

## Thanks To PROD

# Once A Wreck, Now A Jewel

By **BILL NEUBAUER**  
Sentinel Staff Writer

The problem with the historic Queen Anne cottage at 244 Walnut Avenue is that it was threatening to kill or maim its owner, Betsy Isbister, and her three children: Victoria, 11; David, 8; and Peter, 4.

"It was frightening," Betsy recalls. "The kitchen ceiling kept bowing, kept sagging, and we would wonder when it would fall on us."

The cottage with its tower is picturesque and attracts attention daily. Because of its Queen Anne architectural style and age (circa 1885), the cottage is listed in the city's Historic Building Survey.

But behind the scenes, so to speak, were other dangers that kept Betsy on edge with worry... antiquated electric wiring... weak flooring... deteriorated steps... obsolete and hazardous heating equipment...

"It was frustrating having to stay there but not being able to afford to make basic repairs," Betsy said.

Betsy is among many thousands of single parents in Santa Cruz County who are striving to raise their children on a limited income. She works part-time at Cabrillo College teaching parenting at the Teenage Mothers School. Her total income, however, prevented her from even thinking in terms of getting a conventional loan to finance the extensive rehabilitation the historic cottage needed.

But, no, Betsy didn't lose her home, and the home did the family no injury, thanks to a city of Santa Cruz program and an organization called PROD.

Today, in fact, Betsy and her kids live in a beautifully rehabilitated Queen Anne cottage she is now able to call "a wonderful old Victorian house."

The city program provides housing rehabilitation services for low- and moderate-income senior citizens and young families who own their homes.

"I had heard about the program but I was not sure I was eligible," Betsy said.

"It was almost too good to believe when I learned that I was."

According to Susan Sanford, PROD project coordinator, the program offers help two ways in certain cases such as Betsy's. First, the city was able to make Betsy a deferred-payment loan, and then PROD was able to get for her a federal Housing and Urban Development loan at a very low interest.

A city deferred-payment loan means exactly that. The loan is not repaid until the borrower either moves or sells the property.

When your income is very limited, this kind of loan is a Godsend, Betsy reports, because it can be used in conjunction with the federal loan to get all necessary work done.

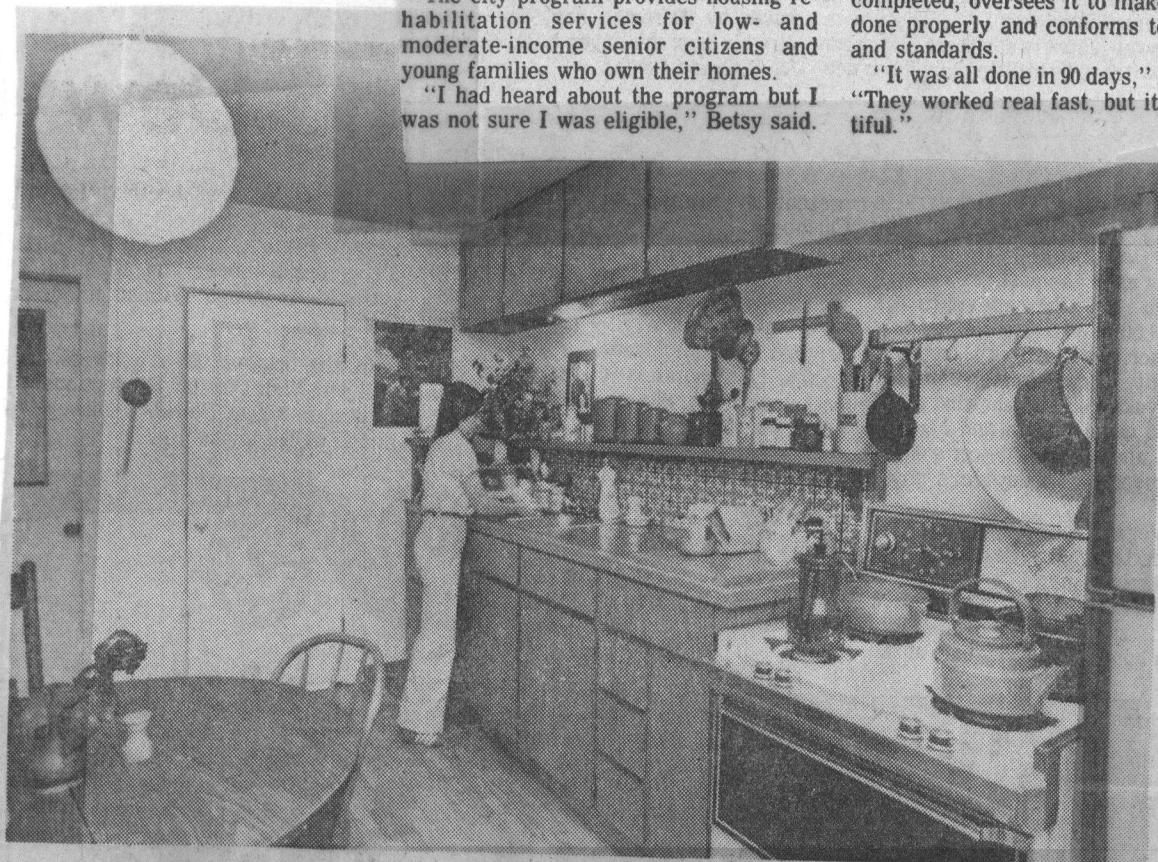
Susan points out that both the city and federal loans can be made only to eliminate health and safety hazards and to eliminate health and safety code violations. This is important to remember, Susan said.

After an application has been made, PROD sends a housing specialist to the property to give it a thorough inspection. After discussing his findings and recommendations with owners such as Betsy, the specialist does a work writeup, giving a detailed description of the work to be done.

"The project is then put out to bid by PROD," Susan said. "We have 20 general contractors whom we invite to bid. Those interested in the job submit a bid and we choose the lowest. After that, we draw up the loan papers, close the loan with the homeowner, and the work begins."

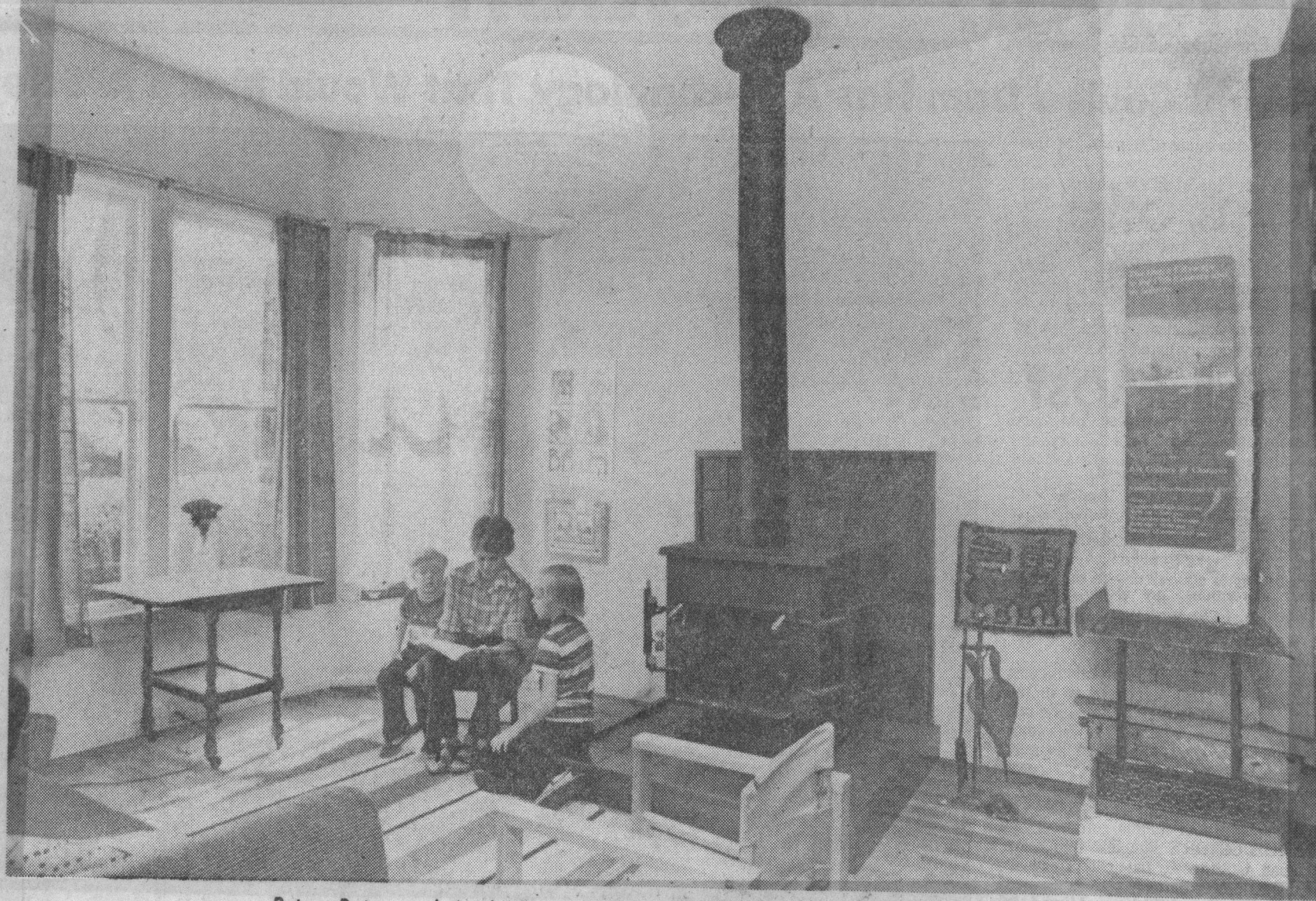
A plus factor in all this, Betsy said, is that the owner does not get involved in the hassle of finding a contractor and getting the work done properly. PROD says when the work is to begin, when it is to be completed, oversees it to make sure it is done properly and conforms to all codes and standards.

"It was all done in 90 days," Betsy said. "They worked real fast, but it's so beautiful."



Victoria works in the Isbister kitchen, now a showplace.





Peter, Betsy and Avid Isbister in their now-gleaming Walnut Avenue home.

The city's housing rehabilitation program has been called, correctly, "the program with a heart." This is because the owner is not told what he or she is going to have to do or accept.

"I chose my own tile, stove, linoleum, cabinetmaker. I got a new refrigerator, the first new one in my life," Betsey said.

There are few constraints, in fact, Susan said, but she noted the refrigerator was bought only because the interior of the old one was actually coming through the lining and was posing a threat to food kept inside.

PROD administers the city and county housing rehabilitation program. It was

originally called Private Revitalization of Downtown and was the vehicle through which Chuck Abbott and others established the Pacific Garden Mall. Now PROD is synonymous with a housing rehabilitation program that has won plaudits from city, county and state officials, as well as from clients such as Betsy, who has lived here 11 years.

In the city, the maximum loan is \$16,700. In the county it is \$17,500.

If you are a homeowner with a low to moderate income and think you need housing rehabilitation funding and services, you are welcome to call PROD at 423-1411 or 688-8900 for information. Information is available in Spanish and

English.

Does PROD really make the loans? Well, since the city began the program over five years ago, PROD has distributed more than \$1.6 million in loans and grants

to more than 260 low- and moderate-income families countywide.

Susan hopes you won't wait for a ceiling to fall on you before you seek more information.