

## **1999 Annual Report Executive Summary**

### **City of Watsonville Enterprise Community**

Improvement in well being of residents and economy since designation:

In September and October 1999, the unemployment rate dropped to seven point nine percent (7.9%) and seven point eight percent (7.8%), the lowest in ten years. The average annual unemployment rate for 1999 is 13%, again the lowest in ten years. When the City of Watsonville applied for designation in 1994, the average annual unemployment rate was nineteen point six percent (19.6%).

To date, nine downtown businesses have received low interest loans to upgrade their storefronts and store backs which border parking lots. Loans range from \$10,000 to \$40,000. Funding for the program comes from local Measure E (\$100,000) and the Redevelopment Agency (\$100,000). (Benchmark #4)

Other downtown economic development projects include a downtown sign program which is in the final design phase, a weekly farmer's market which completed its second year of operation, landscaped courtyards and pathways linking parking lots and businesses, and the remodeling of two historic buildings for residential and commercial use. One historical building, the Mansion House, is now a restaurant.

Six businesses are in their fourth year of operation at the Plaza Vigil Retail Incubator. Three of the six businesses have "graduated" from the incubator. After four years at the incubator, they were ready to expand their business and needed to move into a larger location. One business, Watsonville Soccer Shop has opened a second location. Four new businesses opened this year including two youth-run business projects, a café and a produce store. (Benchmark #5)

A public/private partnership has been formed to develop the 200 block of Main Street. The City is joining with a private developer and local business to build a complex which would include 150,000-sq. ft. of commercial space, a new 40,000-sq. ft. public library, executive residential apartments and a six story-parking garage. The local business will move their headquarters into a good portion of the commercial space. The completion of the 200 block will create a south anchor for Main Street. It will bring more pedestrian traffic to the downtown area.

Eleven first-time home buyer loans were given to individuals who purchased homes in the Enterprise Community area through the City of Watsonville First-Time Home Buyer program. (Benchmark #12)

During fiscal year 1998-99 the ECYN placed 28 youth in on-the-job training and work experience. As of December 1999, ten of these youth completed a 1000-hour contract at their training site, and were hired as permanent employees of their employer. This represents a 100% permanent placement rate, the highest ever in program history. Some of these participants are receiving full health benefits and wages higher than \$8.00 an hour. All the participants are getting paid more than minimum wage. (Benchmark #1)

The Computer Center has seven hundred registered users. The Computer Center is expanding in response to the high demand for access to technology. The Center will contain 18 new computers for members and two staff computers. A total of 30 of computers will be available for job search, homework and general Internet access. A group of volunteers from the Enterprise Community painted

the new room, new carpet has been installed, and bids for the wiring have been solicited. Stratos Systems, a local computer vender has agreed to sell the components for the computers at their cost and will train a group of young people to build the computers at their facility. The computers will be built on January 22, 2000. (Benchmark #1)

After six months of hard work, the eight youth who participated in the Youth Run Business Project presented their findings and recommendations to the City Council on November 23rd. In the form of a Power Point presentation, the students shared with the Council their findings from the marketing survey, the business plan and the feasibility study. The presentation was developed and conducted by the youth. It was a very professional presentation. They did an outstanding job. (Benchmark #20)

Success in leveraging funds. All Enterprise Community Title XX grant funds are spent on youth through (Benchmark 1) the EC Youth Job Training Program and (Benchmark 14) After-school recreation programs at Ramsay Park Family Center. In addition, the Enterprise Community has been successful in obtaining additional funding to finance other projects which benefit the Enterprise Community residents of all ages. Below is a list of the project, funding source and amount received for 1999.

Below is a list of the projects, funding sources, and amounts received for 1999:

1. Youth Community Resource Watsonville Summer Project (Y-CREW), \$25,000
2. Private Industry Council/Santa Cruz County Human Resource Agency
3. Retail Readiness Program, \$90,000, \$50,000 from developer fees and \$45,000 from CDBG
4. Retail Readiness Summer Program, \$6,500
5. Private Industry Council/Santa Cruz County Human Resource Agency
6. 21st Century Learning Center Grant \$30,000
7. US Department of Education/Pajaro Unified School District
8. Paseo Plaza Project \$199, 900 USDA, Rural Business Enterprise Grant
9. Stoesser Alley Project \$199, 000, USDA, Rural Business Enterprise Grant