

# WE ARE THE HOUSING AUTHORITY

Community Report 2024





# Letter from Executive Director & Board Chair

This is an exciting moment for the Housing Authority of the County of Santa Cruz as we embark on a transformational journey that is reshaping our future and re-imagining our role in the community. It is a painful reality that our county suffers from an extreme affordable housing crisis. High demand for housing has sent rental rates soaring, leaving too many of our neighbors homeless, or struggling to make ends meet in the face of crippling rent burdens.

In response to this affordability crisis, the Housing Authority is committed to widening our reach and deepening our impact. In September 2022, the U.S. Department of Housing and Urban Development selected the Housing Authority to join 17 other housing authorities nationwide to participate in a new cohort of the Moving to Work (MTW) Program. Through this program, we will develop and implement programs to encourage the creation and growth of savings accounts, aimed at helping to bridge the wealth gap and to promote economic mobility.

Our MTW status also provides new administrative and funding flexibility that positions us to embark on significant new activities and allows us to pioneer fresh, innovative solutions through our recently launched nonprofit affiliate, New Horizons Affordable

Housing and Development. These new activities include the construction of our first affordable housing development in over thirty years and the establishment of a new client services program. Our MTW status makes it possible for us to use housing as a platform to improve the quality of life for the families we serve through a new scholarship program, free high-speed internet, free bus passes, and more.

As we reflect on these transformative initiatives, we acknowledge there is much more work to be done. As always, we face these challenges with an irrepressible optimism and a willingness to embrace new strategies in the tenacious pursuit of our vision of affordable housing and thriving communities for all.



**Jenny Panetta,**  
Executive Director



**Andy Schiffrin,**  
Board Chair

## Board Members



**Providence Martinez-Alaniz**  
Vice-Chairperson



**Carol Berg**



**Silvia Morales**



**Richard Schmale**



**Ligaya Eligio**



**Annette Melendrez**

# Moving to Work: Dynamics in Motion

The Housing Authority was awarded Moving to Work (MTW) designation in September 2022 by the U.S. Department of Housing and Urban Development (HUD).

Our vision is to utilize MTW as a platform to increase economic mobility among Housing Authority program participants through asset building, financial literacy, education, and professional development.

As part of our MTW initiatives we are participating in a HUD-designed opt-out savings program, that we call **Savings for YOU**. 75 households, randomly selected by HUD, have been offered participation in an asset-building savings program to receive a modest monthly contribution towards personal savings over the course of two years. Additionally, families in the asset building program will be offered financial literacy workshops and coaching through our partnership with Ventures. HUD will evaluate the program to assess the impact on household financial well-being, which includes the amount of savings, the use of accumulated savings, changes in credit scores, and understanding of banking and credit concepts. The 75 households selected by HUD include 50 selected from all households, and 25 “deeply targeted” with extremely low-income and less than \$500 in assets. We will study the differences in impact on the two cohorts.

MTW is not just an asset-building program. MTW provides regulatory relief from many HUD rules, together with significant funding flexibilities, enabling us to design and test a wide range of new strategies to increase housing choice, economic mobility, and achieve administrative cost savings through new efficiencies. It represents a paradigm shift, changing the dynamics in how the Housing Authority operates its programs to greater benefit the households and community we serve.

The Housing Authority is off to a running start to implement MTW initiatives. We have already moved to an alternative reexamination schedule, saving valuable time for staff and participants, and increasing



economic mobility. We increased the Project-Based Voucher Program Cap from 20% to 50% to stimulate the development of new affordable housing and to expand housing choice. And we are poised to allocate MTW funds to directly support the acquisition and development of new affordable housing.

We are enthusiastic about the opportunity to implement new and innovative local initiatives that will improve administrative processes and client experience. MTW will also elevate the quality of services we offer, fostering personal growth and empowerment. As our MTW work evolves, we will continue to build on existing relationships and develop new partnerships with community-based organizations, financial institutions, educational organizations, and employment services that will benefit our community and clients.





# Project-Based Voucher Program

At the Housing Authority, we see the Project-Based Voucher (PBV) program as one of our most effective tools for stimulating the development of critically needed affordable housing.

The ability of the Housing Authority to award PBVs to developers has become increasingly important in a highly competitive rental market, in which many program participants struggle to locate a rental property with their vouchers. Due to limited availability of rental housing, many families face the dire choice of either losing their rental assistance or relocating to a new community. The PBV program allows us to allocate a portion of our Housing Choice Vouchers to specific affordable housing developments, which can also help a developer secure other financing such as federal low-income housing tax credits and state grants.

Additionally, we are committed to maximizing the number of the resulting units that are made available to applicants on the Housing Authority's waiting list. In this way, the PBV program results in more affordable housing, while also providing additional units that are exclusively available to families that either already have a voucher or are on our waitlist.

We are helping to create community with our development partners through an array of programs and services. PBV-funded projects such as the Sunrise Senior Apartments, a senior housing development, include supportive services and resident enrichment in two full-time staff members who are devoted to organizing classes and recreational activities. At La Playa Apartments and Sycamore Commons, family-focused properties, PBV-projects help fund an on-site Head Start Day Care center and an afterschool homework club for school-age youth, supported by UC Santa Cruz students. At the Bienestar Plaza, which shares a campus with the Santa Cruz Community Health Clinic and Dientes Community Dental Care Clinic in Live Oak, PBV households have easy access to medical care, oral health, behavioral health, and specialty care with a focus on pediatrics, all for low-income families.

We are proud to report that our PBV program is working! In fact, thanks to this strategy, 379 existing units are actively transforming lives across 17 affordable housing projects within the Housing Authority's jurisdiction, with an additional 572 project-based units in the pipeline that have been conditionally awarded for new properties under development. In total, we are on target to have over 500 new PBV units in service by June 2026, which are supporting the development of a total of 873 new affordable units in Santa Cruz County and San Benito County.



## Natural Bridges: Building a Foundation

Through our nonprofit affiliate New Horizons Affordable Housing and Development (New Horizons), the Housing Authority is building our first new affordable housing development in over 30 years!

**Natural Bridges Apartments** will be a three-story, modern, all-electric building that harmonizes with the surrounding landscape. Located in the coastal zone on Natural Bridges Drive, the complex will consist of 20 studio units. This new community boasts proximity to open space, trails, beach access, and popular neighborhood amenities on Mission Street. This new development is designed to be sustainable, featuring rooftop solar panels and energy-efficient appliances. These technologies will help to minimize the environmental impact and reduce utility costs for residents. Funding for the green features of the project was provided by Central Coast Community Energy.

The project is supported by the Project-Based Voucher (PBV) Program, a federal rental assistance program administered by the Housing Authority, which ensures residents pay a truly affordable rent, limited to 30% of their monthly income. PBVs are an important tool that stimulates affordable housing development by ensuring affordable housing is more financially viable while making it possible for units to be truly affordable, even for extremely low-income families.

We are especially thankful to have the support of U.S. Representative Jimmy Panetta, who recently said, "Affordable housing is a pressing and prevalent issue for the people of the 19th Congressional District. The construction of the Natural Bridges Apartments demonstrates that the federal government can play its part by providing Project-Based Vouchers and collaborating with local partners for practical solutions for affordable places to live."

Prospective residents will be chosen from the Housing Authority's waiting list for individuals earning up to 50% of the area's median income. Residents will receive rental assistance through the PBV program.

Construction commenced with the groundbreaking ceremony on May 30, 2023, with the anticipated project completion set for fall 2024.

### Project Team:

Architects: William C. Kempf Architects and Thacher & Thompson Architects  
General Contractor: Bogard Construction  
Legal: Goldfarb & Lipman, LLP  
Funding: Central Coast Community Energy and the Housing Authority of the County of Santa Cruz

Approximately **205** project-based units are anticipated to be ready for occupancy in 2024, **73** in 2025, and an additional **235** in 2026. In total, we are on target to have over **500 new PBV-based units in service by June 2026. 71%** of all new affordable housing developments in Santa Cruz County are supported by Project-Based Vouchers.



# New Horizons: Transforming Lives Through Partnerships and Engagement

New Horizons, the Housing Authority's nonprofit affiliate, was established with the purpose of increasing the supply of affordable housing and providing client service programs to participants and residents.

The progress of our Natural Bridges Apartments project provides New Horizons with the proven experience needed to seek out larger and more complex development projects. Building affordable housing requires support in a variety of forms, including advocacy, technical assistance, and financial resources. Collaboration is critical to meeting the challenges associated with building affordable housing in our community.

In an increasingly digital world, the need for reliable internet access is paramount. To address this need, we teamed up with Cruzio Internet to help bridge the digital divide by providing free high-speed internet to seven Housing Authority-owned properties. The result is internet access for a multitude of households, which also includes support through the Equal Access Santa Cruz program.



Because transportation barriers can hinder education and employment, we have also partnered with Santa Cruz METRO to offer free bus passes for residents who live in Housing Authority properties. And, to make transportation and physical fitness more accessible, we partnered with the Community Bike Collective for bike giveaway events, which have supplied 30 residents with bicycles, helmets, and other safety equipment.

The New Horizons Scholarship Program empowers participants to pursue education opportunities. In its inaugural year, an impressive 97 people applied, with 58 receiving scholarships totaling \$60,000. The program recipients, who are pursuing diverse careers, serve as inspiring role models for others.

These initiatives not only meet immediate needs but also create a ripple effect of positive change. Scholarships inspire education pursuits, internet access sparks innovation, bikes provide transportation and fitness, and free transportation reduces disparities.

New Horizons is a catalyst for a more equitable, sustainable, and vibrant community. In 2024, we plan to offer programs that include workshops on tenant and landlord rights and responsibilities, as well as a new conflict mediation program aimed at providing a neutral third party to assist in the resolution of tenant and landlord disputes and prevent evictions.

## Bike Giveaway

**We are thrilled to announce an incredible partnership between the Housing Authority and the Community Bike Collective! Newly refurbished bicycles, helmets, and top-notch gear are being handed out free of charge! It is not just a gift; it is a catalyst for change and personal growth. More bicycle giveaways are coming in 2024!**



# Mastering Resilience: From Adversity to Achievement

In a remarkable tale of resilience and transformation, Antonio has overcome the hardships of homelessness and the challenges of deployment to emerge as a master's degree candidate at California State University, Monterey Bay.

Antonio's journey began with his enlistment in the Army National Guard, leading him to a deployment during the Iraq War, where he rose through the ranks to become a Sergeant. However, upon returning to the United States, he found himself without a home, joining countless veterans facing the harsh reality of homelessness.

Witnessing the struggles of daily life firsthand while searching for stability, employment, and purpose, Antonio's fortunes changed when a fellow veteran recommended the Veterans Transition Center. This pivotal moment marked the start of a transformative path for Antonio, leading him to Monterey Peninsula College and a home in Santa Cruz with a housing voucher designed for veterans.

Antonio has utilized his voucher to propel himself through an educational journey that saw him earn both associate and bachelor's degrees. Despite missing crucial family milestones and events, he remained unwavering in his commitment to education, emphasizing gratitude to the Housing Authority and

the Department of Veterans Affairs for the support that fueled his pursuit of academic excellence.

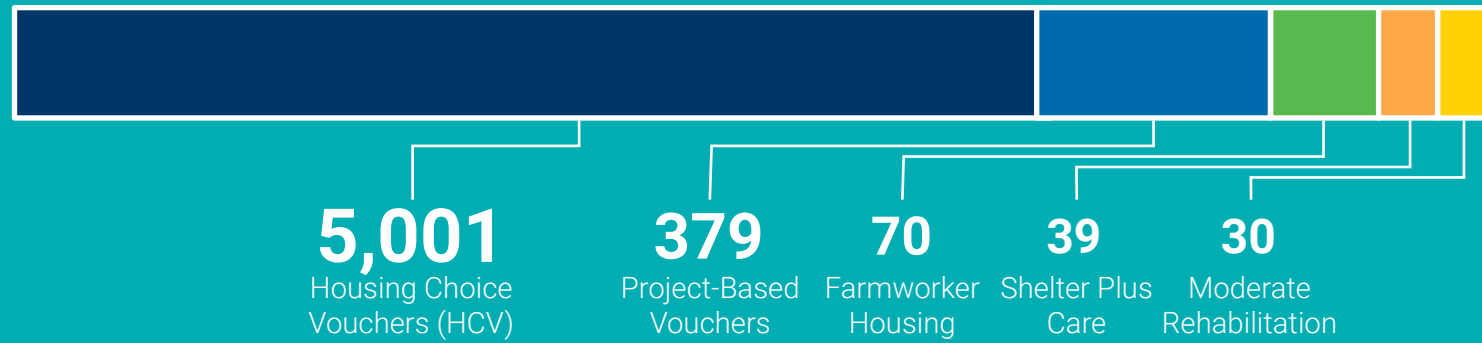
Currently on the brink of graduating with a Master of Social Work from CSUMB and a testament to his dedication, Antonio's capstone project focuses on prioritizing housing interventions for individuals battling substance use disorders. He continues to volunteer and work while attending school, showcasing an unparalleled work ethic.

In recognition of his extraordinary achievements, Antonio has been named in the inaugural class of New Horizons Scholarship recipients in 2023. Post-graduation, he envisions a future in social work, humorously noting, "because I can't do math." Yet, his passion for the field stems from the assistance he received in obtaining a housing voucher and from a college professor who recognized his innate empathy and desire to help people in and out of the classroom.

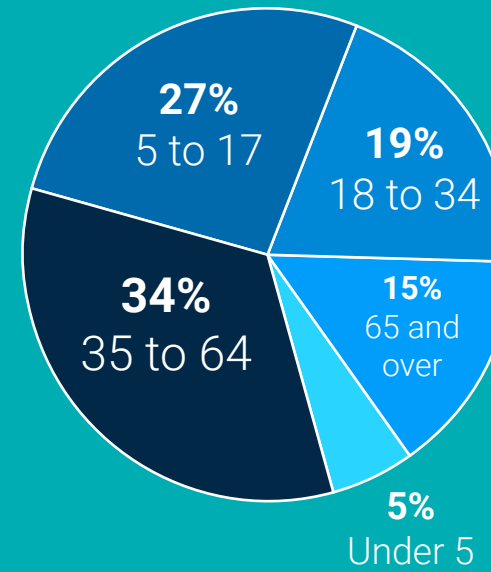
Ready to pay it forward, Antonio plans to hand over his voucher to another veteran in need, solidifying his belief that empathy is a truly selfless force for positive change. Antonio's inspiring transformation serves as a beacon of hope and a testament to the resilience that can be found even in the face of adversity.

# By the Numbers

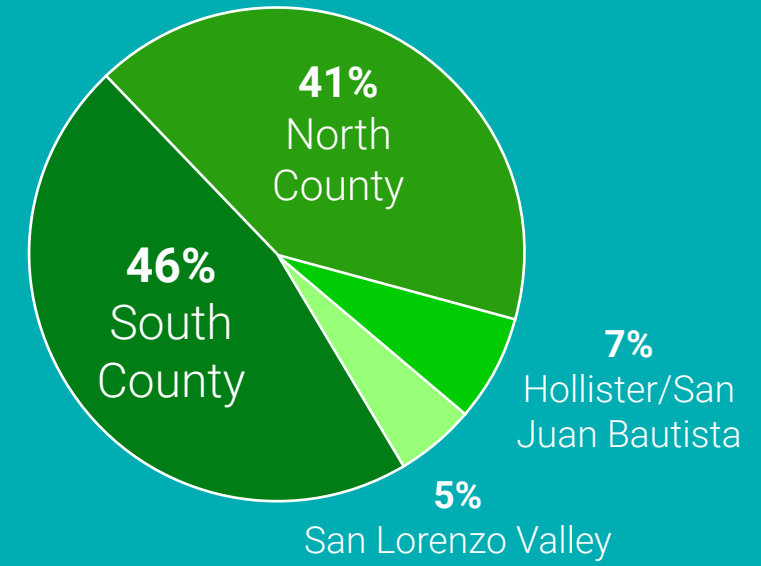
### Households Assisted by Program



### Individuals Assisted by Age



### Households Assisted by Location



**5,519**

Total Households Assisted



**3.2**

Avg. Household Size



**\$27,008**

Avg. Household Income



**\$1,919**

Avg. Monthly Rental Subsidy

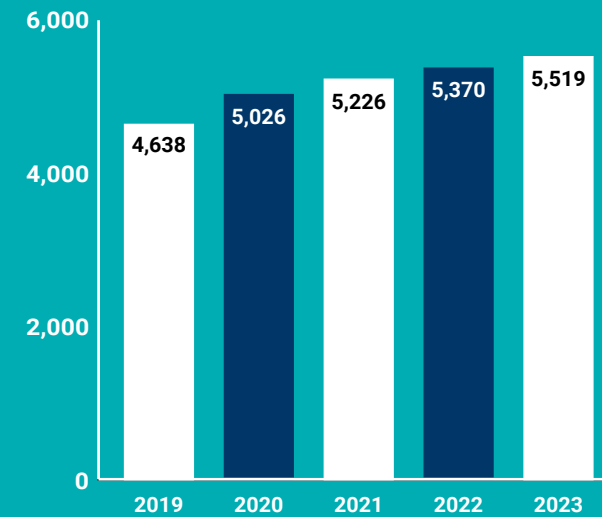
**\$24,860**

Federal Poverty Level (family of 3)

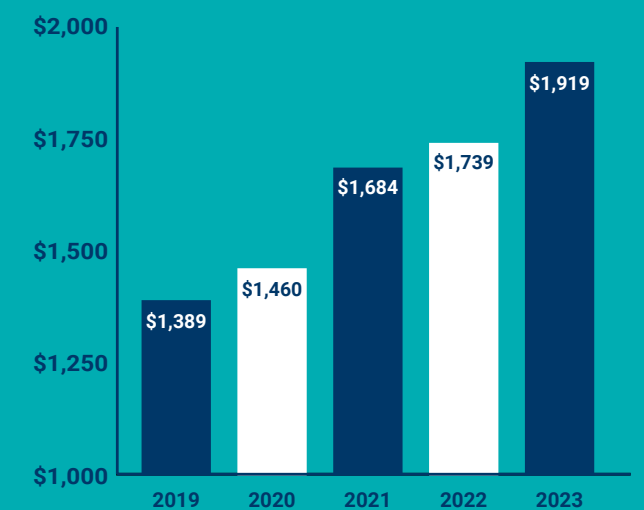
**25,510 (26%)**

Estimated households eligible for federal rental assistance

### Households Assisted by Year



### Average Monthly Subsidy by Year



**45%**  
**(2,561)**

Single Person Households

**39%**  
**(2,210)**

Households with Disabled Head or Spouse

**36%**  
**(2,063)**

Households with Minor Children

**36%**  
**(2,071)**

Households with Seniors

**20%**  
**(1,135)**

Homeless at Admission

**6%**  
**(325)**

Veteran Households



**1,938**

Participating Landlords

▲ **4.5%** in 2023

**\$109,746,000**

Paid to Landlords on Behalf of Tenants

**\$1,580,000**

Spent on Rehab/Construction

**\$4,840,000**

Paid to Vendors





# Landlord Partnerships

Partnering with the Housing Authority can be extremely beneficial to landlords. Just ask Ken, a retired principal and schoolteacher. Seeking to supplement his retirement, he ventured into the world of rental properties by purchasing a house in Watsonville.

During their search for tenants, Ken and his wife received many inquiries about accepting Housing Choice Vouchers. Eager to learn more, he contacted the Housing Authority and was met with outstanding customer service that exceeded his expectations. Inspired by the support he received, Ken and his wife decided to accept vouchers, leading them to find a dependable tenant – a mother of three working in the agriculture industry.

Ken highlights the three key reasons why being a landlord with the Housing Authority is a smart business decision.



- 1 The unwavering support and assistance provided by the Housing Authority staff, particularly the Leasing Specialist.
- 2 The stability offered by the program proved crucial during the challenges of COVID-19, ensuring a consistent income source when many private landlords were unable to collect rent from tenants who lost wages due to the pandemic.
- 3 The enticing incentives offered by the Housing Authority, including the Owner Assurance Program, which reimburses owners up to \$5,000 for costs exceeding the security deposit. Other incentives include bonus programs that provide a \$2,000 bonus for renting to specific program participants.

Ken passionately advocates for property owners to explore the advantages offered by the Housing Authority, emphasizing that it simply makes good sense.

## Working with the Housing Authority

**"...is a smart business decision and a great use of taxpayer dollars."**



## Attention Landlords

Do you want to help provide affordable housing to a low-income individual or family and receive market rate rents? Please contact our offices at **831-454-9455** or visit us online to find out how to get involved. We look forward to working with you!

## Thank You, Landlords!

We extend heartfelt thank you to all landlords actively involved in our rental assistance programs. Your participation enables us to extend rental aid to working families, seniors, veterans, and individuals with disabilities, empowering them to stay within the community we call home.

## Landlord Testimonials

*"I appreciate the effort, systems, and training that goes into a service that is so easy to navigate, efficient, and effective. I thank you for your service to the community and for making it possible for us as landlords to participate. We feel very good that we not only have a safe and secure rental unit but we are part of a service that helps those most in need."*

*"HACSC is the best housing authority I have dealt with in my 35 years as a landlord – and I have dealt with four!"*

*"Grateful my rental unit was in the rental assistance program during the pandemic. It gave me the assurance of a steady income."*

## Contact Us

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<b>Drop Off Location</b> Capitola Office: 2160 41st Avenue	<b>Email</b> info@hacosantacruz.org	<b>Online</b> HACOSantaCruz.org

## Mission Statement

**"The Housing Authority of the County of Santa Cruz is committed to advancing access to affordable housing and a thriving community, free from discrimination by providing affordable housing and delivering inclusive services to our diverse community with compassion and kindness. Our mission extends beyond shelter, utilizing housing as a catalyst to promote equity, economic mobility, dignity, stability, improved quality of life, and a place to call home."**





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