

Executive Summary

Through a process of gathering primary and secondary data on the Salinas and Pajaro Valley Laborshed, the research team of California Institute for Rural Studies and California Coalition for Rural Housing has identified some specific needs, barriers and solutions to the farmworker housing crisis in the Pajaro Valley of Santa Cruz County and the Salinas Valley of Monterey County

Beginning in December, 2016, we undertook a thorough compilation and analysis of existing databases on agricultural trends and labor patterns in the region. From this research, we found **that the estimated number of unique individual agricultural workers employed in the region during 2016 was 91,433.** An estimated half of California's current crop workers tell government interviewers they lack authorization for U.S. employment. And those who are documented are aging. Finally, the flow of foreign agricultural workers into the U.S. has declined sharply. Some employers report labor shortages. Intense efforts to mechanize every aspect of production are underway. Still other employers have sought H-2A workers to supplement their domestic workforce.

We implemented a survey of 420 farmworkers in the laborshed as well as interviews with employers and other stakeholders to gather primary data. Among the farmworkers surveyed, men and women were relatively evenly distributed across age groups with **75% of the interviewees married.** The clear majority of the immigrant farmworker interviewees had very few years of schooling. **They were 92% immigrants (not born in the U.S.).** About one fifth were follow-the-crop migrants (FTC) who had traveled outside the two county area for agricultural employment.

Most households of farmworkers interviewed included non-family members who were for the most part other farmworkers. There are consistently stunningly high rates of residences that are above the severely crowded condition of 2.0 people per room. This is true of almost all the subgroups of the population. **Often more than 5 people per bathroom.**

About 40% of respondents live in houses, 30% in apartments. Another 19% live in rented rooms without kitchens -- either in houses or apartments. Another 12% live in "other" types of dwellings¹. Eighty-nine percent of farmworkers were

¹ Like motels, boarding houses or barracks

renters and 11% owners. Of those who reported as owners, a quarter own mobile homes.

Other characteristics of those interviewed included:

- Most have only completed primary school.
- Wages ranged from a median of \$12.79 per hour, mean of \$13.64, with median annual income of \$25,000.
- The majority do not work all year in agriculture.
 - 7.5 months is the median.
 - 44% of migrants work all year, 20% of non-migrants work year round.
- Average age at arrival is about 20,
- Median number of years in the US is 15 years.
- Median age was 37
- Median number of years with current employer is 4 years; a quarter worked for their employer for 8 years or more.
- Two-thirds are from four states in Mexico:
 - Oaxaca 21%
 - Michoacan 19%
 - Jalisco 14%
 - Guanajuato 10%
- 13% self-identified as indigenous Mixtec, Triqui, Zapotec
- They work in a range of crops throughout the region.
 - 46% participate in harvest
 - 16% are packers
 - 38% participate in all other farm-related tasks such as:
 - Weeding
 - Irrigating
 - Thinning
 - Pruning
 - Loading
 - Driving
 - Operating machines

Of the employers interviewed, a vast majority viewed the labor shortage as their main challenge to success. Those who did not hire H-2A workers had little knowledge of the conditions or type of housing in which their workers lived. And while the majority of employers noted that they were facing a labor shortage very few of those interviewed correlated this with a housing crisis.

A primary idea expressed among stakeholders interviewed was that workers were frequently victims of the current policies in effect at all levels of government. Stakeholders included employers not included in the survey, farmworker advocates, housing developers, housing managers, land use planners, service providers, attorneys, and academics. Under this umbrella of “victimization,” stakeholders mentioned exploitation of workers across the board. There were mentions of how workers are recruited and paid, migration challenges, and physical demands of the work. About half of the stakeholders expressed concern about the cost of developing more housing and how to pay for it.

The farmworker housing demand model developed in this project calculates the total housing units needed of all types, based on target People Per Dwelling (PPD), and total permanent affordable farmworker housing based on the current rate that farmworkers access subsidized housing.

Key findings of the demand model were:

- **An additional 45,560 units of farmworker housing are needed** to alleviate critical overcrowding in farmworker households that are occupied at 7.00 PPD to the average PPD of 3.23 in Monterey County and the average PPD 2.60 in Santa Cruz County
- **A total of 5,372 units of permanent affordable farmworker housing are needed to maintain the present “access rate”² of 7.6 percent of farmworkers to subsidized housing**

The data from this study indicate an overwhelming need for **affordable permanent year-round family housing**. However, approximately 20% of the total population, or 18,300 farmworkers, are migrant, non-permanent residents. Of those, more than 4,600 are H-2A visa workers. The H-2A employer is required to provide housing, and many have contracted with motels to fulfill this requirement.

The research team compiled a list of current funding for farmworker housing, shown below.

² Calculated by research team based on survey results

Federal

USDA Section 514/516 Farm Labor Housing
USDA Section 521 Rural Rental Assistance
USDA Section 502 Direct Loan/Section 523 Mutual
Self-Help Housing Technical Assistance
HUD Community Development Block Grant
HUD HOME Investment Partnerships
Federal Home Loan Bank Board Affordable
Housing Program

State

HCD Joe Serna, Jr., Farm Worker Housing Grant
HCD California Self-Help Housing Program
HCD CalHome
HCD Multifamily Housing Program
TCAC Federal and State Low-Income Housing Tax
Credits
HCD Farm Worker Housing Tax Credit Assistance
SGC Affordable Housing and Sustainable
Communities Program

USDA = U.S. Department of Agriculture

HUD = U.S. Department of Housing and Urban Development

HCD = California Department of Housing and Community Development

TCAC = California Tax Credit Allocation Committee

SGC = California Strategic Growth Council

The non-profit, for-profit, and housing authorities have the experience, flexibility, and expertise to continue to build and manage affordable housing units for farmworkers. However, projecting the number of units that these organizations, and others, can reasonably develop **over the next ten years** based on historical rates of development and in anticipation of increased funding and reduction of development barriers **we calculated that an additional 930 units could possibly be constructed**, far short of the 5,300 units necessary.

Project feasibility is constrained by adequate availability of land, cost of land, cost of construction, funding resources, and governmental regulations. **The ability to address the housing gap is not solely dependent upon the capacity of the local organizations but will require significant improvement in the conditions that restrict the development of affordable housing.**

Based on the in depth research, there are a range of potential actions to remove barriers and encourage development. The Study Oversight Committee prepared a Draft Action Plan for discussion with potential actions regarding Housing Type, Financing, Sites, and Regulatory Reforms.