.

The Housing Authority of the County of Santa Cruz frequently works on contract with local jurisdictions and agencies, acting as a consultant and sharing experience gained through the life of the agency and through the years of experience of individual staff members.

The agency offers assistance in:

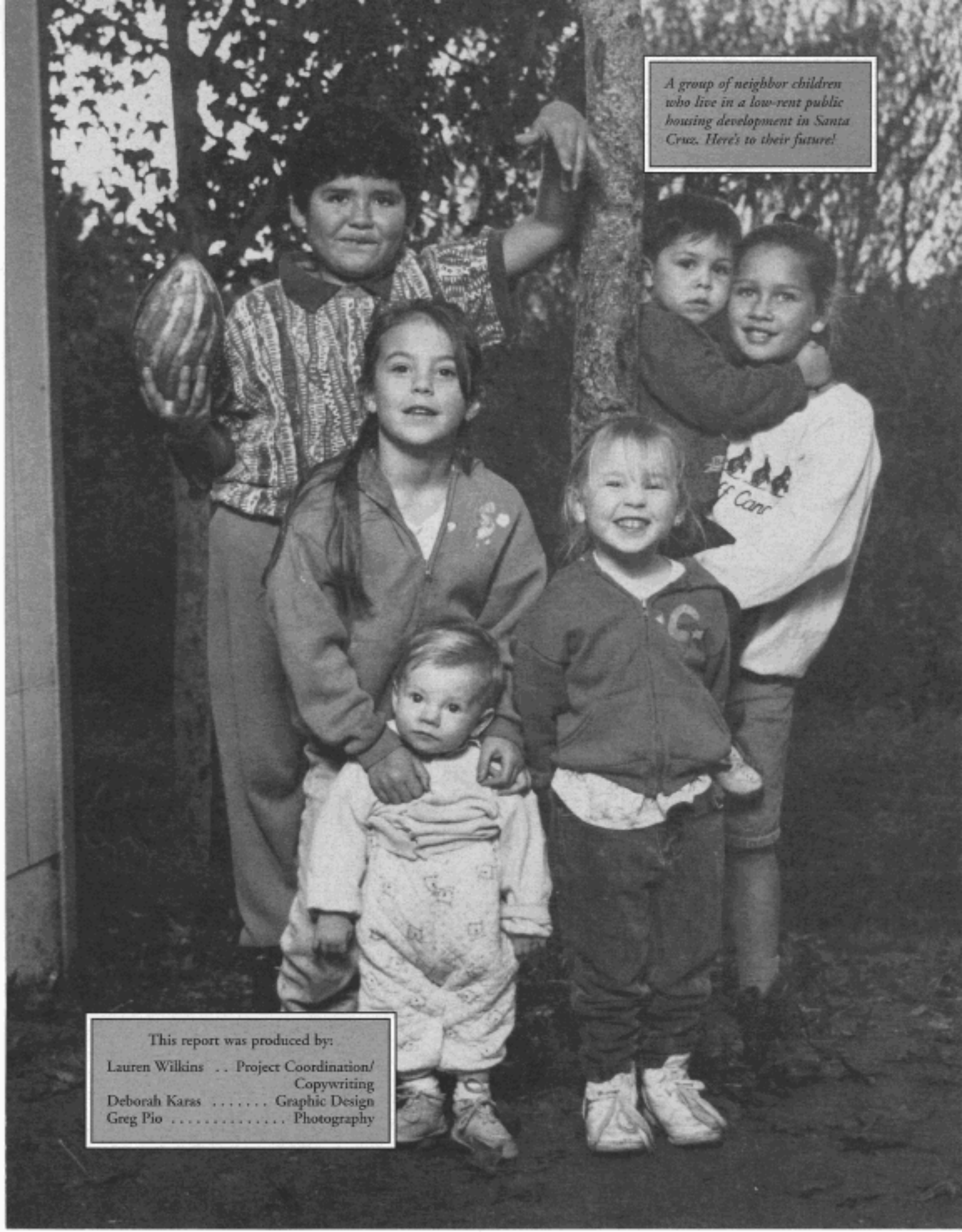
- Technical consultation
- Administrative management

- Managing design professionals
- Packaging projects for submission to financial institutions
- Putting projects out to bid
- Construction management
- Marketing plans
- Buyer and tenant eligibility screening
- Property management

Sometimes the agency takes a project from start to finish; sometimes it handles only one aspect, such as construction management or administration. Whatever the need, the Housing Authority welcomes the opportunity to share lessons learned with other agencies and jurisdictions, working toward the mutual goal of making housing affordable for all.



The Housing Authority acts as a consultant to the City of Scotts Valley in the area of affordable housing development. Meeting here are, from far left clockwise, Mike Shulman, Mayor; David Schmidt, Council Member; Bob Hanna, Planning Director; Mary McKenzie James, Housing Authority Executive Director; and Sue Hoge, Housing Authority Development Director.



*A group of neighbor children
who live in a low-rent public
housing development in Santa
Cruz. Here's to their future!*

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