



# County of Santa Cruz

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## COUNTY ADMINISTRATIVE OFFICE

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SUSAN A. MAURIELLO, J.D., COUNTY ADMINISTRATIVE OFFICER

January 14, 2000

AGENDA: January 252000

BOARD OF SUPERVISORS  
County of Santa Cruz  
701 Ocean Street  
Santa Cruz, CA 95060

### **REPORT ON EMERGENCY RELOCATION PROTOCOL AND OTHER TENANT RELOCATION ISSUES**

Dear Members of the Board:

On October 19, 1999, your Board considered a report by Supervisor Campos concerning proposed emergency relocation protocol and related programs effecting low income tenants displaced due to a variety of factors. These issues were brought before your Board in connection with the fire and relocation issues associated with the Landis property. (See Attachment.?).

#### **EMERGENCY RELOCATION PROTOCOL:**

The October 19<sup>th</sup> letter discussed the need to work with Red Cross to establish a last resort relocation assistance program as part of Red Cross's emergency relocation protocol for tenants displaced due to a fire or other unforeseen circumstances. I am pleased to report that HRA is engaged in fruitful discussions with Red Cross concerning program implementation and financing. We anticipate a more full report, with a proposed contract, to be presented to your Board on or before March 14, 2000.

#### **HOUSING AND RELOCATION SERVICES FOR OTHER DISPLACED TENANTS**

The October 19, 1999 Board letter discussed the difficulties residents encounter who are displaced by code violations, evictions, expiring affordable housing subsidies or expiring relocation assistance. In effect, this category of tenants who involuntarily must locate alternate housing are forced to compete with everyone else in a very competitive and costly housing market. While this group of tenants have advanced notice that they will need to locate alternate housing, there are a limited number of assistance

programs available. The October 19<sup>th</sup> Board letter discussed the County's two primary program available to assist residents in obtaining housing - the County's First and Last Months Rent and Security deposit program and the Relocation Ordinance.

#### Last Month Rent/Deposit Program

The Board letter directed staff to review the effectiveness of the Agency's Last Month's Rent/Deposit Program. Coincidentally, when the Board first adopted the program in January, 1999, the Board requested a status report on the effectiveness of this program. This report responds to these directives.

By way of background, this program was created by the Board in early 1999 for the purpose of assisting low income households which do not have adequate financial resources to cover the full cost of moving into a rental unit to transition into stable rental housing situations. As established by the Board, the program is designed to give priority to households which are involuntarily displaced, live in substandard housing, or live in temporary housing.

The program, which is administered by the Redevelopment Agency through a contract with the Housing Authority, was designed to encourage participation by landlords, however, given the current very low rental vacancy rates, high market rent levels, competition for units, and lack of success with a similar program in the Cities of Santa Cruz and Capitola, it was unclear whether a program in the unincorporated area would be successful. We are pleased to report that since April of last year 34 households have been placed in stable rental situations through the County's program. Low income families benefitting from the program reside throughout the County -from Boulder Creek to Watsonville.

In reviewing the effectiveness of the program, there is one area that staff believes would further enhance the program's utility. Currently, the program requires the Housing Authority staff to perform an inspection of the unit to assure that it meets housing quality standards, similar to their inspections for Section 8 Units. The requirement for an inspection can create a disincentive for landlords' participation in the program — due to time delays, scheduling difficulties, and in some cases, delays in completing required minor repairs. Both the Cities of Santa Cruz and Scotts Valley have opted for a different approach for addressing unit habitability. Those jurisdictions have established a self-certification process, with the landlord and tenant jointly certifying compliance of a unit with basic habitability standards. We believe that a similar approach would result in a greater level of landlord participation with a wider range of unit rent levels that would better serve the lower income population.

It appears that this program provides a key resource to low income households displaced from substandard or illegal housing and to further enhance the utility of the County's program, this letter recommends that the County follow the Cities of Santa Cruz and Scotts Valley and shift to a self-certification on unit habitability. It is worth noting that because the program provides for one-time assistance to cover initial rent

payments and security deposits and is not an on-going rental subsidy program, the primary constraint to this program is that program participants must be able to afford market rents. It is also recommended that in January 2001 the Redevelopment Agency provide your Board with a program update to assess the implications of the proposed program modifications.

### Relocation Ordinance

As discussed in the October 19<sup>th</sup> letter, County Code Section 8.45 currently mandates that relocation assistance of up to three months fair market rent be provided by property owners to tenants who are displaced due to unsafe or hazardous living conditions, or due to illegal use of a structure as a residence. As part of our assessment of this issue, the Planning Department is reviewing the way in which the other jurisdictions handle relocation issues. County Counsel continues to explore ordinance amendments which would provide tenants with greater access to relocation payments within the limitations of state law. In order to complete our analysis of this ordinance, additional time will be needed. It is recommended that staff prepare a complete analysis, with appropriate ordinance amendments, on or before March 14, 2000.

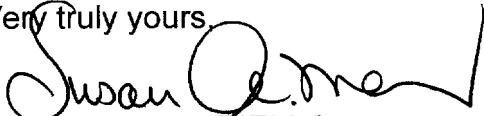
### **RECOMMENDATIONS:**

The Landis fire raised a variety of issues concerning emergency relocation protocol, relocation assistance and housing assistance programs for people who are faced with the loss of their home. At this point, we are prepared to move forward with changes to the first and last months rent and security deposit program. However, more time is needed to work with Red Cross to address emergency protocol issues and to conduct a more in-depth analysis on the County's relocation ordinance. To move this program forward, it is RECOMMENDED that your Board take the following actions:

1. Accept and file this report:
2. Direct the HRA Administrator to continue negotiations with the Red Cross to establish a protocol for last resort emergency relocation assistance and return to the Board on or before March 14, 2000 with a final contract and financing plan;
3. Direct the Redevelopment Agency Administrator to take the necessary actions to replace the current requirement included in the Last Months Rent and Security Deposit program that units participating in the program must be inspected and certified by the Housing Authority with a self-certification program whereby the landlord and tenant jointly certifying compliance of a unit with basic habitability standards, and return to the Board in January 2001 with a program status report; and

4. Direct County Counsel, in consultation with the Planning Department and the CAO's Office, to return to the Board on March 14, 2000 with an analysis of the County's relocation ordinance and with any recommended ordinance amendments.

Very truly yours,



SUSAN A. MAURIELLO  
County Administrative Officer

cc: Planning Department  
HRA  
RDA  
County Council  
Red Cross  
Watsonville City Council

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# County of Santa Cruz

## BOARD OF SUPERVISORS

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AGENDA: 10/19/99

October 14, 1999

BOARD OF SUPERVISORS  
County of Santa Cruz  
701 Ocean Street  
Santa Cruz, CA 95060

RE: LANDIS PROPERTY: TENANT RELOCATION ISSUES  
AND PROPOSED EMERGENCY RELOCATION PROTOCOL

Dear Members of the Board:

As you know, last month a fire at 130 Landis Street resulted in the displacement of residents from their home as well as individuals who were living in converted sheds. This incident raised a number of concerns regarding the availability of services to those displaced by fire or code enforcement activities. In addition, since many of the residents are farm workers, other questions have been raised about the County's support for farm worker housing.

In an effort to address these issues, I would like to discuss what happened in the Landis Street fire incident. I would also like to discuss the status of my discussions with the County Administrative Office, Planning and the Human Resources Agency in an effort to develop a protocol for handling similar situations in the future, whereby low income residents are displaced as a result of an unforeseen situation such as a fire incident. I would also like to discuss what programs are available to residents who are faced with the loss of housing through other means (i.e., code enforcement, evictions, demolition, increased rents, etc.) and briefly review the County's support for farm worker housing

The Landis Street fire and code compliance actions

I have discussed with the Planning Department the circumstances of the Landis fire and the subsequent displacement of residents

formerly residing on the Landis Street property. The property includes a legal single family dwelling, a detached garage and two other structures which were all used as permanent housing. According to the Planning Department, on September 17, 1999, the Planning Department's Inspection Services Section was contacted by the Watsonville Fire Department and requested to make an inspection of the structures to determine the risk from substandard electrical wiring. The Building Inspector completed the inspection and posted the structures as dangerous due to faulty and dangerous wiring. The Inspector suspected that the two structures used as living units had been illegally converted sheds and referred the case to Planning's Code Compliance Section for further investigation. Watsonville Fire contacted the Red Cross for two female individuals who requested assistance as a result of the fire. The Fire Department also contacted Pacific Gas and Electric since the improperly installed electrical wiring was the probable cause of the fire.

On the same day, the Code Compliance Investigator conducted a site inspection and posted the illegally converted structures and garage and informed the property owner that illegal "units" were to be vacated. The Notice of Violation posted at the site indicates that the owner could be liable for relocation assistance to renters displaced from illegal units.

Due to the fire at this site and the extent and condition of illegal and unsafe wiring, Pacific Gas and Electric had disconnected power to the main structure and to the additional structure and garage which were illegally converted for housing.

The property owner subsequently applied for an electrical permit to reconnect the power to the main structure. This application has not been issued because the plans submitted do not accurately represent the site conditions nor do they indicate correction of the violations. As of October 13, a site inspection indicated all tenants but one have relocated and the property owner is in the process of removing the illegally converted structures.

The Landis Street fire raised two issues:

- Immediate relocation for residents displaced by fire; and
- The availability of relocation assistance, or alternate housing, for residents displaced due to code violations.

I would like to address these two issues separately.

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IMMEDIATE RELOCATION FOR RESIDENTS DISPLACED BY FIRE

The only assistance program in place to assist with immediate, unforeseen displacements such as a fire is through the Red Cross. This program is available only in response to natural disasters or other unforeseen events, such as fire, and does not include displacement due to eviction, demolitions or other code compliance matters.

Typically, a referral would be made by a fire department, which was done after the Landis Street' fire, and the Red Cross staff would immediately respond to the site to make an assessment of need. The program provides:

- Motel voucher (limited to three nights);
- Food and clothing vouchers for emergency needs;
- Assignment to a Red Cross case worker for development of a long term plan which considers client and community resources;
- Referral to the Human Resources Agency, Community Action Board, Salvation Army and St. Vincent de Paul, as appropriate;
- Emergency mental health assistance and referral if needed; and
- Additional Red Cross services may be provided based on income, need or other special circumstances.

Mobilizing the Red Cross provides for very short term (3-days) housing and an opportunity for Red Cross to assess the client's and community's resources. To this end, while all displacees are eligible for three nights lodging, only displacees with particularly acute needs may be eligible for other programs. However, for most low income families, three nights lodging is not adequate to enable the families to stabilize their housing situation.

In my discussions with members of the community, the issue has been raised about the County providing additional assistance, beyond that provided through existing Red Cross and HRA programs, to households displaced by events similar to the Landi's incident. To address this need, I propose the following approach:

- Any program assistance be directed towards isolated emergencies, not large scale disasters which qualify for broader federal and state assistance;

- To insure that assistance is well integrated into the Red Cross's efforts, the program should be administered, closely coordinated with or managed by the Red Cross;
- To the extent that financial assistance is provided, it should supplement, not supplant, existing assistance already in place;
- If financial assistance is provided by the County, the total benefits made available to displacees would be 'no more than the replacement rental costs for a three month period (this would include all assistance--County funds would close the gap between existing funding and replacement rental costs for three months);
- Replacement rental costs should not exceed the fair market rents for the area;
- Program eligibility should be established to address displacees who truly have very limited emergency housing options, and therefore should be at or below 80% of the County median income.

If the Board wishes to develop such a program for providing emergency housing assistance, I believe that the Board should consider developing this program through an agreement with the Red Cross. I understand that HRA has been in consultation with the Red Cross and that they would be willing to do what they can to support such a program. Program details would be established in a contract with the Red Cross and it is my belief that a center piece of the County's program would be that these services are only made available to eligible households after all existing programs and services have been utilized. The program could be administered through existing HRA programs which provide various homeless services and program costs could be made available through County Housing Funds.

This program would establish a protocol which would insure that any person displaced as a result of circumstances such as a house fire, with an income level at or below 80% of the County median income, would be provided with three months relocation assistance. This three month period would enable residents who have experienced circumstances such as a house fire to have adequate time to develop a more long term plan.

ASSISTANCE FOR THOSE SEEKING ALTERNATIVE HOUSING DUE TO CODE ENFORCEMENT, EVICTION, DEMOLITION, OR EXPIRING RELOCATION ASSISTANCE

Individuals and households who lose their housing, or whose relocation assistance has expired, are forced to compete in the



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housing market. Unlike those immediately displaced due to fire or other unforeseen circumstances, those seeking alternate housing typically have 'adequate advance notice, but they must nonetheless confront a very tight housing market with very few assistance programs available. Based on my discussions with the RDA, a description of currently available rental assistance programs to residents in the unincorporated County follows:

Rental Assistance Programs:

- Relocation Ordinance: This ordinance requires landlords to provide three months rent to tenants displaced due to unsafe living conditions or the illegal use of the structure. Because a civil legal action must be filed by the tenant or a tenant association or other organization (Legal Aid), many tenants do not take advantage of the relocation payments available under this program.
- Housing Authority rental assistance programs: Housing Authority vouchers enable income eligible residents to pay one third of their income toward rent and the voucher covers the remaining portion of the rent. The waiting list for this program is currently six years long.
- First and Last Month's Rent/Deposit Program. This program was established by our Board in January of this year and provides assistance to low income households who meet one of a number of criteria, including being involuntarily displaced from recent housing. Through the program, the Redevelopment Agency provides a grant for the security deposit and a guarantee to the landlord for the tenant's last month's rent for their first year of occupancy. In addition to the tenant needing to be income eligible, the landlord must be willing to participate in the program and the unit must meet basic health and safety standards, as verified by a field inspection by the Housing Authority. The total annual funding for this countywide program is currently \$50,000.

While this program has proven to be successful to date, it is unlikely to provide immediate benefits to households being evicted from substandard housing. It takes time to find an appropriate unit (both in terms of rent level and quality) and a landlord willing to participate in the program. While this program should be viewed as a longer-term alternative to some displaced tenants, rather than one which would provide emergency housing assistance, I believe it would be worthwhile to review the program and determine if it could be modified to better address the needs of the community, particularly in the South County.

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Code Enforcement and Better Communication with potential displacees:

In discussions with the Planning Department, I believe that if County inspectors are "red tagging" a structure or taking other actions which may lead to displacement, then the potentially affected residents should be provided with a packet of information and materials (in Spanish and English) describing what resources are available to provide relocation assistance or services. In addition, the Board should consider how to make the relocation payments available through the County's relocation ordinance more accessible to displaced residents.

#### DISCUSSION OF COUNTY'S HISTORIC ASSISTANCE TO FARM WORKER HOUSING

In discussions about the Landis incident, questions have been raised about the County's support for farm worker housing in the unincorporated County. In discussions with the RDA and the Planning Department, I understand that over the past several years the County has been very involved in supporting farm worker housing projects. Those actions include the following:

- Critical gap financing for the acquisition and rehabilitation of the Murphy's Crossing Farm Labor Camp. This site, now called Jardines de Valle, contains 18 completely reconstructed permanently affordable units for farm workers, a community room and children's play area. In addition, the developer, Mid Peninsula Housing Coalition, has provided strong on-site property management and enrichment programs for residents. The County provided \$500,000 towards this project. These funds attracted \$1.2 million of additional state and private sources to complete the project.

- Development of an ordinance to allow flexibility in the reconstruction of farm worker housing. This ordinance, adopted by the Board of Supervisors in 1995, was intended to create an incentive for reconstructing dilapidated farm worker housing.

- Leadership and financing of the reconstruction of the San Andreas Farm Labor Camp. This project, the first to be approved under the Farm worker Ordinance, recently received its final financing, and construction is projected to begin next Spring. The project includes 43 units of permanently affordable family farm worker housing, a children's play area, a community space, support programs, and sound property management. The County has pledged up to \$2.0 million for this project, which will ultimately match an additional \$6.0 million of outside funding.

- Funding to assist the Vista Verde Project. The County recently approved a project with substantial density bonuses and Redevelopment Agency financial assistance. The Vista Verde Project, a 76 unit apartment project for low and very low income households, has recently received tax credits and will break ground shortly. The Agency provided \$2.0 million assistance to this project. While not restricted to farm workers, it is anticipated that farm worker families will qualify for units here.
- Assistance for additional affordable housing in the Pajaro Valley. County and Watsonville City staff have had a number of recent discussions regarding annexations in the Freedom area. One topic of discussion was whether annexations could be phased in a fashion which would allow for the County's Redevelopment Agency to provide affordable housing assistance prior to the completion of the annexation. This was done in the case of the Vista Verde project.
- Actions to preserve affordable RV Park Units. Of the illegally converted RV parks in the County, two major parks, with capacity of up to 142 units, exist in South County. A number of current residents of these parks are farm workers. Over the past year the County has been developing policies to allow these parks to be upgraded and remain as permanently protected affordable housing. As well, the Board of Supervisors has suspended pending code enforcement actions which would result in park closures until these policies are adopted.

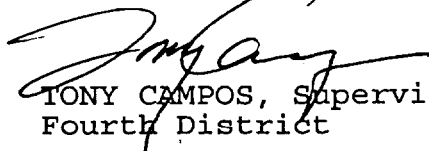
CONCLUSION AND RECOMMENDATIONS

The fire at the Landis property raised a number of issues in the community. As I suspected, after discussing this issue with the County and other departments, there are some gaps in the emergency services protocol for handling unforeseen incidents such as a fire. Equally as important, the incident itself underscored the housing problems plaguing our community, particularly in the South County where the local economy depends on a low income workforce yet the community cannot provide adequate housing to accommodate that workforce. While the Board has taken some very impressive measures to support farm worker housing projects, the issues raised by the Landis fire highlight important policy issues for the Board. It is my hope that the Board can do everything within their power to get as much funding as possible and take other difficult steps to encourage affordable housing in our community.

To this end, I recommend that the Board take the following actions:

1. Direct the Human Resources Agency to develop and establish an emergency relocation assistance protocol as described in this letter, request that HRA negotiate with the Red Cross to develop an emergency relocation protocol and program, and develop a proposed implementation and financing plan;
2. Direct the RDA Administrator to work with the Housing Authority to modify the First and Last Months Rent and Security Deposit program to allow for a greater level of landlord participation and a more expedient program;
3. Direct the Planning Director and County Counsel to review the relocation ordinance to a) determine whether it can be modified to make the relocation payments more accessible to eligible tenants, and b) present other mechanisms the County should consider to facilitate the collection of relocation payments by eligible tenants;
4. Direct the Planning Department, in cooperation with HRA and RDA, to develop an informational packet (in English and Spanish) to be disbursed to tenants at their homes in the event that a code enforcement action could result in displacement; and
5. Direct the CAO to coordinate the response to the above questions and return to the Board on or before December 7, 1999 with a report and recommendation on these items.

Sincerely yours,

  
TONY CAMPOS, Supervisor  
Fourth District

TC:ted

cc: Planning Department  
County Counsel  
County Administrative Office  
HRA  
RDA  
Watsonville City Council

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