

# ELEVATE

M O R G A N   H I L L

*ICMA Economic Mobility  
and Opportunity Cohort  
Grantee Final Report*

*Morgan Hill, CA*



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# ACKNOWLEDGMENTS

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# EXECUTIVE SUMMARY



## Background

The **ELEVATE Morgan Hill Economic Mobility Report** aims to connect Spanish-speaking residents and lower income community members to jobs and housing resources while increasing their sense of belonging to the Community. This work was influenced by the City's **2023 Housing Element** and made possible by the International City/County Management Association (ICMA) and the Bill and Melinda Gates Foundation **2023 Economic Mobility and Opportunity (EMO) Cohort** grant.

In essence, “social networks,” including access to information and resources as well as having close relationships, show a positive relationship to education, child well-being, lower crime rates, health, tolerance, happiness, and economic and civic equity.

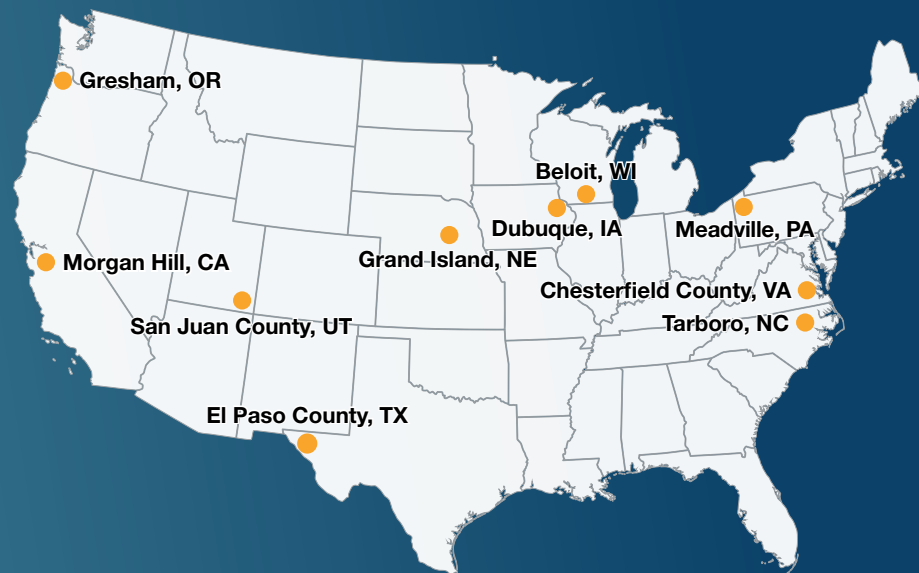
To create a significant and lasting impact on community development, the City must ensure that all residents feel a sense of belonging and integration, foster strong social networks, and actively participate and contribute to the well-being.

**The City must ensure that all residents feel a sense of belonging and integration, foster strong social networks, and actively participate and contribute to the Community's well-being.**

Through the ICMA's EMO Cohort, Morgan Hill, along with nine other cities throughout the nation, received training, technical assistance, and funding to inform policies and effect conditions that promote overall well-being and upward mobility.

The **Upward Economic Mobility Framework** developed by the Urban Institute was foundational to the training, which identified predictors that can bolster conditions that boost upward mobility. The concept of “social capital” is one of the measurable predictors of upward mobility under the Opportunity-Rich and Inclusive Neighborhoods pillar.

ICMA's Economic Mobility Opportunity (EMO) Cohort

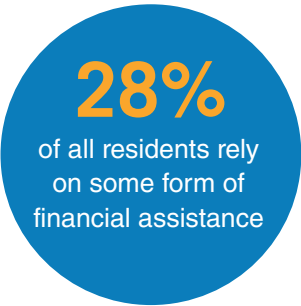


The **ICMA's EMO Cohort** also recommended developing policies, strategies, and programs founded on local data. ELEVATE Morgan Hill analyzed demographic and business composition data to better understand the Community's needs. However, it is difficult for smaller cities like Morgan Hill to track local trends, as some of the data sets are not readily available for communities of 50,000 residents or less. With the help of ICMA, the City hired a consultant to analyze census, employment, and other data sets to understand local trends and gaps. The findings confirmed the growing need for housing resources and a refocus of resources to reach out to the Hispanic community to build trust and increase awareness of programs and job opportunities.



Data

Morgan Hill is located in the southern part of Silicon Valley within Santa Clara County. Home to approximately 45,000 residents, the population is 44.1% White, 34.7% Hispanic, 15.8% Asian, and 5.4% Other. While Morgan Hill's median household income is relatively healthy at \$139,161, the cost of living and housing prices in Silicon Valley make it extremely challenging for residents to survive, much less thrive. In Morgan Hill, home values have increased over 100% between 2009 and 2022, from \$695,935 to \$1,400,000 (Redfin)<sup>1</sup>. Rents also increased by nearly 60% from \$1,620 to \$2,590 between 2012 and 2023 (HUD). It is no surprise that 50% of Morgan Hill residents are cost-burdened (which means that they spend more than 50% of their income on housing).



The **ELEVATE Morgan Hill** study found that 28% of all residents rely on some form of financial assistance. While this may be shocking, the data is consistent with the 2024 Joint Venture Silicon Valley Index, which identified that nearly a third of Silicon Valley households

struggle to afford basic necessities. The Index also highlighted concerning trends on the racial and ethnic disparity with Hispanic/Latinx non-citizens and individuals with limited English proficiency having the highest risk of income inadequacy.

According to the City of Morgan Hill's 2023 Housing Needs Assessment, the Hispanic/Latinx population, which comprises of 34% of the population, has the highest poverty rate, are disproportionally renters, and are the most severely cost-burdened, with people spending more than 50% of their income on housing. This ethnicity group also has the highest overcrowding rate. In Santa Clara County, Hispanic/Latinx residents represent 42.7% of the population

experiencing homelessness. In the region, limited English proficiency (LEP) Spanish speakers are concentrated in Downtown, South, and East San Jose, as well as in Morgan Hill, Gilroy, and Hollister. The assessment also showed that 25% of all businesses in Morgan Hill are Hispanic/Latinx-owned, yet less than 5% of COVID-19 business recovery loans were issued to Hispanic/Latinx-owned businesses.

With this data on hand, it is not surprising that the 2023 Housing Element directs the City to work on connecting Spanish-speaking residents to local jobs and low-income residents to housing resources and information about fair housing laws. The City of Morgan Hill has a robust Economic Development program guided by the Economic Blueprint and a strong track record of affordable housing production. The direction from the 2023 Housing Element provides the City an opportunity to reimagine the way the City delivers services. The City can use a more intentional, quantifiable, and geo-targeted approach, ensuring the City serves the most vulnerable residents.

- **51% of the community** could be considered low income after adjusted gross income.
- **5,600 families** are considered low, very low, and extremely low income.
- **Over 25% of businesses** in Morgan Hill are Hispanic-owned.
- **34% of the population is Hispanic.** 20% of the population is foreign-born. 12.5% of the population does not speak English.



- **Home values have doubled in price** over the last 10 years and rents increased over 60%. Average home is over \$1M. There is little rental product available.
- **Less than 5%** of COVID-19 Business Recovery loans were issued to Hispanic businesses.
- **74% of Spanish speakers** claim not to have an organization they can trust.



Findings

The findings of the **ELEVATE Morgan Hill** study confirmed the growing need for housing resources. According to the “2023 I BELONG, Morgan Hill” survey, the number one issue for the Community is access to housing. Healthcare and childcare were the second and third highest issues for people that responded to the English survey.

Those that responded to the Spanish survey said that after access to housing, the next biggest concerns were access to jobs and access to education. 41% of Spanish speakers said they worry about having sufficient food.

With one of eight homes being income-restricted as affordable housing, Morgan Hill is known as a leader in affordable housing production. The City's Inclusionary Housing Ordinance that outlines the affordable housing pillars requires housing developments to deed-restrict a minimum of 15% (10% in Downtown) of the housing units as affordable housing. The City requires affordable housing to be integrated in the developments in a way that the units are dispersed throughout the development and match the entire project by size and type. Therefore, the affordable housing units are exactly the same as the market-rate units and fully integrated. By dispersing affordable housing throughout the community, it allows for more inclusivity and seamless integration of the City's low-income residents. Unfortunately, this approach limits the concentration of low-income residents, making the City less competitive when applying for grants and financial resources.

Given the City of Morgan Hill's relatively low population of only 45,000 residents and its location in the southern part of the County, it is difficult to compete for resources that are intended to be countywide, such as workforce development programs or transportation resources. Another challenge for Morgan Hill residents is the lack of public transportation access. With limited bus and train service within Morgan Hill, residents without vehicles struggle to access social services and resources that may be located in adjacent communities and are at least 30 minutes away.





# ABOUT THE CITY

The City of Morgan Hill is located between the Diablo Mountain Range and the Santa Cruz Mountains, just 45 miles inland from the Pacific Coast. Morgan Hill sits along U.S. Highway 101, between San José and Gilroy, in the southern part of Santa Clara County.

Morgan Hill is surrounded by a natural geography of rolling hills and lakes along with golf courses, pick-your-own farms, and award-winning wineries. An energetic yet quaint Downtown offers visitors and residents memorable culinary experiences, unique shopping, and signature celebrations like the 4th of July Freedom Fest. All of these together make Morgan Hill a perfect Bay Area getaway destination.

Morgan Hill is home to approximately 45,000 residents with a median household income of \$139,161, a median age of 38.5, and an estimated 2.84 residents per household. The population is 44.1% White, 34.7% Hispanic/Latinx, 15.8% Asian, and 5.4% Other.

The City's housing stock comprises 15,233 homes, of which 77% are single-family homes and 74% are owner-occupied. Over 53% of the housing stock was built before 1990. There are 2,400 rental units, and approximately 50% of them are deemed affordable. The City has an extensive portfolio of 600+ units in the Below Market Rate ownership program.

The City has 1,600 businesses that provide nearly 19,000 jobs, of which 21% are associated with the manufacturing sector. The City's largest private sector employers include Anritsu, Lusamerica, Paramit, Specialized Bicycle Components, and Toray Advanced Composites. The City's diverse economy is supported by 7.7 million square feet of industrial space and 2.9 million square feet of commercial space.

Over 70% of residents commute out of Morgan Hill to the job centers, mostly located in northern Silicon Valley. Public transportation is limited to Caltrain service that runs four times daily and two primary Valley Transportation Authority (VTA) bus routes north and south.

The Morgan Hill Unified School District (MHUSD) serves a student population of 8,500 throughout Morgan Hill, San Martin, and a small population in South San Jose. MHUSD is comprised of six elementary schools, two elementary/middle schools (K-8), one dual immersion magnet program (K-8), two middle schools (6-8), two comprehensive high schools (9-12), one continuation high school, and a community adult school. There are two charter elementary/middle schools and several private schools. Many community colleges and universities are within a 30-minute drive, including Gavilan College, Evergreen College, San José City College, San José State University, and Santa Clara University.

# WHY ECONOMIC MOBILITY?

Morgan Hill's interest to learn about best practices for implementing economic mobility strategies was based on the 2023 Housing Element, which required the City to develop a plan to connect Spanish-speaking and lower-income community members to jobs and housing resources, while also increasing their sense of belonging to the greater community.

In 2023, the City of Morgan Hill applied to participate in the International City and County Management Association's (ICMA) **Economic Mobility and Opportunity (EMO) Cohort**. ICMA selected 10 cities and counties located throughout the nation to receive training, technical assistance, and funding to inform policies and effect conditions that promote overall well-being and upward mobility through strategies, programs, policies, and practices. ICMA's Economic Mobility and Opportunity initiative is funded by the Gates Foundation, which seeks to improve the security, health, and welfare of vulnerable residents across the country.

The City's participation in the program and learning from the other cohort cities have resulted in the development and launch of **ELEVATE Morgan Hill**, which reimagines how local government can work beyond its traditional role to increase economic opportunity and mobility.

The overall goal of ELEVATE Morgan Hill is to identify and deploy a continuum of services that connect residents to job opportunities and housing resources while enhancing their sense of belonging in Morgan Hill. ELEVATE Morgan Hill identifies significant challenges for Morgan Hill residents and proposes strategies and actions to improve the quality of life for all. However, to create significant and beneficial change, especially for Spanish-speaking and lower-income residents where language barriers hinder prosperity and belonging, a focused approach to provide information, services, resources, and education is critical.



The City of Morgan Hill is committed to being a safe, healthy, welcoming, and inclusive community. Ensuring all residents feel like they belong in the Community and know how to access services and resources is essential to the City's long-term sustainability. This work requires establishing a foundation of trust with the most disfranchised residents, aligning strategic partners, and being intentional to ensure meaningful and beneficial results that boost economic mobility for all.

**50%** of all Morgan Hill residents are housing cost burdened

**28%** of all Morgan Hill residents receive financial assistance

## Hispanic/Latinx

residents in Morgan Hill have higher rates of poverty,

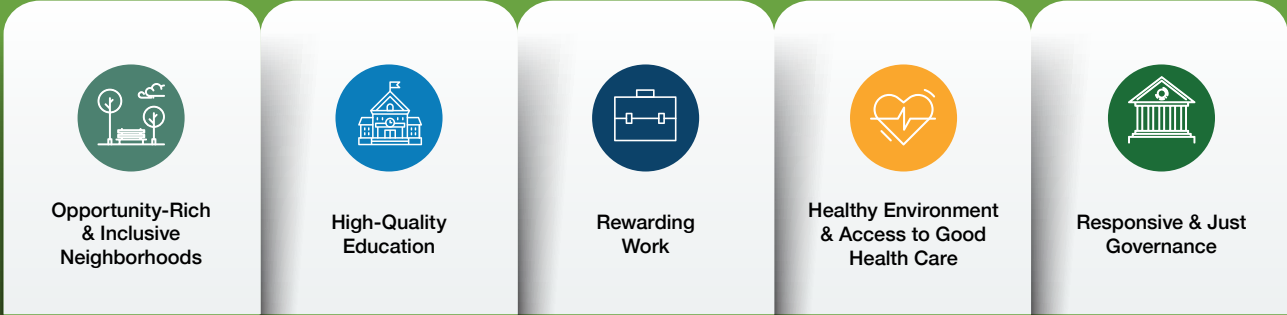


# FRAMEWORK FOR UPWARD MOBILITY

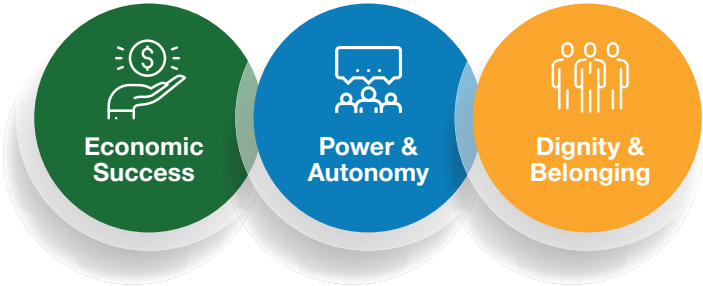
The **Urban Institute** was founded in 1968 by President Lyndon B. Johnson to provide “power through knowledge” to help solve the kinds of problems that weighed heavily on the nation’s hearts and minds such as political polarization, racial violence, segregation, and stark economic inequality. Many of these challenges and divisions from the 1960s still exist today, and the Urban Institute continues its work by using data and evidence to build a just and equitable society. An area of focus for the Urban Institute is upward mobility to lift individuals out of poverty so they can achieve economic opportunities and security.

To help local communities understand, address, and tackle barriers and policies that may be preventing residents from achieving upward economic mobility, the Urban Institute developed the **Upward Mobility Framework** (Framework) to provide guidance to communities.

The Framework identifies five pillars that support mobility from poverty. These include:



The Framework project builds evidence and guides communities to create conditions that lift residents out of poverty and onto a pathway that advances their economic success, their power and autonomy, and their sense of dignity and belonging in their community.



“

**“Moving out of poverty—and staying out of poverty—means that people need to be able to make their own decisions about their life and to be able to participate in their community’s decision-making.”**

**- Aqua Y. Porter**  
Executive Director,  
Urban Institute

The Framework includes tools for measuring and making progress toward upward mobility and equity. It defines upward mobility not only in terms of economic success, but also in terms of power, autonomy, dignity, and belonging. Using the Framework, local community and government leaders can plan, advocate for, and implement a set of policy and program changes focused on boosting mobility from poverty.

In 2024, the Urban Institute will provide 26 teams of local leaders from across the country with training and technical assistance as they work to incorporate strategies and solutions that promote mobility and equity in their communities.

For more information, see the [Urban Institute Upward Mobility Framework website](#).



# BELONGING:

## BUILDING TRUST AND A STRONG SOCIAL FABRIC

### BELONGING

## BUILDING TRUST AND A STRONG SOCIAL FABRIC

### Morgan Hill's Diverse Community

Morgan Hill shares the rich blend of cultures and ethnic diversity of Santa Clara County and the greater Bay Area. Morgan Hill's approximately 45,000 residents are 44.1% White, 34.7% Hispanic, 15.8% Asian, and 5.4% Other. 20.2% of all residents are foreign-born, and 82.1% speak a foreign language. Morgan Hill, like the rest of Silicon Valley, is seeing demographical changes in the population, with Hispanic/Latinx and Asian residents growing at a faster rate than other demographics.

In 2021, the City approved a **Diversity, Equity, and Inclusion Plan** to be a more inclusive and welcoming community. The City also embarked on a **Morgan Hill Together** campaign to promote engagement, trust, and inclusiveness through listening and working together. The Morgan Hill Together campaign outreach efforts identified that members of the Spanish-speaking community do not have a strong sense of belonging.

**Together**, we will partner and plan for our future, ensuring that we preserve the uniqueness of our town, which we all know and love. **Together** with purpose, trust, and values, we will improve our engagement and work to listen and represent our community. **Together**, we will celebrate our diverse, interwoven tapestry of culture and ethnicities.

### 2023 Community Survey

In late 2023, the City conducted a community survey entitled "**I BELONG /YO PERTENEZCO**." The survey was conducted in English and Spanish with specific outreach to connect with Spanish-speaking residents. Overall, this survey showed that the majority of respondents trusted the City and had a sense of belonging and a feeling of safety.

For all respondents, Housing was the number one worry. However, there were some notable discrepancies in income, education, and areas of worry between those who responded to the English survey and those who responded to the Spanish survey. Highlights of the survey include:

- ▶ 71% of English speakers have at least a 4-year college degree, while 60% of Spanish speakers have only a High School Diploma/GED.
- ▶ 60% of English speakers make \$100,000 or more, while 50% of Spanish speakers make less than \$35,000.
- ▶ While the number one worry for all respondents was Housing, English speakers' second concerns are childcare and healthcare. In comparison, the Spanish speakers' second concerns are securing jobs, food and access to education.

#### Results from 2023 I BELONG /YO PERTENEZCO Survey

32%

of Spanish speakers do NOT feel confident in getting and keeping a job

41%

of Spanish speakers worry about NOT having enough food

50%

of Spanish speakers make less than \$35,000



## Community Challenges

With home prices doubling over the past ten years, and rents increasing by 60% from 2012 to 2023, it is no wonder some residents are falling behind and struggling day-to-day to make ends meet. Today, the median home price in Morgan Hill is over \$1.4 million, yet a survey by the Santa Clara Family Health Plan shows that 60% of respondents had a household income of less than \$50,000.<sup>2</sup>

Another challenge is the lack of social services and resources for Morgan Hill residents. While Morgan Hill has established effective partnerships with many agencies and organizations, the ELEVATE Morgan Hill Gap and Opportunities Analysis revealed that Morgan Hill has limited community-based and social service organizations dedicated to City residents and their needs. The lack of direct support services in Morgan Hill may be due to the smaller size of the Community (45,000 residents). Additionally, the fact that the City's affordable housing is distributed throughout the entire City may make the need less apparent than in other communities, since there are no visible concentrations of low-income housing residents. A recent United Way study also showed that South County is a region that lacks philanthropic investment.



### DID YOU KNOW?

**6%** of households DO NOT have internet connectivity  
*Source: US Census (2018-22)*

**8%** of households have internet connectivity ONLY via a smart phone  
*Source: US Census (2018-22)*

## Why is Belonging Important?

Soaring housing costs, high cost of living, limited transportation solutions, and limited social services and resources affect the Morgan Hill Community's health, well-being, and opportunity for prosperity. The I BELONG / YO PERTENEZCO survey showed that many respondents were not confident in obtaining information on housing and jobs or how to voice a concern or ask questions of City staff or their local elected official.

A separate South County Community Health and Social Needs Survey, also conducted in 2023 by the Santa Clara Family Health Plan (SCFHP), showed that 74% of the Spanish-speaking residents throughout South County do not have an organization they can turn to. This lack of belonging is concerning because, as we have learned in the RAND Corporation<sup>3</sup> study, "When sectors of a community feel they do not belong, it can affect not only their well-being but also their desire to collaborate with local government and their perception of its legitimacy." This sentiment is echoed in the **2022 Upward Economic Mobility Framework** developed by the Urban Institute, which affirmed that respect, dignity, and the sense of belonging that come from contributing to one's Community are essential elements of mobility from poverty.<sup>4</sup>

<sup>2</sup> Santa Clara County Health Plan, "South County Community Health and Social Needs Survey Data," April 20, 2023

<sup>3</sup> Irving, D., RAND Corporation, "[Stress Accumulates in Marginalized Communities, Generation After Generation | RAND](#)," July 8 2020

<sup>4</sup> Turner, Margery A., Acs, Gregory, "Upward Mobility-Metrics to Inform Local Action," The Urban Institute Upward Mobility Initiative, [Boosting Upward Mobility: Metrics to Inform Local Action, Second Edition \(urban.org\)](#), November 2022

## Taking Steps to Enhance a Greater Sense of Belonging and Trust

Creating a true sense of belonging can build trust, elevate and empower communities, and boost economic mobility. To enhance a sense of belonging and trust throughout the Community, but especially between the City and Spanish-speaking residents, the City has increased opportunities for engagement. Examples of completed steps include increasing pay for bilingual Spanish-speaking staff members, ensuring the City's website allows for seamless translation into Spanish, and increasing translation of materials and documents in Spanish.

### Other completed efforts include:

- ▶ First Spanish-Language Community Police Academy, held by Morgan Hill Police Department
- ▶ First LISTOS (which means "READY" in Spanish) Emergency Preparedness Training held in Spanish
- ▶ Nametags with "Hablo Español" for City staff who speak Spanish
- ▶ 2023 Día De Los Muertos and Las Posadas celebrations, both culturally rich and community-driven events funded by the City Council
- ▶ A City-hosted Día De Los Muertos celebration at the all-inclusive Magical Bridge Park





## BELONGING

# STRATEGIES AND ACTIONS

Three strategies and 13 actions have been identified to support **Belonging** in Morgan Hill, along with potential partnerships needed to support the best implementation of actions.

One of the strategies focuses on improving visibility of the Hispanic/Latinx Community, while the second is associated with empowering this Community to have a stronger voice. The last strategy focuses on City Hall's culture to improve allyship in the workplace. Creating a workplace environment where employees use their voice to support others reduces discrimination and bias, makes people feel valued and respected, and increases productivity and engagement.

## STRATEGY 1.A:

### IMPROVE VISIBILITY OF HISPANIC/LATINX COMMUNITY

- 1 Celebrate diversity by encouraging cultural events.
- 2 Praise Hispanic/Latinx faces of Morgan Hill and showcase their presence, culture, and contributions.
- 3 Encourage belonging through art that celebrates diversity.

## STRATEGY 1.B:

### EMPOWER THE SPANISH-SPEAKING COMMUNITY TO PROMOTE AUTONOMY AND EQUITY OF VOICE

- 4 Implement a Leadership Academy to educate, train, and build leadership skills.
- 5 Engage working families at cultural, faith-based, retail, and Community hubs.
- 6 Offer childcare, food, and incentives to encourage engagement.
- 7 Invest in translation and interpretation services and culturally appropriate marketing programming.
- 8 Make City Hall more welcoming and inclusive by implementing signage that celebrates diversity.
- 9 Collaborate with the Police Department, Code Compliance, and other enforcement agencies to build trust.



## STRATEGY 1.C:

### CREATE AN ACTIVE ALLYSHIP WORKPLACE CULTURE AT CITY HALL

- 10 Raise awareness of unconscious biases, systematic inequities, and the importance of belonging and allyship.
- 11 Prevent discrimination and promote inclusivity through values campaigns and skills training.
- 12 Foster a sense of Community through team-building, employee resource groups, and mentorship.
- 13 Continuously update hiring policies and review benefits with a lens to prevent discrimination and bias.





## BELONGING SPOTLIGHT

# MOSAIC AMERICA



**Mosaic America's** mission is to activate social cohesion by connecting people to place, history, and each other. This is achieved by first identifying and authentically representing the community in place, catalyzing inclusion through participative and co-created projects, and cultivating Belonging through consistent and purposeful multicultural gatherings.

At its core, Mosaic America's work weaves through the forgotten, remembered, and desired journeys in and of a specific Place by understanding and welcoming the community that has made its home there: **Every Place is a mosaic.**

Mosaic America's approach is informed by a deep appreciation of the need for cultural equity, which is the key to solving inequities in our society. Creating models of inclusion and participation despite differences is a forward-looking approach to social innovation. To achieve this, Mosaic America has launched **Mosaic Atlas**.

Mosaic Atlas is a suite of innovative cultural equity and inclusion tools created in partnership with San José State University. It includes a comprehensive database of assets rooted in over 120 culturally distinct communities of the San Francisco Bay Area, an interactive explorer map, and a library of digital narrative StoryMaps.

**Mosaic America works with culture-bearers, local artists, and community leaders to identify, represent, and engage with cultures collaboratively, inclusively, exhaustively, and continually to create a compelling vision of a shared future.**

Together, they offer actionable insights into cultural communities that can be used to develop equitable programs and policies. The Atlas includes a comprehensive and growing database of assets—people, places, organizations, and events—that are rooted in culturally distinct communities.

Find more information at the [Mosaic America](#) website.



## BELONGING SPOTLIGHT

# HISPANIC FOUNDATION OF SILICON VALLEY



The **Hispanic Foundation of Silicon Valley (HFSV)** is dedicated to empowering the lives and futures of Latinos in Silicon Valley through community philanthropy, investment in educational excellence, leadership development, and the convening and engaging of the region's dynamic Hispanic community.

Founded in 1989, the organization has developed and implemented key initiatives that have transformed countless lives and futures of Latinos in the region:

- ▶ The **Latinos in Technology Scholarship Initiative (LITSI)** is a unique program that offers up to three years of financial support, professional development, mentorship, and internship opportunities to Latino college students pursuing STEM-related majors.
- ▶ The **Hispanic Foundation College Success Programs (HFCSP)** is a comprehensive educational support system from middle school to college. It provides students and their parents with a wide range of resources, ensuring that every step of their academic journey is supported.
- ▶ The **Latino Board Leadership Academy (LBLA)** emerged as a catalyst for change, recruiting, training, and guiding Latino leaders to serve on local boards of nonprofit organizations.

For more information, visit the [Hispanic Foundation of Silicon Valley](#) website.

The Foundation is deeply committed to convening and engaging the Latino community to raise awareness about issues impacting their quality of life:

- ▶ The **Latinx Speaker Series** serves as a platform for facilitating dialogue and collaboration through panel discussions and interactive sessions.
- ▶ The Annual **Hispanic Foundation Ball** is a celebration of collective achievements and a vital funding source for their programs.
- ▶ The **Silicon Valley Latino Report Card** provides a comprehensive overview of the quality of life for Latinos in the region, covering key areas such as Education, Health, Financial Stability, Housing, and Environment.

**“I am honored to lead an organization that impacts countless lives of Latino families. By fostering education, excellence, cultivating leadership, and engaging the community, we continue to build bridges and amplify voices, ensuring that every Latino has the opportunity to thrive and contribute to Silicon Valley's region.”**

**- Ron Gonzales, President & CEO Hispanic Foundation of Silicon Valley**







## BELONGING SPOTLIGHT

# SPANISH-LANGUAGE CIVIC LEADERSHIP ACADEMY



Since 2017, the City of Mountain View has hosted a Civic Leadership Academy for Spanish-speaking residents. The City program aims to introduce residents to the workings of Mountain View City government.

Through the program, residents learn about city services, the budget process, volunteer opportunities, and ways to get involved in local decision-making. The Academy also prepares individuals to serve on City Council advisory bodies and committees.

Each session is led by staff from City departments and includes information on each department's core service function, major activities, programs, and project overview. The program also features interactive exercises and group discussions. Since its launch 6 years ago, over 130 participants have graduated from the program.

“

“The program provides a safe place where people can learn and participate. Participants identified their own power and realized they can impact the City’s decision-making process.”

— Nancy Ducos, Mountain View  
Multilingual Community Outreach  
Coordinator

# JOBS:

SUPPORTING ENTREPRENEURSHIP,  
WORKFORCE DEVELOPMENT AND  
CAREER PATHWAYS



City of  
**Mountain View**

JOB

# SUPPORTING ENTREPRENEURSHIP, WORKFORCE DEVELOPMENT AND CAREER PATHWAYS

The City of Morgan Hill has 1,600 businesses which support nearly 19,000 jobs, of which 21% are associated with the manufacturing sector. The City's largest private sector employers include Anritsu, Lusamerica, Paramit, Specialized Bicycle Components, and Toray Advanced Composites. The City's diverse economy is supported by 7.7 million square feet of industrial space and 2.9 million square feet of commercial space.

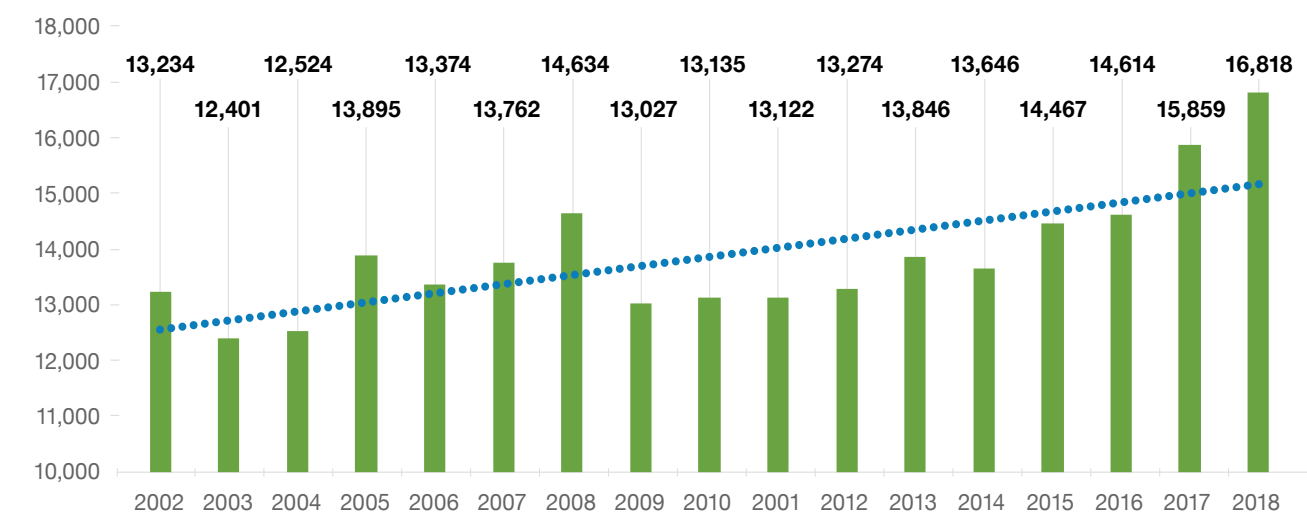
The City's employment base reflects Morgan Hill's relationship with Silicon Valley, with diverse employment opportunities that range from low skilled workers needed for retail, hospitality, and manufacturing jobs; to jobs that require some level of training, education, and technical skills; to jobs that require advanced degrees in engineering or a particular science.



## Jobs in Morgan Hill

Figure J-1 below demonstrates the growth of jobs located in the City of Morgan Hill. Since the great recession of 2008-2009, the City of Morgan Hill has seen steady job growth across all industry sectors.

Figure J-1: City of Morgan Hill Number of Jobs by Year



Across all of Morgan Hill's businesses, employment is available in the following industry categories:

Business Main Activity by NAICS Code	% of Total Jobs	# of Businesses
Retail/Consumer Services	26.6%	688
Government/Public Sector/Education	12.1%	67
Building/Construction/Real Estate	9.7%	231
Transportation/Distribution	8.1%	57
Miscellaneous Manufacturing	6.6%	35
Business Services	6.3%	106
Industrial Supplies and Services	5.7%	31
Electronic Component Manufacturing	4.8%	12
Semiconductors	4.5%	10
Health Care	4.5%	113
Corporate Offices	2.6%	5
Innovation Services	2.2%	91
Financial Services	1.9%	46
Visitor	1.5%	20
Bioscience	1.2%	8
Computer & Communications Hardware Manufacturing	0.8%	5
Software	0.7%	28
Other	0.4%	8



## Employed Residents

Of the 45,000 residential population, 21,775 are considered employed residents (residents able to work). Employed residents may either work in the community in which they live or work elsewhere in the region, commuting to their place of employment. A city with a surplus of workers “exports” workers to other parts of the region, while a city with a surplus of jobs must conversely “import” them.

Although the City of Morgan Hill has increased the number of local jobs in recent years, the ratio of jobs to resident workers is 0.85; thus, Morgan Hill is a net exporter of workers. 65% of the workers in Morgan Hill leave the City for employment somewhere else in the region. The mean travel time to their place of employment is approximately 36 minutes.

44.3% of Morgan Hill residents have a bachelor's degree or higher and work in a variety of industries across the greater Silicon Valley.

Morgan Hill Employed Residents – Top Five General Industries*	% of Employment
Health & Educational Services	26.9%
Financial & Professional Services	21.5%
Manufacturing, Wholesale & Transportation	20.0%
Retail	10.9%
Construction	7.0%

\*Source: City of Morgan Hill 2023 Housing Element



# CHALLENGES TO BOOSTING ECONOMIC MOBILITY AND OPPORTUNITIES

## 1 Local Jobs that Match Employed Residents

Figure J-2 below shows the balance when comparing jobs to workers, broken down by different wage groups, offering additional insight into local dynamics. A community may offer employment for relatively low-income workers but have relatively few housing options for those workers. Conversely, it may house residents who are low-wage workers, but offer few employment opportunities for them. Such relationships may cast extra light on potentially pent-up demand for housing in particular price categories.

A relative surplus of jobs relative to residents in a given wage category suggests the need to import those workers, while conversely, surpluses of workers in a wage group relative to jobs means the community will export those workers to other jurisdictions. Such flows are not inherently bad, though over time, sub-regional imbalances may appear.

Morgan Hill has more low-wage jobs than low-wage residents (where low-wage refers to jobs paying less than \$25,000). At the other end of the wage spectrum, the city has more high-wage residents than high-wage jobs (where high-wage refers to jobs paying more than \$75,000).

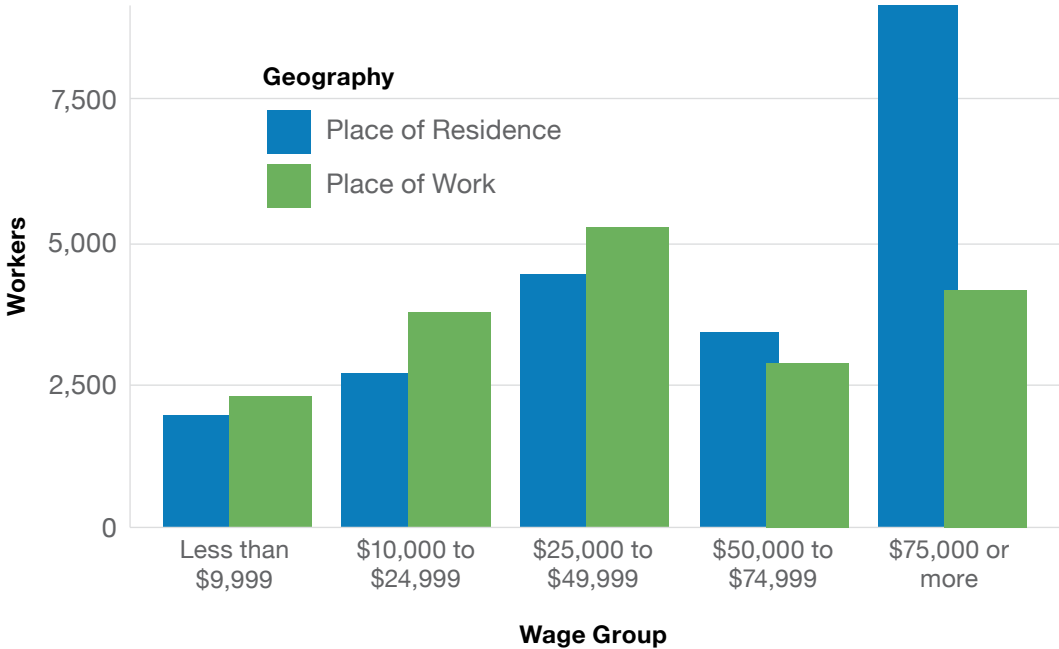
## 2 Employee Attraction and Retention

Morgan Hill’s innovation and technology-focused employers compete with the largest employers in Silicon Valley for the highest skilled, best educated, and most talented workers. Many of the Morgan Hill employers state that they have a difficult time competing with these “titans of industry” when it comes to total pay and benefits.

Employers in Morgan Hill often claim it is difficult to acquire and retain employees due to the high cost of living in the region and difficulty in identifying local talent for both lower and higher-skilled jobs. Each day, approximately 65% of City residents commute from Morgan Hill to jobs in the north, leaving behind an extremely limited workforce whose skills do not necessarily align with the needs of employers here in Morgan Hill. The high cost of living/housing and how it affects the City’s residents, and the available workforce, is addressed in the Housing section of this report.



Figure J-2: Workers by Earnings, by Jurisdiction as Place of Work and Place of Residence



## 3 Meeting the Needs of Low-Income Residents

According to the 2020 IRS return data, 51% of taxes filed by Morgan Hill residents have an adjusted gross income of \$75,000 or less, which is very low to extremely low income in Santa Clara County, depending upon family size.

The table below shows the Annual Income levels of Morgan Hill residents, both for individuals and for families. The Housing section identified that a single individual making less than \$102,300 a year is considered low-income. Based on this table below, 33.4% individuals living in Morgan Hill are making low-income wages.

Annual Income Levels in Morgan Hill*	Individuals	Families
< \$49,999	12.6%	9.2%
\$50,000 - \$74,999	9.9%	10.2%
\$75,000 - \$99,999	10.9%	9.5%
\$100,000 - \$149,999	15.5%	14.6%
\$150,000 - \$199,999	13.3%	16.0%
> \$200,000	37.8%	40.5%

\*Source: 2022 US Census Data

According to the data collected by the ELEVATE Morgan Hill report, 50% of Morgan Hill residents are cost-burdened, and 28% rely on some form of financial assistance. This data is consistent with the 2024 Index by Joint Venture Silicon Valley, which identified that nearly a third of Silicon Valley households struggle to afford basic necessities.

## 4 Language Barriers

One third of all Morgan Hill residents speak a language other than English at home. One in five residents in Morgan Hill is foreign-born. Of the foreign-born residents (9,400 people), 82.1% speak a language other than English at home, and 37.9% speak English less than very well.

When conducting research for the ELEVATE Morgan Hill program, the City discovered startling disparities between certain segments of the City. For example, findings from the City's I BELONG/YO PERTENEZCO survey unveiled that 41% of Spanish-speaking respondents worry about having sufficient food to feed themselves and their families, and 60% possess a high school diploma or GED, as compared to 71% of English-speaking respondents who have a 4-year college degree or beyond.

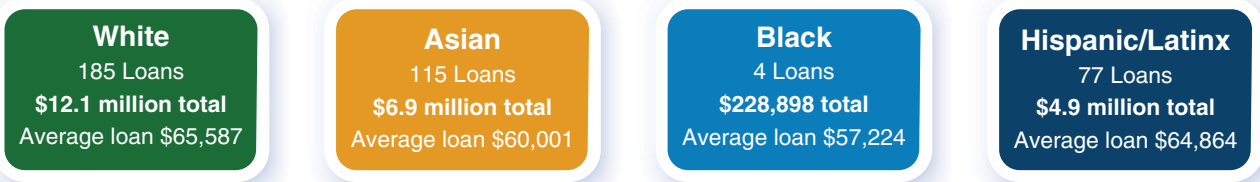
Residing in Morgan Hill with limited income, language barriers, a gap in job skills, and an absence of viable connections to employers are serious challenges that impede someone's ability to prosper. Steps need to be taken to level the playing field and assist vulnerable community members to connect with jobs and job training programs.

The City's Housing Needs Assessment recognized this disparity and suggested that the City to focus on connecting Spanish-speaking residents to local jobs. The City of Morgan Hill wants to attract, retain, and grow the best-in-class employers and businesses. This requires retaining and building the best workforce. The City benefits when businesses are successful, providing high-quality, good-paying jobs to residents while also positively contributing to the City's financial sustainability by paying various taxes. For these employers to be successful and to create a robust ecosystem that benefits the City and residents, the City must identify strategies to create a diverse, available, and skilled workforce.

The City of Morgan Hill recognizes the importance of connecting Spanish-speaking residents in Morgan Hill to local job opportunities and resources which will prepare them for higher-skilled and higher-paying jobs that will boost economic growth, social integration, employment, improved quality of life, and a stronger sense of belonging within the community.

## 5 Scarcity of Services

Scarcity of services was an alarming outcome felt during the COVID-19 pandemic. In addition, the 2017 census data reflects that 23% of business owners in Morgan Hill are Hispanic/Latinx. While this represents almost a quarter of all businesses in Morgan Hill, of those businesses that self-identified as Hispanic/Latinx, only 5% of the Payroll Protection Program funds administered through the Small Business Administration were provided to Hispanic/Latinx business owners. Of the \$86.1 million loaned to business owners in Morgan Hill, only \$4.6 million was provided to Hispanic/Latinx business owners.



The **ELEVATE** Morgan Hill's Gap and Opportunities Analysis shows that there are very few non-profit or government-supported service providers or job search/job training programs within the City of Morgan Hill—let alone organizations that address the unique needs of the Hispanic/Latinx community and the Spanish-speaking job seeker. To some extent, Morgan Hill could be described as a service/resource desert for residents of our community who need it most.

# JOBS STRATEGIES & ACTIONS

Three strategies have been identified to support **Jobs** in Morgan Hill. Embedded in each strategy are action items that will further the goal to lift the City's most vulnerable community members out of low-wage jobs and provide them with more equitable access to jobs, job training, services, and resources. The action items are designed to establish partnerships with key organizations, leverage existing resources and activities, identify additional resource needs, and support capacity building both internally and externally.

We recognize these strategies and actions will only be successful if the outreach and marketing activities actually reach the targeted audience—and if those who are providing the information, resources, training, and opportunities are trusted providers. The City needs to build capacity in this area.

### STRATEGY 2.A:

#### INCREASE ACCESS TO EDUCATION, TRAINING AND EMPLOYMENT

- 14 Collaborate with partners on economic mobility strategies.
- 15 Connect Spanish-speakers and day workers to education, resources, training, and job opportunities.
- 16 Partner with NorCal Carpenters Union Training Center to provide trainings to Spanish-speaking residents.
- 17 Create an Economic Mobility Center to support day workers, rapid re-employment, education, and training. (Also noted as #23)

### STRATEGY 2.B:

#### PROMOTE ENTREPRENEURSHIP

- 18 Expand business training programs such as "Fundamentos de Negocios" for Hispanic/Latinx entrepreneurs.
- 19 Implement an education campaign for Microenterprise Home Kitchen Operations (MEHKO).
- 20 Encourage development of home-based day care centers.
- 21 Offer business services and development services resources in Spanish.
- 22 Create an awareness and education campaign on bidding for City contracts.

### STRATEGY 2.C:

#### EXPAND EMPLOYMENT OPPORTUNITIES LOCALLY

- 23 Create an Economic Mobility Center as a one-stop shop for job and career opportunities. (Also noted as #17)
- 24 Encourage local employers to create job postings in Spanish.
- 25 Create a "Work Local" campaign promoting local employment opportunities.
- 26 Support hospitality and lodging with career opportunity pathways.
- 27 Collaborate with local companies and Morgan Hill Unified School District to create career pathways.
- 28 Capitalize on Morgan Hill Unified School District Adult School Program to provide training and career resources.



ECONOMIC  
ADVANCEMENT  
CENTER



In February 2022, the **City of South San Francisco** (City) opened the Economic Advancement Center (EAC), offering workforce development and small business and entrepreneurship resources and services to residents throughout North San Mateo County. During the COVID-19 pandemic, the City recognized the crucial need to serve its most vulnerable residents, many of whom had lost their service jobs during the shutdown. Connecting with services proved challenging, as few were offered in north San Mateo County.

The City Council approved an investment of \$2M in General Fund dollars to open the EAC as a resource hub. The city also secured additional funds from federal, state, county, and private entities. The EAC first opened virtually in July 2021, then opened in-person in February 2022 in a key downtown transit-rich location.

The goal of the EAC is to provide economic recovery tools to the most vulnerable residents and small businesses in the region. Most services and support are delivered in both Spanish and English. The EAC works with its partners to address the needs of the whole person from food insecurity, rental assistance and connecting to health services to skills development and small business start-up education. Partners include Job Train, Renaissance Entrepreneurship Center, YMCA, San Mateo County Social Services, El Concilio and the city’s Community Health Workers (Promotores).

Find more information at the [Economic Advancement Center](#) website.



“

“The investment the South San Francisco City Council made in establishing the Economic Advancement Center, serving all of North San Mateo County, has changed the lives of more than 1,000 community members. This Center is about more than just a counseling sessions and classes, it’s about giving business owners and job seekers tools to become more economically mobile and better equipped to thrive in this competitive, high-cost area.”

- Nell Selander, Director,  
Economic & Community Development,  
City of South San Francisco

LATINO  
BUSINESS  
FOUNDATION



The mission of the Latino Business Foundation of Silicon Valley (LBFSV) is to become Silicon Valley’s premier resource hub for small and micro businesses, actively equipping minority entrepreneurs—especially those in underserved areas—with the tools they need to succeed. LBFSV’s efforts empower business owners, fostering their growth and catalyzing the development of thriving, vibrant communities.

Through a variety of initiatives and programs, LBFSV helps small businesses and organizations survive and thrive and helps San José retain its unique cultural flavors even as the city attracts development from multinational corporations and large retail outlets.

- **Community Building:** Events, grand openings, and Neighborhood Business Associations to celebrate the achievements of the entrepreneurial community
- **Advocacy:** Support and advocacy for local entrepreneurs facing deep imbalances of power in negotiation with governments and corporations
- **Direct Small Business Services:** Human-centered, agile and responsive services to entrepreneurs to gather and engage with direct services
- **Latino Business Academy:** A collaborative partnership with My Own Business Institute (MOBI) of Santa Clara University to provide online training for aspiring immigrant entrepreneurs and business leaders

- **Business Incubator Program:** A combination of service, innovation and technology to disrupt traditional business models and create significant value for our customers
- **Women in Power:** A program focused on women entrepreneurs and the unique challenges they face by working cross-sectionally across other programs
- **Industry Business Councils:** An opportunity for business leaders to address their unique needs and industry pain points, with a focus on three key industries: Early Childcare, Beauty, and Restaurants
- **Small Business Support Hotline:** Anti-displacement hotline to address legal and eviction issues along with capital needs
- **Small Business Resource Center:** A one-stop-shop providing all these services and programs to cater to every need that small and micro businesses might have



# HOUSING:

## REINVENTING DELIVERY SYSTEMS AND TRANSFORMING THE LANDSCAPE

### HOUSING

## REINVENTING DELIVERY SYSTEMS AND TRANSFORMING THE LANDSCAPE

Morgan Hill is home to approximately 45,000 residents with a median household income of \$139,161, a median age of 38.5, and an estimated 2.84 residents per household.

The City's housing stock is comprised of 15,233 homes, of which 77% are single family homes and 24% are owner-occupied. Over 53% of the housing stock was built before 1990.

### Affordable Housing in Morgan Hill

The City of Morgan Hill has a large portfolio of affordable housing with 600+ units in the Below Market Rate (BMR) ownership program. There are 2,400 rental units; approximately 50% of those are deemed affordable, including 839 rent-controlled Mobile Homes. New housing developments are required to construct 10% to 15% of all units as income-restricted affordable.

The City of Morgan Hill is committed to ensuring that its current and future residents have access to diverse housing options. Morgan Hill has a long-standing commitment to providing affordable housing options for both moderate and lower-income families guided by its General Land Use Plan and its Housing Element. The vision includes housing for families of various sizes, ages, and incomes, as well as infill development and preservation of agriculture.

For over four decades, the City of Morgan Hill has been a leader in affordable housing production. In addition to helping over 600 families achieve their dream of home ownership, in recent years, the City has supported the development of 178 affordable housing units across three projects:

- ▶ **The Crossings on Monterey:** 39 units prioritizing chronically homeless individuals and families (\$5.8 million from Measure A, \$750,000 from the City of Morgan Hill).
- ▶ **Royal Oak Village:** 73 units for rapid rehousing, agricultural workers, and low-income households (\$9.89 million from Measure A, \$400,000 from the City of Morgan Hill).

### HOUSING



15,233  
Homes



2,400  
Rental Units



600+  
Below Market  
Rate Units



### DID YOU KNOW?

The population of Morgan Hill increased by 38.3% from 2000 to 2020, which is above the growth rate for the greater Bay Area.

Source: Morgan Hill Housing Element 2023-31 Appendix A

- ▶ **The Magnolias:** 66 units offering permanent supportive housing and rapid rehousing, with a focus on farmworkers and low-income households (\$13.2 million from Measure A, \$600,000 from the City of Morgan Hill).

Creation of these projects that serve the most vulnerable residents is possible thanks to the leadership of mission-driven partners such as EAH, EDEN Housing, First Community Housing, and Urban Housing Communities, and with the financial support from Santa Clara County.



# Cost of Housing and Cost of Living

The 2024 Santa Clara County Area Median Income (AMI) is \$184,300 for a family of four. This AMI is a benchmark, adjusted proportionately for households of different sizes, to determine income eligibility thresholds for housing assistance. The cost of living is so high in Santa Clara County that a single individual making \$102,300 or less is considered Low Income.

## Santa Clara County AMI Income Limits (2024)

Number of Persons in Household		1	2	3	4	5	6	7	8
Santa Clara County Area Median Income: \$184,300	Acutely Low	\$19,350	\$22,100	\$24,900	\$27,650	\$29,850	\$32,050	\$34,300	\$36,500
	Extremely Low	\$38,750	\$44,250	\$49,800	\$55,300	\$59,750	\$64,150	\$68,600	\$73,000
	Very Low Income	\$64,550	\$73,750	\$82,950	\$92,150	\$99,550	\$106,900	\$114,300	\$121,650
	Low Income	\$102,300	\$116,900	\$131,500	\$146,100	\$157,800	\$169,500	\$181,200	\$192,900
	Median Income	\$129,000	\$147,450	\$165,850	\$184,300	\$199,050	\$213,800	\$228,550	\$243,300
	Moderate Income	\$154,800	\$176,900	\$199,050	\$221,150	\$238,850	\$256,550	\$274,250	\$291,900

The AMI being so high for Santa Clara County simply speaks to how expensive it is to live in Silicon Valley. Lack of housing is at the heart of the problem. Indicated by Joint Venture Silicon Valley, seven years into the last eight-year housing cycle of housing allocations, the region had yet to meet its share of new Extremely Low, Very Low, Low, or Moderate Income housing, a common theme among most jurisdictions.

The region has met its share in the Above-Moderate income category. 76% of homes sold in Silicon Valley last year were above \$1 million; 30% were above \$2 million. In contrast, only 8% of all homes sold within the region were below \$600,000, and 28% of these homes were all-cash sales, which suggests that lower-income buyers were not the likely buyers.<sup>5</sup>

In Morgan Hill, a staggering 5,630 families are classified as Low, Very Low, or Extremely Low income. Based on the current housing stock, there is a critical mismatch between residents' housing needs and the available affordable options. The table below reveals a severe shortage of affordable housing units to meet the needs of the residents:

Type	Families	Available Units	%
Extremely Low Income	2,135	130	6%
Very Low Income	1,765	696	39%
Low Income	1,730	370	21%
Total	5,630	1,196	21%

<sup>5</sup> Joint Venture Silicon Valley, Institute for Regional Studies, 2023 Index Highlights, 2023, p.10, 104, <https://jointventure.org/download-the-2023-index>

Between 2009 and 2022, the typical home value increased over 100% in Morgan Hill, from \$695,935 to \$1,400,000 (redfin)<sup>6</sup>, while the median rent increased by nearly 60%, from \$1,620 to \$2,590 between 2012 and 2023 (HUD).

The escalating housing cost, combined with stagnant wages and rising cost of living, has intensified the need to protect housing equity for all residents. Housing equity is especially crucial for lower-income communities, who are vital contributors to the local workforce. A report by the California Housing Partnership underscores this urgency, revealing that people in Santa Clara County need to earn 3.2 times the minimum wage to afford the average asking rent as reflected in the chart below.

Extremely Low Income (ELI) households earn 30% or less than the Santa Clara County median income (up to \$55,300 for a family of four in 2024) and experience significant challenges accessing affordable housing.<sup>7</sup> Many working-class families struggle to make ends meet, often working multiple jobs and spending 50% or more of their income on housing. The ELEVATE Morgan Hill study found that 28% of all residents rely on some form of financial assistance.

While the City and region have experienced economic and job growth since 1990, the income gap has widened. California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the state.<sup>8</sup> Morgan Hill is no exception, and the Hispanic/Latinx Community has among the highest poverty rates.



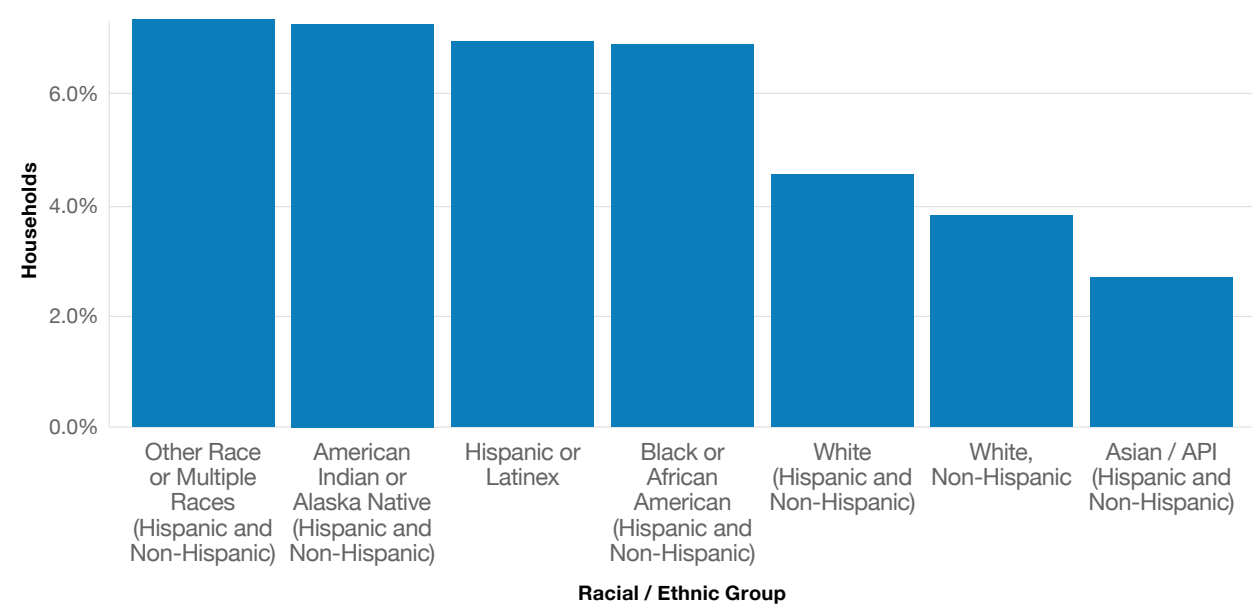
<sup>6</sup> <https://www.redfin.com/city/12625/CA/Morgan-Hill/housing-market>

<sup>7</sup> <https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/income-limits-2024.pdf>

<sup>8</sup> Bohn, S. et al. 2020. Income Inequality and Economic Opportunity in California. Public Policy Institute of California.



# PERCENT OF HOUSEHOLDS IN POVERTY STATUS BY RACE



Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17001(A-I)



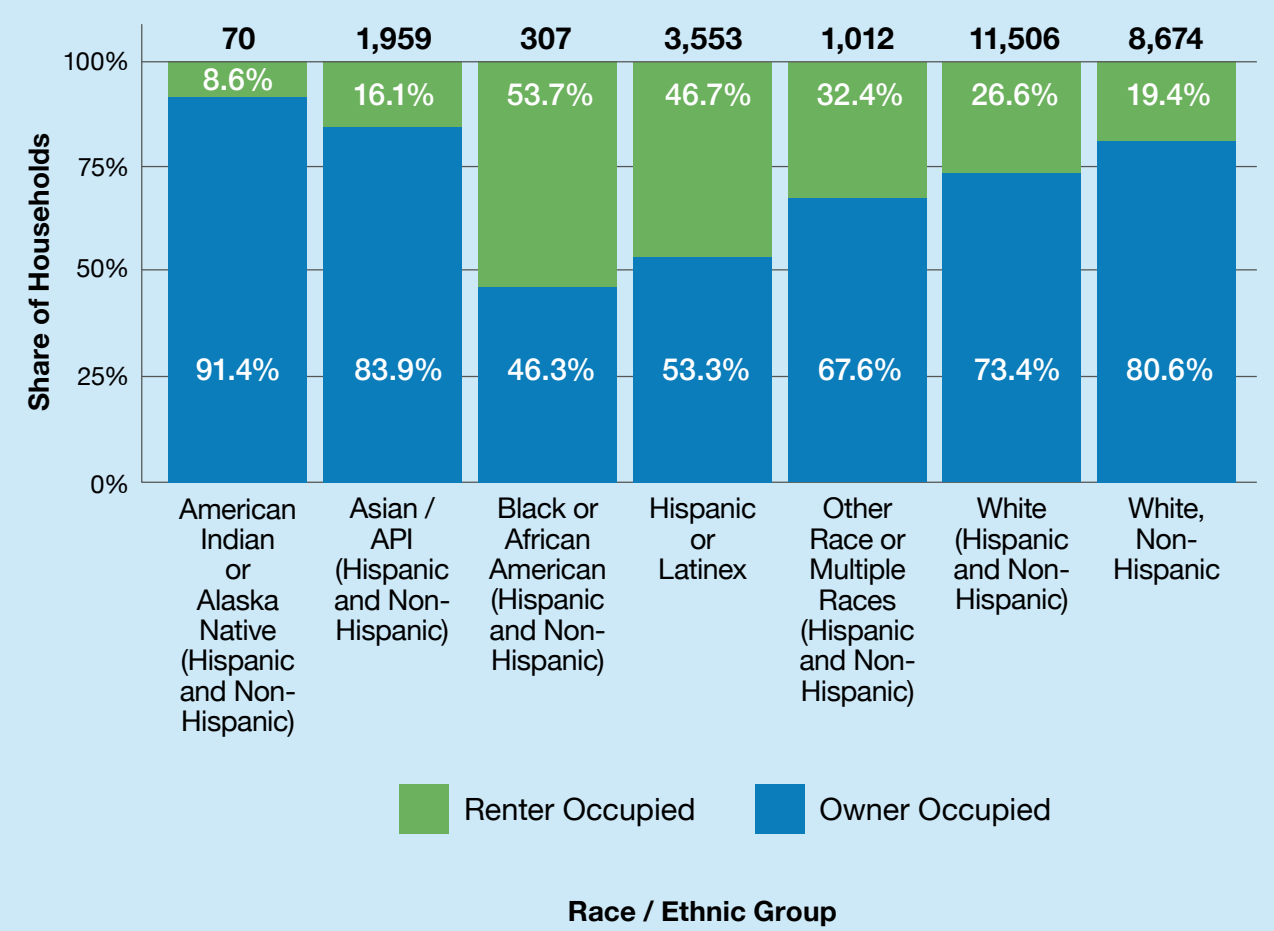
Hispanic/Latinx individuals are overrepresented among the ELI population, heightening racial disparities in housing costs. Hispanic/Latinx households, persons with disabilities, and large families all face housing insecurity at higher rates and tend to have less access to the highest resource parts of the region. People of color are more likely to experience poverty and financial instability due to federal and local housing policies that have historically excluded them from the same opportunities extended to others.<sup>9</sup>

Furthermore, the City's Hispanic/Latinx residents are the most severely cost-burdened, with 21.5% spending more than 50% of their income on housing. This is particularly crucial for the Hispanic/Latinx community, who represent a significant portion of renters in Morgan Hill, with 46.7% occupying rental units.

<sup>9</sup> Moore, E., Montojó, N. and Mauri, N., 2019. Roots, Race & Place: A History of Racially Exclusionary Housing the San Francisco Bay Area. Hass Institute.



# PERCENT OF HOUSING TENURE BY RACE OF HOUSEHOLDER



Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003 (A-I)



# Homelessness

Throughout the region, including Morgan Hill, gentrification and displacement pressures are expanding. Homelessness also continues to increase in the City. In Santa Clara County, Hispanic/Latinx residents are disproportionately affected by the housing crisis, with 42.7% of the population experiencing homelessness.

In addition to addressing affordability for working-class families, the City of Morgan Hill has taken a proactive and sensible approach to support the unhoused community through partnerships and creative collaborations.

The **Safe Parking Program** enables up to eight families (or 30 people) to park safely overnight in a designated lot and offers showers, laundry, meals, and even job connections. Since 2018, this program has connected 110 individuals with permanent housing. In addition, since December 2021, a **Destination: Home** grant has funded a full-time Unhoused Specialist who supports the unhoused residents with housing resources. Since 2021, the Unhoused Specialist has received over 400 referrals, connected with 95% of them, and placed over 100 individuals into housing.

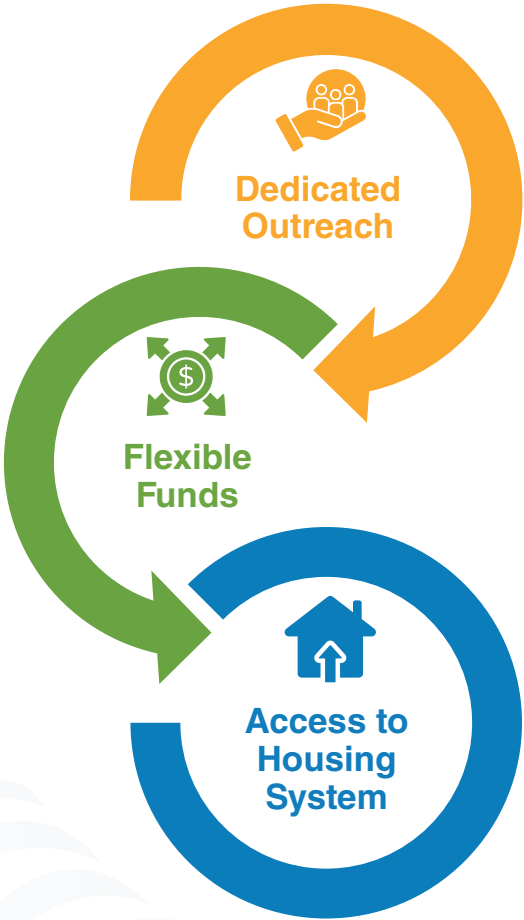
# Challenges to Connecting to Housing Resources

As noted previously, the cost of living and lack of housing in Silicon Valley is a challenge. The type of housing contributes to the housing crisis. A recent report issued by the Othering and Belonging Institute found that 95.80% of total residential land in California, and 77.82% among municipal and county jurisdictions, is zoned as single family, thus constraining the possibility for denser and more affordable housing.<sup>10</sup> And as noted by the Turner Center for Housing Innovations *Affordability for Whom?* Study, home ownership is simply unattainable to many segments of the population. More rental housing is needed.

<sup>10</sup> <https://belonging.berkeley.edu/single-family-zoning-california-statewide-analysis?emci=c2ffcc4b-a017-ef11-86d0-6045bdd9e096&emdi=448c758b-5818-ef11-86d0-6045bdd9e096&ceid=7503189>

Eliminating barriers and leveling the playing field in obtaining housing is a key objective in assisting families to access economic mobility opportunities. The city's recent I BELONG/YO PERTENEZCO community survey revealed that 34% of respondents don't know how to find information on housing resources, with this concern heightened among Spanish speakers who cited "housing" as their top worry (28%).

This data emphasizes the need for targeted outreach and awareness campaigns specifically tailored to the city's Spanish-speaking and to the lower-income community, ensuring they are informed and empowered to access available housing resources in Morgan Hill.



The City's successful homelessness response strategy is based on three distinct components:

- 1 Dedicated Outreach:** A dedicated Unhoused Specialist with a background in social work and a mental health lens which provides real time support.
- 2 Flexible Funds:** Partnerships with Saint Vicent DePaul, Edward Boss Prado Foundation and other community organizations that provide resources and funding that is flexible to meet the varying needs of the community (e.g. money for gas, car repair, hotel vouchers, rent-gap money, furniture, clothing, and food).
- 3 Access To Housing System:** The Unhoused Specialist has access to the Santa Clara County's Vulnerability Index Service Prioritization Decision Assessment Tool (VISPDAT) system, which evaluates and prioritizes who gets help based on their need. The Unhoused Specialist can enlist individuals on the spot and update their applications based on new information.



# STRATEGIES & ACTIONS

A deep dive into the needs of Spanish-speaking lower-income residents regarding housing revealed unmet needs and inspired corresponding strategies to address them. Research indicates that to elevate this community and boost economic mobility, residents must be met where they are, establishing a foundation of trust through well-curated strategies.

The City's three strategies and twelve actions around Housing are centered on education leading to empowerment, the creation of more affordable housing and housing resources (called assets), and the idea of redefining affordable housing as an asset that will benefit the Community's goals to attract and retain jobs, battle homelessness, and improve quality of life for all.



## JOBS SPOTLIGHT

# CITY OF MORGAN HILL HOUSING PROGRAM PILLARS

Affordable Housing and Homelessness is one of the City of Morgan Hill's five strategic priorities. Like many other cities in the Bay Area, Morgan Hill is experiencing transformative growth and working to meet the housing needs of its current and future residents.



## STRATEGY 3.A:

### EMPOWER RESIDENTS: BUILDING HOUSING KNOWLEDGE AND ACCESS

- 29 Create user-friendly marketing and increase promotion of housing resources.
- 30 Build a network of trusted messengers ("promotores") to connect with, inform, and engage the Spanish-speaking community.
- 31 Work with apartment managers to build relationships with community.

## STRATEGY 3.B:

### INCREASE AFFORDABLE HOUSING ASSETS

- 32 Collaborate with community partners to establish an Economic Mobility Resource Center. (Also noted in the Jobs section as #17 and #23)
- 33 Encourage construction of Extremely Low Income (ELI) Housing.
- 34 Support rental housing production through zoning and funding.
- 35 Remove zoning barriers that prevent development of smaller housing units.
- 36 Secure funding and partnerships to expand housing programs and resources.

## STRATEGY 3.C:

### BREAK DOWN BARRIERS AND FOSTER INCLUSIVITY BY REDEFINING AFFORDABLE HOUSING

- 37 Implement an educational campaign promoting affordability applies to and benefits everyone.
- 38 Counteract misinformation about affordable housing by celebrating stories of residents.
- 39 Promote equitable and fair access to housing.
- 40 Build a more inclusive community by empowering underrepresented voices.

## THE CITY'S HOUSING PROGRAM IS GROUNDED ON FIVE KEY PILLARS:

<b>Production</b>	<b>Promotion</b>	<b>Preservation</b>	<b>Prevention</b>	<b>Quality of Life</b>
Production of New Housing Inventory Diversify the housing stock	Promotion of Housing Programs Community Engagement	Preservation of Existing Housing Stock	Prevention of homelessness Housing Problem Solving	For new and existing residents

- 1 Production of New Affordable Housing Units:** Improve, preserve, and develop new safe, quality, rental and ownership housing for residents at all income levels. The City's Inclusionary Housing Ordinance assists the City with the production of income-restricted units.
- 2 Promotion of Housing Program:** The City manages an inventory of Below-Market-Rate deed-restricted units and collaborates with the County of Santa Clara and local non-profits to connect residents to resources and elevate the voices of marginalized communities with lived experience.
- 3 Preservation of Existing Affordable Housing Inventory:** The City has a robust inventory of Below-Market-Rate, income-restricted housing units.
- 4 Prevention of Homelessness:** The work program for homeless prevention is focused on non-profit organizations and problem-solving at the local level. It includes increasing coordination with the County of Santa Clara, faith-based communities, non-profits, and service providers to offer resources and referrals. The primary goal is to prevent people from becoming homeless through proactive and responsive outreach and engagement as we strive to build a foundation of trust and dignity.
- 5 Protection of Quality of Life for New and Existing Neighborhoods:** The City will continue to seek quality development and balance the needs of existing and new neighborhoods.



HOUSING SPOTLIGHT

# UNDERSTANDING POVERTY AND PHILANTHROPIC GIVING DISPARITIES IN THE BAY AREA



In 2022, **United Way Bay Area** partnered with **Applied Survey Research** to conduct a study to assess how well the distribution of funds in the Bay Area aligns with community needs, with an emphasis on identifying opportunities to inform funding and program service delivery decisions.

Community needs were defined primarily by four key indicators of poverty:

- ▶ Percentage of the population earning less than the Federal Poverty Level
- ▶ Percentage of the population experiencing unemployment
- ▶ True cost of living as defined by the Real Cost Measure
- ▶ Percentage of the population experiencing housing burden (spending more than 30% of their income on housing)



South County is grappling with significant income disparity and housing affordability issues. A **United Way Bay Area** report reveals that 36.4% of Morgan Hill residents and 39.1% of Gilroy residents are burdened by housing costs, exceeding the Santa Clara County average of 35.53%. The income disparity in Morgan Hill is \$8,353, while in Gilroy, it's \$11,534, higher than the County average of \$10,862. Notably, Gilroy is identified as one of the Bay Area cities with the highest economic needs, ranking among the 89 ZIP codes (out of 263 studied) with an overall high need score of 2.5.

HOUSING

# AFFORDABILITY FOR WHOM?

The **Turner Center for Housing Innovation** at **U.C. Berkeley** recently launched an interactive tool to measure housing affordability. Titled *Affordability for Whom?* Introducing an Inclusive Affordability Measure, this research reveals the shortcomings of traditional metrics, which often neglect to consider who can actually afford to live and work in a given area. The study also highlights how existing measures overlook the full range of household expenses tied to location, including transportation and childcare.

The innovative metric proposes a more comprehensive approach, factoring in current residents and those who are priced out of living in

a particular location due to high housing costs. This inclusive measure demonstrates affordability conditions for both existing and potential households across all of California's counties.<sup>11</sup>

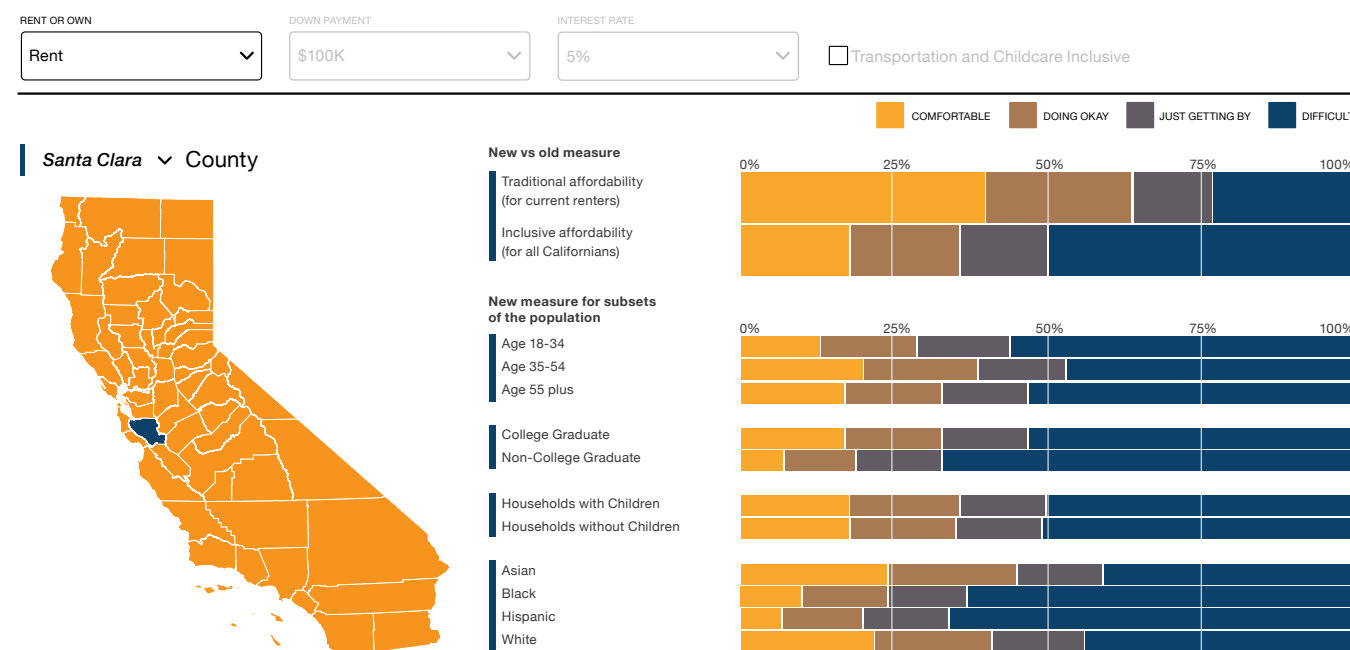
Below are two graphs representing the affordability metrics for both renters and homeowners in Santa Clara County. The metric compares traditional affordability indicators vs. new indicators for subsets of the population.

When the new metrics are applied, affordability is only for approximately 50% of the population. Affordability for homeownership is all but non-existent for all subsets of the population.



## Renter Affordability Metric – Santa Clara County

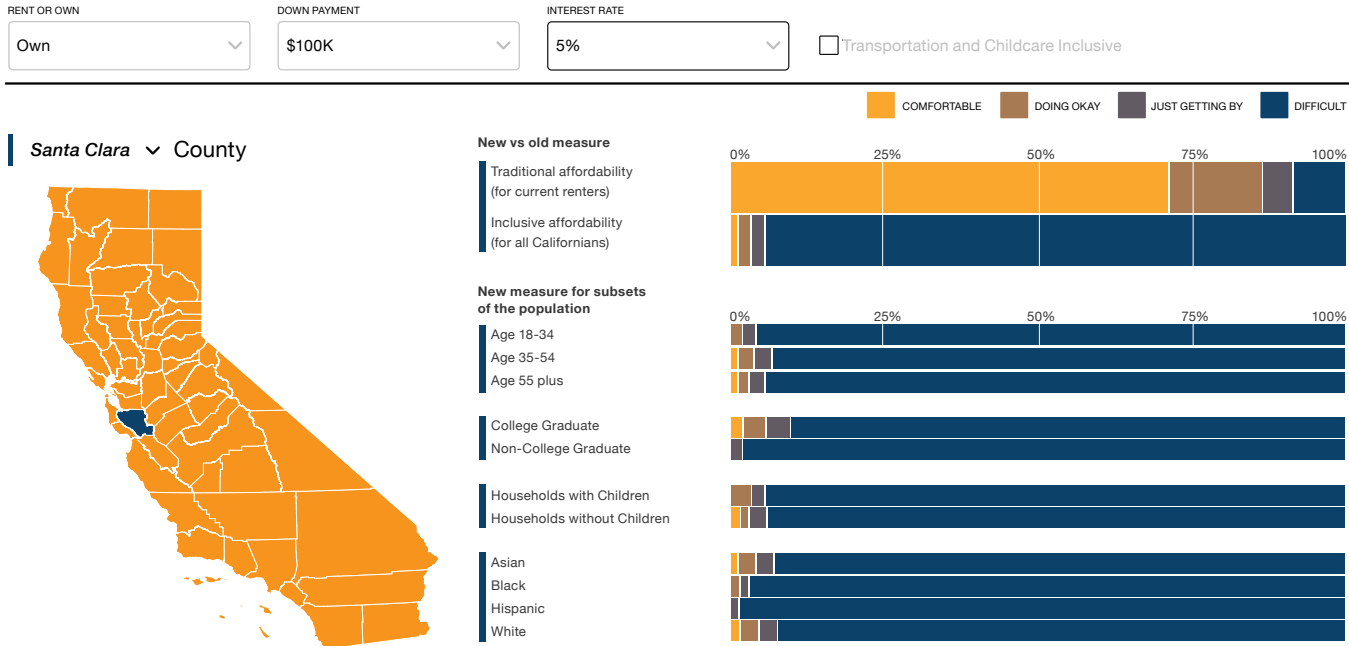
*Affordability for Whom? Turner Center for Housing Innovation*



<sup>11</sup> Shoag, D, Romem I, Reid, C, "Affordability for Whom? Introducing an Inclusive Affordability Measure," Turner Center for Housing Innovations, [Home - Turner Center](https://home-turnercenter.berkeley.edu) (berkeley.edu), May 2, 2024.

Owner Affordability Metric – Santa Clara County

Affordability for Whom? Turner Center for Housing Innovation



Santa Clara County

New vs old measure

Traditional affordability (for current renters)

Inclusive affordability (for all Californians)

COMFORTABLE

DOING OKAY

JUST GETTING BY

DIFFICULT

0%

25%

50%

75%

100%

0%

25%

50%

75%

100%

New measure for subsets of the population

Age 18-34

Age 35-54

Age 55 plus

College Graduate

Non-College Graduate

Households with Children

Households without Children

Asian

Black

Hispanic

White

0%

25%

50%

75%

100%

0%

25%

50%

75%

100%

0%

25%

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HOUSING

CITY OF MORGAN HILL 2023 HOUSING ELEMENT

In January 2023, the **City of Morgan Hill** adopted its 6th Cycle Housing Element, which took effect from January 31, 2023, to January 31, 2031. This is an eight-year strategy and commitment for how the City will meet the housing needs of everyone in the City.

The Housing Element was informed by extensive community outreach and engagement and includes seven goals, 81 policies, and 66 implementation items that the City will prioritize over the next eight years.

The 2023-2031 Housing Element Goals are as follows:

- ▶ **Goal 1:** Provide a diversified housing stock to meet the full range of future community housing needs.
- ▶ **Goal 2:** Encourage Extremely Low-Income (ELI) housing production, increasing availability of affordable and workforce housing.
- ▶ **Goal 3:** Advance equity and inclusion throughout the City.
- ▶ **Goal 4:** Preserve and rehabilitate existing housing supply.
- ▶ **Goal 5:** Promote housing for people experiencing homelessness.
- ▶ **Goal 6:** Provide adequate housing for groups with special needs.
- ▶ **Goal 7:** Increase community outreach and promote education about affordable housing.

At the heart of the plan is a duty to **Affirmatively Further Fair Housing (AFFH)**. According to the California Department of Housing and Community Development, “The goal of Affirmatively Furthering Fair Housing (AFFH) is to combat housing discrimination, eliminate racial bias, undo historic patterns of segregation, and lift barriers that restrict access to foster inclusive communities and achieve racial equity, fair housing choice, and opportunity for all Californians.” <sup>12</sup>

The AFFH law requires that the City formulate policies and programs to promote equitable housing practices when inequalities exist. As per state law, AFFH involves “taking meaningful actions, in addition to combatting discrimination, that overcomes patterns of segregation and fosters inclusive communities free from barriers that restrict access to opportunity based on protected characteristics.” <sup>13</sup> Working toward AFFH in Morgan Hill is the cornerstone of the City’s Housing team’s mission.

<sup>12</sup> The California Department of Housing and Community Development, “Affirmatively Furthering Fair Housing, Guidance for All Public Entities and for Housing Elements,” April 2021, [https://www.hcd.ca.gov/community-development/affh/docs/AFFH\\_Document\\_Final\\_4-27-2021.pdf](https://www.hcd.ca.gov/community-development/affh/docs/AFFH_Document_Final_4-27-2021.pdf)

<sup>13</sup> U.S. Department of Housing and Urban Development (HUD), “Affirmatively Furthering Fair Housing (AFFH),” [https://www.hud.gov/AFFH#\\_What\\_is\\_AFFH](https://www.hud.gov/AFFH#_What_is_AFFH)





## HOUSING

# SUPPORTING THE UNHOUSED COMMUNITY

**Destination: Home** is a leader in ending homelessness in Silicon Valley. The organization works to advance impactful strategies that address the root causes of homelessness and help ensure that our most vulnerable residents have a stable home.

Through unique public-private partnerships, Destination: Home brings stakeholders together in support of a common set of mutually reinforcing strategies:

- ▶ Expanding the supply of deeply affordable housing
- ▶ Helping people secure and maintain stable housing
- ▶ Improving access and equity within our system

**Destination: Home** stewards a Capacity Building Grant Program that provides funding tailored to the unique needs of local agencies. These grants and partnerships expand organizations' capacities to fulfill their missions, positively impact lives and communities, and play a stronger and more prominent role in the collaborative effort to prevent and end homelessness in Santa Clara County.

In 2021, the city of Morgan Hill received a \$450,000 grant award to fund an Unhoused Specialist position. This position works in the field, conducting real-time outreach and needs assessments to help unhoused residents access shelter, services, housing opportunities, and more. The response and strategies are designed to meet the immediate needs of unhoused residents through a mental health lens.

Our Unhoused Specialist works alongside partner agencies such as St. Vincent de Paul to build trust, conduct a needs assessment, and provide services and housing placement needs.

As a shining example of success, since 2021 Morgan Hill's Capacity Building Grant has empowered 118 individuals to transition from the streets into stable housing, significantly transforming their lives and contributing to the community's well-being.

- Referrals received: **459**
- Referrals connected with Unhoused Specialist: **438**
- Individuals housed: **118** (55 unhoused into housing, **63** in homeless prevention)
- Number of Vulnerability Index-Service Prioritization Decision Assessment Tool: **94**
- Individuals housed in shelter: **248**
- Referrals to legal services: **125**



“Destination: Home selected Morgan Hill to be a part of our local jurisdiction capacity building grant program because of the City's commitment to its most vulnerable residents, with **strategies and programming designed to directly help unhoused residents**, while also promoting the development of deeply affordable and supportive housing, Morgan Hill is a leader in showing what small cities can do to prevent and end homelessness.

**Ray Bramson, Chief Operating Officer**  
Destination: Home

## CONCLUSION

The **ELEVATE Morgan Hill** report offers strategies and actions to improve economic mobility with a focus on improving connections to housing resources for low-income residents, connecting Spanish-speaking residents to local jobs and to improving a feeling of belonging for the Spanish-speaking residents.

The demographics of Morgan Hill are changing, with over 50% of the population being Hispanic/Latinx and Asian. The City has an opportunity to reflect on its service delivery and create a more targeted approach to better serve all the people of the community. With strategic partnerships, the City can foster upward economic and social mobility for all.

The built environment should reflect the diverse community who lives and works in the city. While increasing affordable housing units is critical, it is not enough. Families need the knowledge, awareness, or comfort level to access housing and job resources. The City's economic and fiscal sustainability relies on an ecosystem of companies and businesses. However, this ecosystem is not only large companies, but small businesses, microenterprises and entrepreneurs which are the backbone of the local economy. The City's housing efforts improved job connections and strengthening belonging is the roadmap to strengthen economic opportunities and create mobility for families.

Moving forward, the City's economic mobility goals benefit from:

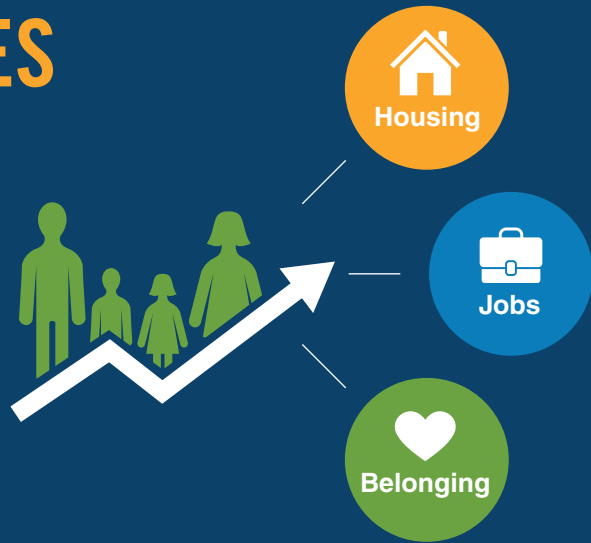
- ▶ The continual reevaluation of service delivery with the intention to positively connect with and impact the low-income and the Spanish-speaking residents
- ▶ The collective impact from the regional partners, aligning resources to improve service delivery
- ▶ The construction of more extremely low and very low housing unit and more rental product to meet the needs of residents
- ▶ The investment in culturally appropriate community engagement and outreach
- ▶ The education and empowerment of Spanish-speaking residents
- ▶ The celebration of diversity and encouragement of inclusivity

The Elevate Morgan Hill program sets the path for the next 3-5 five years to implement the 40 actions.

# SUMMARY OF STRATEGIES AND ACTIONS

## Strategies And Actions

ELEVATE Morgan Hill identifies **nine strategies and 40 action items** that are intentional in creating equitable access to opportunities for everyone. Community leaders, service providers, local employers, educational institutions, and government and non-government organizations are invited to align resources and have a collective impact on creating a more prosperous, sustainable, inclusive, and resilient Morgan Hill.



### STRATEGY 1.C:

## CREATE AN ACTIVE ALLYSHIP WORKPLACE CULTURE AT CITY HALL

- 10 Raise awareness of unconscious biases, systematic inequities, and the importance of belonging and allyship.
- 11 Prevent discrimination and promote inclusivity through values campaigns and skills training.
- 12 Foster a sense of Community through team-building, employee resource groups, and mentorship.
- 13 Continuously update hiring policies and review benefits with a lens to prevent discrimination and bias.

## BELONGING

### STRATEGY 1.A:

## IMPROVE VISIBILITY OF HISPANIC/LATINX COMMUNITY

- 1 Celebrate diversity by encouraging cultural events.
- 2 Praise Hispanic/Latinx faces of Morgan Hill and showcase their presence, culture, and contributions.
- 3 Encourage belonging through art that celebrates diversity.

### STRATEGY 1.B:

## EMPOWER THE SPANISH-SPEAKING COMMUNITY TO PROMOTE AUTONOMY AND EQUITY OF VOICE

- 4 Implement a Leadership Academy to educate, train, and build leadership skills.
- 5 Engage working families at cultural, faith-based, retail, and Community hubs.
- 6 Offer childcare, food, and incentives to encourage engagement.
- 7 Invest in translation and interpretation services and culturally appropriate marketing programming across all City services.
- 8 Make City Hall more welcoming and inclusive by implementing signage that celebrates diversity.
- 9 Collaborate with the Police Department, Code Compliance, and other enforcement agencies to build trust.

## JOBS

### STRATEGY 2.A:

## INCREASE ACCESS TO EDUCATION, TRAINING AND EMPLOYMENT

- 14 Collaborate with partners on economic mobility strategies.
- 15 Connect Spanish-speakers and day workers to education, resources, training, and job opportunities.
- 16 Partner with NorCal Carpenters Union Training Center to provide trainings to Spanish-speaking residents.
- 17 Create an Economic Mobility Center to support day workers, rapid re-employment, education, and training. (Also noted as #23 and #32)

### STRATEGY 2.B:

## PROMOTE ENTREPRENEURSHIP

- 18 Expand business training programs such as “Fundamentos de Negocios” for Hispanic/Latinx entrepreneurs.
- 19 Implement an education campaign for Microenterprise Home Kitchen Operations (MEHKO).
- 20 Encourage development of home-based day care centers.
- 21 Offer business services and development services resources in Spanish.
- 22 Create an awareness and education campaign on bidding for City contracts.



STRATEGY 2.C:

EXPAND EMPLOYMENT OPPORTUNITIES LOCALLY

- 23 Create an Economic Mobility Center as a one-stop shop for job and career opportunities. (Also noted as #17 and #32)
- 24 Encourage local employers to create job postings in Spanish.
- 25 Create a “Work Local” campaign promoting local employment opportunities.
- 26 Support hospitality and lodging industry workers with career opportunity pathways.
- 27 Collaborate with local companies and Morgan Hill Unified School District to create career pathways.
- 28 Capitalize on Morgan Hill Unified School District Adult School Program to provide training and career resources.

HOUSING

STRATEGY 3.A:

EMPOWER RESIDENTS: BUILDING HOUSING KNOWLEDGE AND ACCESS

- 29 Create user-friendly marketing and increase promotion of housing resources.
- 30 Build a network of trusted messengers (“promotores”) to connect with, inform, and engage the Spanish-speaking community.
- 31 Work with apartment managers to build relationships with community.

STRATEGY 3.B:

INCREASE AFFORDABLE HOUSING ASSETS

- 32 Collaborate with community partners to establish an Economic Mobility Resource Center. (Also noted as #17 and #23)
- 33 Encourage construction of Extremely Low Income (ELI) Housing.
- 34 Support rental housing production through zoning and funding.
- 35 Remove zoning barriers that prevent development of smaller housing units.
- 36 Secure funding and partnerships to expand housing programs and resources.

STRATEGY 3.C:

BREAK DOWN BARRIERS AND FOSTER INCLUSIVITY BY REDEFINING AFFORDABLE HOUSING

- 37 Implement an educational campaign promoting affordability applies to and benefits everyone.
- 38 Counteract misinformation about affordable housing by celebrating stories of residents.
- 39 Promote equitable and fair access to housing.
- 40 Build a more inclusive community by empowering underrepresented voices.





# APPENDICES

## APPENDIX A

### I BELONG/YO PERTENEZCO SURVEY QUESTIONS

- 1 Do you currently live in the City of Morgan Hill?
- 2 Do you currently work in the City of Morgan Hill?
- 3 **TRUST.** To what extent do you agree with the following statement: I trust the City of Morgan Hill's ability to represent needs and interests. To trust means that you trust the City of Morgan Hill's government's ability to listen, address, and meet your needs and interests.
- 4 **BELONGING.** To what extent do you agree with the following statement: I feel like I belong in the City of Morgan Hill. To feel a sense of belonging means that you feel like you fit in, you are welcomed, and accepted in Morgan Hill.
- 5 **SAFETY.** To what extent do you agree with the following statement: I feel safe living in Morgan Hill.
- 6 **SAFETY OF EXPRESSION.** To what extent do you agree with the following statement: I feel safe to express my identity in Morgan Hill without having to worry about negative consequences. This may include your race, ethnicity, sexual orientation, religion, gender, and more.

#### Basic Needs:

- 7 How stable do you feel with your current housing situation?
- 8 Do you or your family worry about having enough food?
- 9 How confident do you feel in your ability to get or maintain employment?

#### Resourcefulness:

- 10 I know where to go to get information about housing.
- 11 I know where to get information about food assistance.
- 12 I know where to get assistance with jobs or employment.
- 13 I know how to engage with the City of Morgan Hill. Engaging with my local government means that you know how to express an opinion, attend a council meeting, or contact your local representative.

#### Needs:

- 14 What do you worry about the most? Please check all that apply: Housing/Access to Food/Employment/Job Training/Childcare/Education/Transportation/Healthcare/Other
- 15 To what extent do you agree with the following statement: I feel confident about my ability to prosper in Morgan Hill? To prosper means that you feel confident about your ability to improve your current financial and living conditions.

#### About You:

- 16 What is your age?
- 17 What is your gender Female/Male/Non-binary/Transgender/Other/Prefer Not to Say
- 18 What is your race/ethnicity American Indian or Alaskan Native/Asian/Pacific Islander/Black or African American/Hispanic or Latin/a/x/ White/Caucasian/Other/Prefer not to Say
- 19 What is your highest level of education?
- 20 What is your income level?
- 21 Thank you for completing the community survey. Please add your name and email below to receive a prize for completing the survey. Thank you again.
- 22 If you completed this at a restaurant, please tell us the name below.



# I BELONG/YO PERTENEZCO SURVEY KEY FACTS/TAKEAWAYS

n: 167/English Language | n: 113/Spanish Language

Overall, all respondents - English and Spanish-speaking - felt a high level of

- ▶ Trust in the City
- ▶ Sense of Belonging in Morgan Hill
- ▶ Feeling of Safety
- ▶ Housing Stability

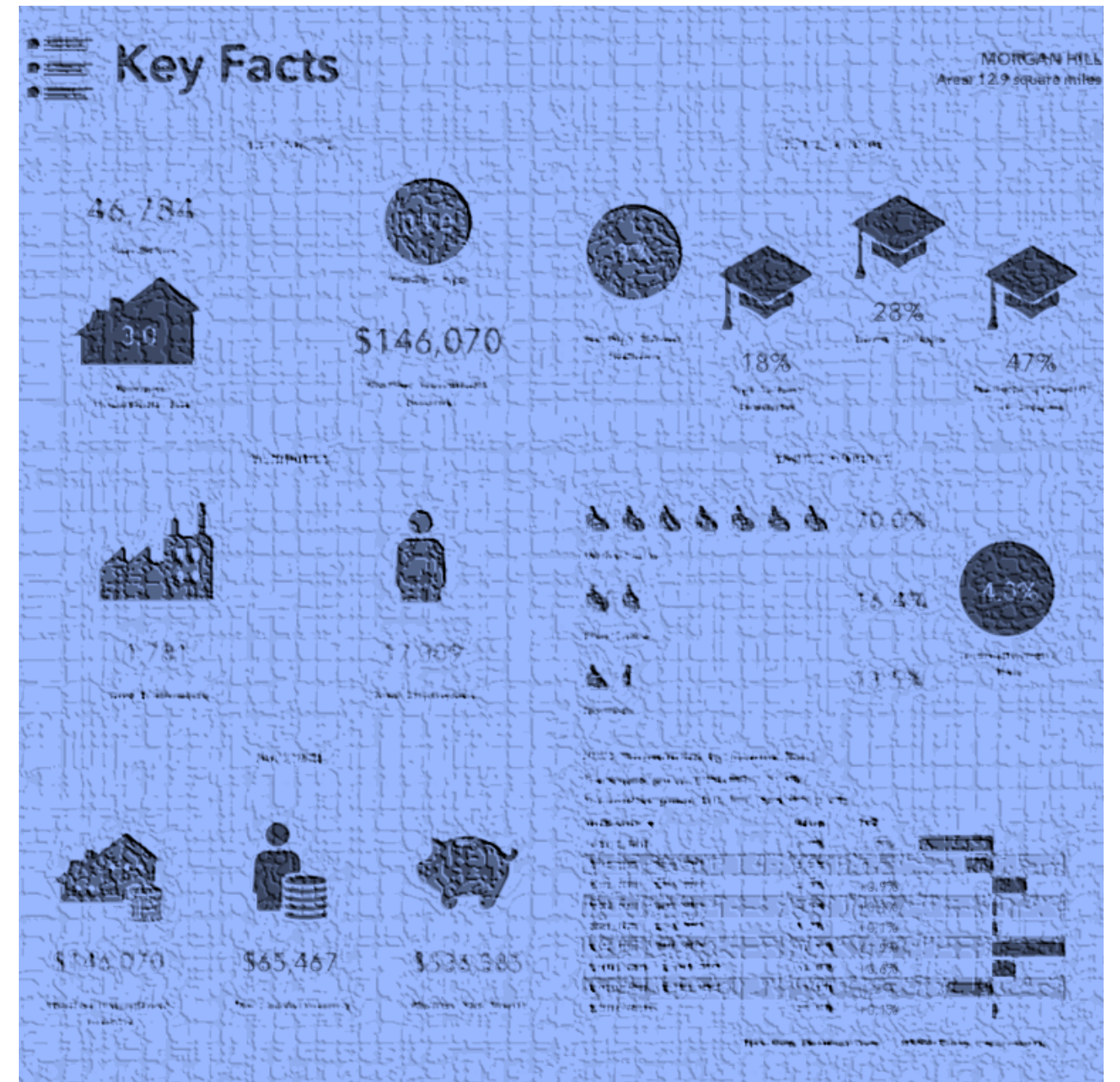
Questions regarding **Basic Needs**, **Resourcefulness**, **Needs** and **About You** revealed unpredicted responses and shed light on differences between English and Spanish-speaking respondents in Morgan Hill.

## Key Facts/Takeaways:

- ▶ 41% - Spanish speakers worry about obtaining enough food
- ▶ 34% - Spanish speakers do not know where to obtain information on housing
- ▶ 24% - Spanish speakers do not know how to connect with city government, elected officials
- ▶ 60 % - Spanish speakers have High School Diploma/GED
- ▶ 71 % - English speakers have college degree (4yr) and beyond
- ▶ 50% - Spanish speakers make LESS than \$35,000
- ▶ 60% - English speakers make \$100,000 or MORE
- ▶ Top 3 issues/worries for Hispanic/Latinx– Spanish speakers
  - ▶ Housing
  - ▶ Jobs
  - ▶ Food/Education (tied)
- ▶ Top 3 issues/worries for Hispanic/Latinx– Spanish speakers
  - ▶ Housing
  - ▶ Childcare
  - ▶ Healthcare

# DEMOGRAPHIC DATA

John Lang | May 22, 2024



This report is funded through the generous support of ICMA to research economic mobility for the City of Morgan Hill.



BACKGROUND

The City of Morgan Hill kicked off the Elevate Morgan Hill program in the Spring of 2023. The Elevate Morgan Hill Program is a concentrated and focused effort to create greater economic mobility for the City's Spanish speaking and lower income community members. Efforts will be focused on developing strategies that create opportunities for jobs and housing and increasing a sense of belonging to the community that has not historically been prioritized by the City of Morgan Hill. As part of this process for understanding the population and community, a market analysis of demographics and other indicators was commissioned to aid in helping inform strategies and tactics that will achieve the vision and goals of the Elevate Morgan Hill program.

The data analysis is focused on various geographic levels for Morgan Hill and the surrounding area. Data from the United States Census Bureau, Morgan Hill School District, State of California and other sources was utilized in the development of this report.

The report is focused on three categories of information:

- ▶ Business Composition
- ▶ People
- ▶ Housing

The report is intended to supplement and help inform program and policy decisions the City of Morgan Hill and its partners may wish to undertake and support greater economic mobility and belonging within Morgan Hill.

BUSINESSES

Race and Ethnic Makeup of Businesses

The most recent complete information regarding Business ownership for Morgan Hill comes from the United States Census Bureau, Survey of Business Owners (Survey that is conducted every 5 years). Data was last collected in 2017, unfortunately due to confidentiality requirements, much of the data has been redacted at the city level. However, in 2012, the Survey of Business Owners is complete for the City of Morgan Hill.

- ▶ In 2012, there were a total of 3,341 firms in Morgan Hill. 76.8% of the firms are non-Hispanic with a majority of those being white owned (72.1%), followed by Asian owned at 13.6%. Business ownership amongst Hispanic/Latin people is 22.6%.

Insights from COVID-19 and Small Business Administration Loans

The distribution of Paycheck Protection Program (PPP) loans from the Small Business Administration to Morgan Hill and South Santa Clara County was analyzed for distribution of funds and the funding institutions. The Small Business Administration asked for, but did not require, businesses to report race or ethnicity information when applying for PPP loans. In total there were 728 PPP loans in Morgan Hill under \$150,000 (Table 1). Of all the loans, 229 businesses reported race or ethnicity information as this was not a requirement or condition of the loans.

Table 1: Small Business Administration Payroll Protection Program Data on Morgan Hill businesses

Definition	Number of Business	Total Loans (Approved)	Lender (# of loans)
All Morgan Hill companies receiving PPP loans (<\$150k)	728	\$43,777,187	Wells Fargo (55), Chase (41), Union Bank (31)
Businesses that Identified Race and Ethnicity (Subset N=229)			
White	97	\$6,758,327	Bank of American (17), Union Bank (13), Union Bank/Pinnacle Bank, (All at 9)
Asian	56	\$3,000,949	Bank of America (29), Chase (5)
Hispanic/Latino	30	\$2,163,137	Bank of America (11), Chase (5)

Source: U.S. Small Business Administration. Paycheck Protection Program (PPP) data. Black and American Indian Responses are not displayed in the table above. <https://www.sba.gov/funding-programs/loans/covid-19-relief-options/paycheck-protection-program/ppp-data>

Table 2: Small Business Administration Payroll Protection Program Data on South County (Morgan Hill, Gilroy, San Martin combined)

Definition	Number of Business	Total Loans (Approved)	Lender (# of loans)
All Gilroy, Morgan Hill, San Martin companies receiving PPP loans (<\$150k)	1,472	\$86,085,453	Bank of America (262), Wells Fargo (159), Pinnacle (139), Chase (121), Union Bank (102), Cross River (72)
Businesses that Identified Race and/or Ethnicity (Subset, N=661)			
White	186	\$12,199,208	Bank of American (35), Union Bank (26), Wells Fargo (15)
Asian	115	\$6,910,498	Bank of America (45), Chase (10)
Hispanic/Latino	75	\$4,836,339	Bank of America (17), Chase/BMO/Union (All at 8)

Source: U.S. Small Business Administration. Paycheck Protection Program (PPP) data. Black, American Indian, and Native Hawaiian Responses are not displayed in the table above <https://www.sba.gov/funding-programs/loans/covid-19-relief-options/paycheck-protection-program/ppp-data>

Looking at the South County Statistics in Table 2, some inferences that can be drawn from the PPP data collected by the U.S. Small Business Administration, while Race and Ethnicity information was not collected for all loans (was asked as voluntary information), the number of Hispanic/Latinx firms self-identifying was lower relative to White and Asian firms. Looking at the average loans requested, Hispanic/Latin firms average PPP loan was at \$64,484. While White and Asian firms, the average loan value was at \$65,587 and \$60,091, respectfully. The two largest industry sectors by number of loans supported for White firms was Construction followed by Manufacturing. The two largest industry sectors by number of loans for Asian firms was Food Service and Healthcare. The two largest industry sectors by number of loans for Hispanic/Latinx firms was Construction and Food Service.



Entrepreneurship Pathways via Food Service - Mobile Food Vending

For individuals that are interested in owning or operating a business related to food, one of the more economical approaches is to establish either a Cottage Food Operator (packaged food-Table 3), Mobile Food Vending (Table 4) or a Microenterprise Home Kitchen Operation (MEHKO). The three pathways to entrepreneurship require a health permit with the County of Santa Clara. According to the most recent information from the Consumer Protection Department with the County of Santa Clara about 10% of the registered Cottage Food Operators are located in Gilroy and Morgan Hill. Ony 4% of the registered Mobile Food Vendors for Santa Clara County are located in Gilroy and Morgan Hill.

Table 3. Cottage Food Operators (Gilroy, Morgan Hill)

City	Business Name	Cottage Food Operator License
Gilroy	Ashley's Baking Me Crazy	Class A
Gilroy	Buena Bella Sweets	Class A
Gilroy	Cookie Creations By Amy	Class A
Gilroy	Cupcakes For College	Class A
Gilroy	Dreamin Chocolat	Class A
Gilroy	Rocky Road Ahead	Class A
Gilroy	Snickerdoodle Sweets & Events	Class A
Gilroy	Time For Feast	Class A
Gilroy	Treats By Jess	Class A
Morgan Hill	Aces' Place Banana Breads	Class A
Morgan Hill	Chaithentic	Class A
Morgan Hill	Chinese Homemade Treats	Class A
Morgan Hill	Courtney Barros Confections	Class A
Morgan Hill	Dough & Batter	Class A
Morgan Hill	E 'N' E Snacks	Class B
Morgan Hill	Golden Poppy Custom Sweets	Class A
Morgan Hill	Kouign Raccoon Bakery	Class A
Morgan Hill	Miley Baking	Class A
Morgan Hill	Randodadrob's Kitchen	Class A
Morgan Hill	Whole Breads	Class B
Morgan Hill	Yola's Pralines	Class A

Source: County of Santa Clara Consumer Protection Division <https://cpd.sccgov.org/cottage-food-operations-cfo>

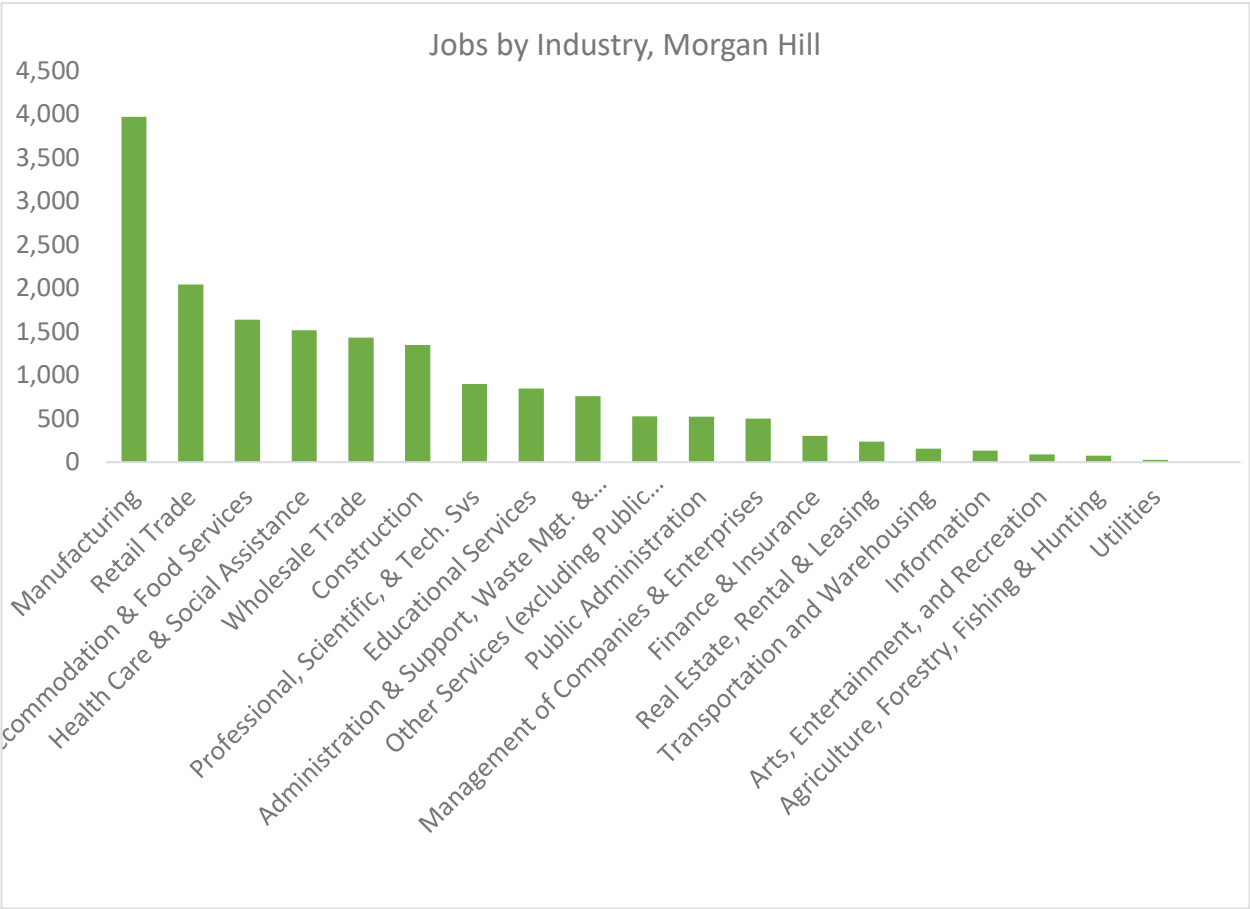
Table 4. Licensed Mobile Food Vendors (Gilroy, Morgan Hill)

City	Business Name	Mobile Food Vendors
Gilroy	Cmfo - Tacos Del Guero 4KU4738	Limited Food Prep
Gilroy	Cmfo - Tacos Del Guero De Gilroy 4LK8922	Limited Food Prep
Gilroy	Fire & Slice 8S80916	Full Food Prep
Gilroy	Frutas Del Guero 4JS4448	Limited Food Prep
Gilroy	Ricky's Grill 4LT3999	Full Food Prep
Gilroy	Sanchez Tacos 4KH8536	Limited Food Prep
Gilroy	Tacos Del Guero 6X02656	Full Food Prep
Gilroy	Tacos El Rufles 4UN2729	Limited Food Prep
Morgan Hill	A La Carte Of Loaves And Fishes	No Food Prep
Morgan Hill	Antojitos Alfaro 4SU1240	Full Food Prep
Morgan Hill	Birria El Vaquerito 4VG7957	Full Food Prep
Morgan Hill	Cheese On Board 4VR1656	Limited Food Prep
Morgan Hill	Cmfo - Antojitos Juquilita 4KU4443	Limited Food Prep
Morgan Hill	Cmfo - Churros La Guadalupeana	Limited Food Prep
Morgan Hill	El Cabrite Taqueria De Texcoco 4TB5965	Full Food Prep
Morgan Hill	El Chavitaco 4Uk7453	Full Food Prep
Morgan Hill	Fruta Fresca El Oasis 4TM2422	Limited Food Prep
Morgan Hill	La Costa Chica 4KU4388	Limited Food Prep
Morgan Hill	Los Corias 50061P2	Full Food Prep
Morgan Hill	Ninos Ice Cream 68442X1	Limited Food Prep
Morgan Hill	Pinto Cocina Mexicana LIC 8H18177	Full Food Prep
Morgan Hill	Princess Fruit And Food 8X45133	Full Food Prep
Morgan Hill	Pupusa Lady 7CIN611	Full Food Prep
Morgan Hill	Quick Dogs	Limited Food Prep
Morgan Hill	Speedy Guzman 7ENG324	Full Food Prep
Morgan Hill	Tacos El Abuelo #2 2A89965	Full Food Prep
Morgan Hill	Tacos El Pelon De Oaxaca 4W12920	Full Food Prep
Morgan Hill	Tacos La Morenita 4PG5949	Full Food Prep
Morgan Hill	Valeri's Fruit 4JN8258	Limited Food Prep

Source: County of Santa Clara Consumer Protection Division <https://cpd.sccgov.org/food/mobile-food-facilities>

A majority of Morgan Hill jobs are within the Manufacturing Sector followed by Retail and Food Services (Figure 1). 35% of the workers in Morgan Hill are Hispanic/Latino and nearly 20% are of Asian descent.

Figure 1. Morgan Hill Jobs by Industry



Source: U.S. Census Bureau, OnTheMap 2021 (Worker), City of Morgan Hill

Morgan Hill Residents in the Workforce

According to the U.S. Census, American Community Survey for 2022, a disproportionate number of Morgan Hill working residents, who are Hispanic and Latinx, as a percentage, commute more than other races and ethnicities and have less opportunities to work from home (Table 5). Only 7% of Hispanic/LatinX workers, work from home compared with White and Asian Morgan Hill residents.

Table 5. Travel to Work by Race/Ethnicity

Travel to Work	White (9.5k)	Asian (3.8k)	Hispanic/Latino (6.4k)
Drove Along	70%	54%	76%
Public Transit/Carpool	9%	0%	0%
Walk	1%	0%	3%
Other Mobility	1%	1%	2%
Worked From Home	18%	28%	7%

Source: U.S. Census, American Community Survey, 5-year estimate 2018-2022, City of Morgan Hill

Another interesting factor is how housing tenure (whether you own or rent your housing) can play a factor in travel to work modes of transportation. Owner occupied housing has a much higher utilization rate of working from home as well as using public transit or carpooling than those who rent. Whereas individuals that are renting their housing, carpool and work from home far less, however they will also include more walking to work. (Table 6)

Table 6. Travel to Work by Housing Tenure

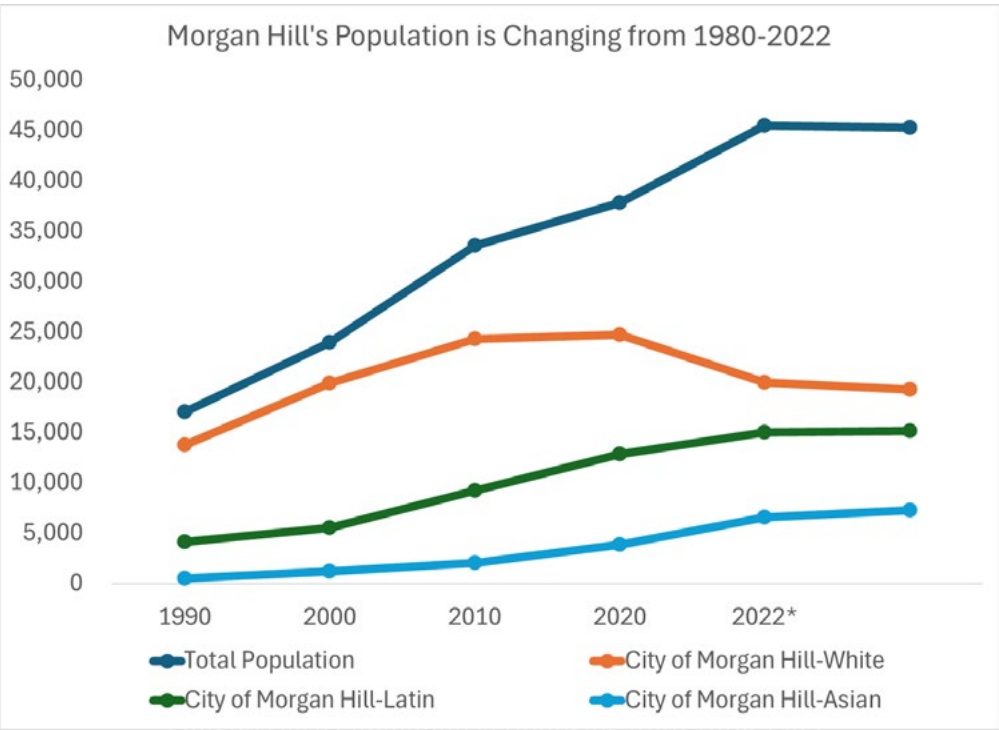
Housing Tenure	Drive Alone	Carpool/Public Transit	Walked	Other Mobility	Worked from Home
Owner	66%	12%	1%	1%	20%
Renter	75%	4%	3%	3%	8%

Source: U.S. Census, American Community Survey, 5-year estimate 2018-2022, City of Morgan Hill

THE PEOPLE OF MORGAN HILL

Morgan Hill's population has grown over the last 30 years. As the population has grown, so has the demographic and ethnic makeup of the City. Like the rest of Silicon Valley, Morgan Hill is experiencing growth in Asian, Hispanic/ Latinx people.

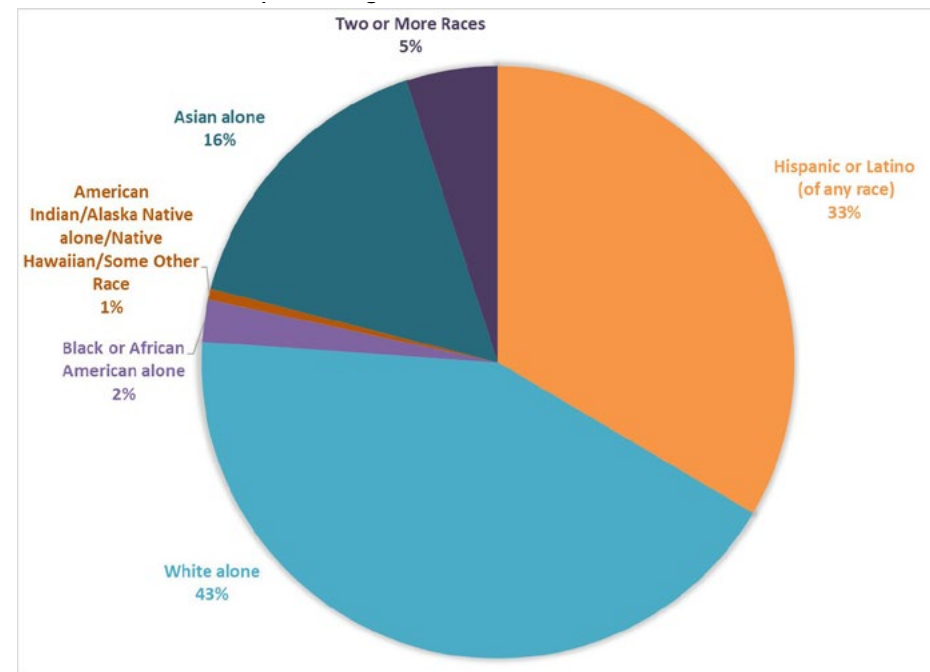
Figure 2. Historical Population of Morgan Hill



Sources: Bay Area Census, U.S. Census, American Community Survey, U.S. Census, American Community Survey, 5-year estimate 2018-2022, City of Morgan Hill



**Figure 1. Morgan Hill Jobs by Industry**



Source: U.S. Census, American Community Survey, 5-year estimate 2018-2022, City of Morgan Hill

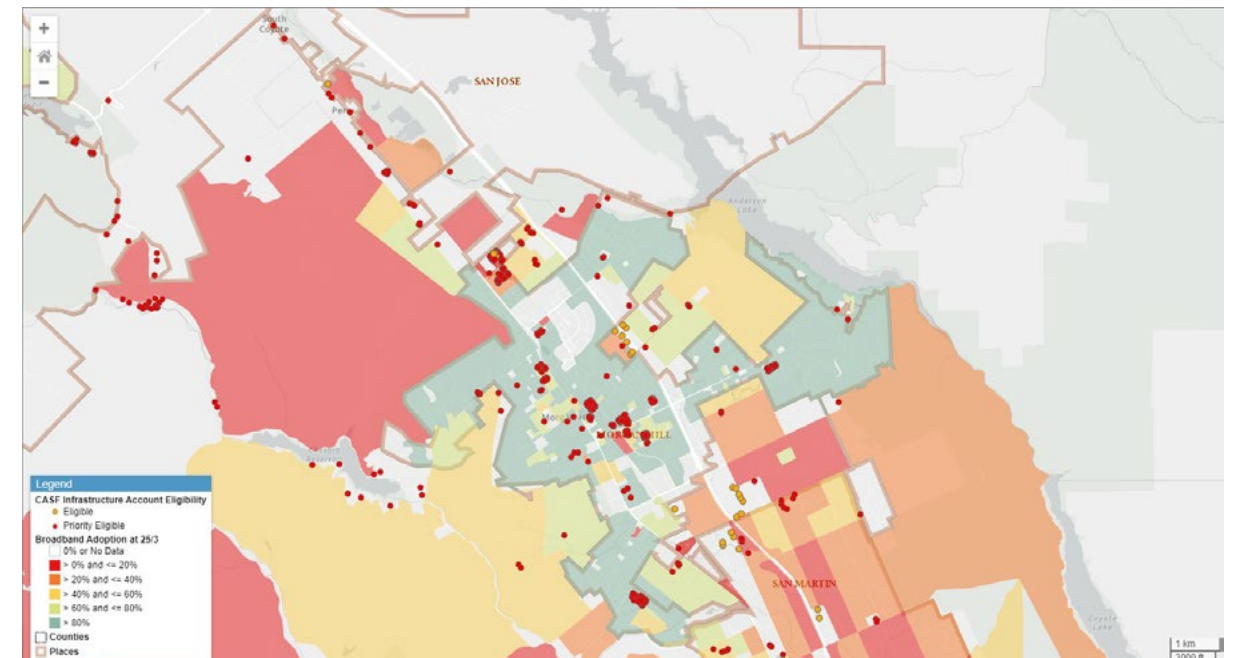
Morgan Hill's racial and ethnic diversity also is evident in the language spoken at home. According to the U.S. Census Bureau, American Community Survey, 5-year estimates (2018-2022), 32% of the Morgan Hill population speaks a language other than English at home (Spanish being the largest). Additionally, people 65 and older across different races have the highest percentages of not speaking English well. According to the Morgan Hill Unified School District, 24% of their students are English Learners (Spanish speaking is native language) (FY 2023-2024) report.

## Accessing Information and Broadband

The most recent Census information on broadband connectivity for Morgan Hill, shows that 5% of the Morgan Hill's population access to broadband is ONLY through a cell phone. Additionally, 5% of the population has no access to broadband coverage.

According to the California Broadband for All Initiative, the census tracts within the City of Morgan Hill are eligible for funding to support 25/3 broadband goals (The Federal Communications Commission (FCC) broadband capability requires consumers to have access to actual download speeds of at least 25 Mbps and actual upload speeds of at least 3 Mbps) Figure 4 highlights with red dots that are eligible for funding. Polygons that are shaded in yellow, orange and red highlight less availability of broadband.

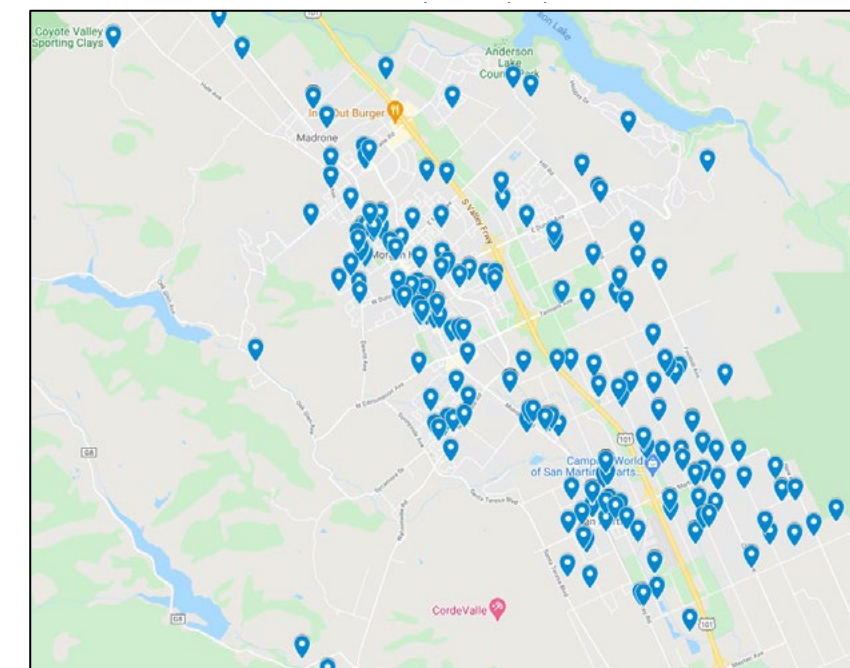
**Figure 4. Broadband Coverage in Morgan Hill**



Source: State of California Broadband for All <https://broadbandforall.cdt.ca.gov/interactive-broadband-map/>

According to the Morgan Hill Unified School District, at the start of the Pandemic in 2020, they had to deploy additional hotspots to students to aid in the connectivity. Below is a map that reflects the additional hotspots necessary to support Morgan Hill's student population to access education.

**Figure 5. Morgan Hill Unified School District Hotspot Deployment (2021)**

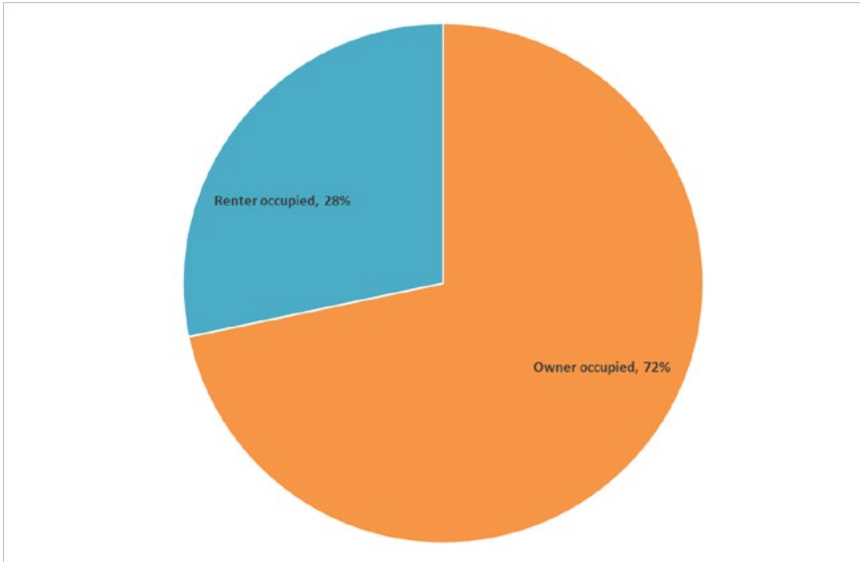


Source: Morgan Hill Unified School District

# HOUSEHOLD DEMOGRAPHICS

Morgan Hill’s tenure rate for the City is 72% owner occupied housing with 28% being rentals. According to the United States Federal Reserve the national average for homeownerships is 65%.

Figure 6. Housing Tenure in Morgan Hill, 2022



Source: U.S. Census, American Community Survey, 5-year estimate 2018-2022, City of Morgan Hill

When analyzing the tenure rate through the lens of race and ethnicity it becomes clear that Hispanics/Latinx residents lag homeownership opportunities versus other races.

Table 7. Homeownership by Race and Ethnicity

	White	Hispanic/Latino	Asian
Owner	76%	49%	84%
Renter	24%	51%	16%

Source: U.S. Census, American Community Survey, 5-year estimate 2018-2022, City of Morgan Hill

## Jobs Housing Fit

Morgan Hill has a Jobs Housing Fit ratio of 7.39. Jobs-Housing Fit measures the mismatch between wages and housing affordability as the ratio of low-wage jobs (less than \$3,333/month) to the number of low-cost rental units (less than \$1,500/month). This translates into that there are more than 4 low-wage workers competing for each affordable home in Morgan Hill (assumes household size of 2).

## APPENDIX C

# LINKS TO RELEVANT DOCUMENTS

- ▶ City of Morgan Hill -Housing Element Appendix H-5 Affirmatively Further Fair Housing

<http://www.morganhill.ca.gov/DocumentCenter/View/48217/Appendix-H-5-Assessment-of-Fair-Housing>
- ▶ City of Morgan Hill Economic Development Blueprint and Strategy

<https://www.morganhill.ca.gov/2549/Economic-Development-Blueprint-Strategy>
- ▶ Urban Institute - Upward Mobility Framework

<https://upward-mobility.urban.org/mobility-metrics-framework>
- ▶ Joint Venture of Silicon Valley – 2024 Silicon Valley Index

<https://jointventure.org/publications/silicon-valley-index>