



Economic Development and Housing

The Economic Development and Housing Department promotes economic vitality and growth citywide through four interconnected divisions: Business Services; Housing and Community Development; Infrastructure and Property Development and Management; and Arts and Culture Development.

The department develops programs that expand tax revenue and lead the City in economic recovery following natural disasters and economic downturns along with its mission to increase and support viable, sustainable, and innovative economic and housing activities throughout the City.

In collaboration with other City departments, the department advocates for the City of Santa Cruz among the community and the rest of the world, letting people know that Santa Cruz is a profitable and economically healthy city in which to live, work, play, and run a business.

The department strives to: provide high-quality service by promptly responding to inquiries and providing as much information as possible; find and implement solutions in order to get projects started, remove roadblocks, keep projects moving forward, and advance economic growth; influence project outcomes that aim to create equity and inclusivity in the community; and maintain a friendly, open-door office with an understanding, supportive human touch and collaborative atmosphere.

Core Services

- The Business Services Division is responsible for business retention and expansion (BRE) efforts. This division grows the local economy by offering tailored permitting assistance, financial assistance programs, business planning, and promotions.
- Provide support to commercial districts through outreach and programming and promotes a vibrant local economy through storytelling and social media to highlight local businesses, and major projects.
- Manage the citywide graffiti abatement program, including an active volunteer corps and maintenance of the graffiti database used by local law enforcement.
- The Infrastructure & Property Development Division manages a diverse array of City-owned properties and community assets and provides real estate services across City departments.
- Real estate services include acquisition, disposition, negotiation and contracting, as well as development of real property.
- Support and grow tenant businesses, while also ensuring a strong return on investment for City-owned properties.
- The Housing and Community Development Division works with both non-profit and for-profit housing developers to create and preserve affordable housing in the Santa Cruz community and provide assistance for community programs that benefit City residents.
- Provide financial and technical assistance to project and construction management as well as affordable housing programs to address the City's housing crisis.
- Administer the City's Inclusionary Program, funded through the federal Investment Partnerships Program (HOME) and Community Development Block Grant (CDBG) Programs as well as Affordable Housing Trust Fund Programs. Monitor approximately 1,510 restricted units.
- Track housing issues, pursue new resources, and work to develop effective programs, such as the City's nationally recognized Accessory Dwelling Unit (ADU) Program.
- The Arts & Culture Division operates ongoing programs including sculpTOUR, Graphic Traffic Signal Boxes, the Mural Matching Grant program, Percent for Art Program, and the City Arts Recovery Design (CARD) Pilot Grant Program in consultation and with support of with the City Arts Commission.
- Sponsor community groups and initiatives to activate public places with initiatives that promote equity, inclusivity, and environmental justice.
- Nurture partnerships with local organizations that support a vibrant arts culture and expansion of the creative economy in Santa Cruz by developing artists marketing skills and opportunities.

Accomplishments and Goals

FY 2023 Accomplishments	Infrastructure	DT & Other Business Sectors	Fiscal Sustainability	Core Services	Equity, Health & Well-Being, Sustainability	New & Improved Funding Sources	Green Economy
Developed Permanent Parklet Program Ordinance and began implementation		X		X	X	X	
Launched “The Santa Cruz” Beach to Downtown Electric Shuttle program to provide zero-emission transportation and improve the connection between the beach and downtown		X		X	X	X	
Completed renovation of Del Mar retail space and leased it as part of “Downtown Pops!”	X	X	X	X		X	
Expanded Midtown Fridays, a weekly summer block party in city-owned midtown parking lot, and made permanent improvements to the lot to support future events	X	X		X	X		
Administered and coordinated state LHTF grants of \$10M, AHSC funding of \$29.6M, and IIG funding of \$20.9M and submitted applications for additional IIG and AHSC funding for the Downtown Library Affordable Housing Project				X		X	X
Completed Annual Action Plan resulting in more than \$1M of new CDBG and HOME funding for community benefit programs and projects					X		
Achieved Prohousing designation to improve ability to access grant funding					X		
City Arts Commission recommended sponsorship of three initiatives to activate public places and promote the creative economy		X		X	X		
CARD Pilot Grant Program received 20 grant applications, approved funding for 15, completed three, and executed nine sponsorship agreements		X		X	X	X	
Secured entitlements for the Downtown Library Mixed Use Project, creating up to 125 units of affordable housing, and a 35,000 sq ft library with sustainable features	X	X	X	X	X	X	X

FY 2024 Goals	Infrastructure	DT & Other Business Sectors	Fiscal Sustainability	Core Services	Equity, Health & Well-Being, Sustainability	New & Improved Funding Sources	Green Economy
Complete transition to Permanent Parklet Program and develop policy changes for sidewalk and private property outdoor dining	X	X		X	X		
Continue implementation of “Downtown Pops!” vacant storefront activation program placing four additional tenants		X	X	X	X		
Continue implementation of “The Santa Cruz” Beach to Downtown Shuttle program		X	X	X	X		
Effectively manage HUD CDBG and HOME Programs to maximize community benefits				X	X		
Complete construction on the Pacific Station South affordable housing project and break ground on the Pacific Station North affordable housing project, totaling almost 200 units of 100% affordable housing in downtown	X	X		X	X		X
Develop new affordable housing project opportunities and continue to secure new state, local, and other funding sources for affordable housing preservation and creation	X			X	X	X	X
CARD Pilot Grant Program will execute four sponsorship agreements and complete nine projects		X		X	X		
Operationalize the Coastal Rail Trail Master Right-of-Way Agreement and install two artworks	X			X	X		X
Readopt the Wharf Master Plan and certify the Environmental Impact Report	X	X	X	X	X		
Secure grant funds for Wharf Master Plan Projects	X	X	X	X		X	
Continue revitalization of Downtown with downtown alley, paseo, and other improvements	X	X		X		X	
Complete construction drawings for the Downtown Library Mixed Use Project in order to secure building permits and finalize project financing	X	X	X	X	X	X	X

Workload Indicators and Performance Measures

Workload Indicators	Focus Area	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimate	FY 2024 Goal
Businesses contacted for assistance and retention	Core Services	374	377	405	418	500
Rental revenues, including café extensions	Core Services	\$1.9M	1.9M	\$2.2M	\$2.2M	\$2.5M
Number of affordable housing units monitored	Core Services	1,352	1,351	1,367	1,510	1,510
Number of affordable housing units developed	Equity, Health & Well-Being	79	67	136	70	125
Number of businesses receiving assistance to start or grow	Core Services	N/A*	93	127	200	250

Performance Measures	Focus Area	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Estimate	FY 2024 Goal
Percent of federally funded community grant (CDBG) contracts executed and ready to fund	Equity, Health & Well-Being	N/A*	93%	95%	90%	95%
Percent change in downtown retail commercial vacancies	DT & Other Business Sectors	N/A*	+1.5%	+3%	-.7%	-1%
Percent change in new business licenses	DT & Other Business Sectors	-14%	-43%	9%	16%	10%

* New measure, data not available

Budget Summary - Economic Development and Housing

			Fiscal Year*	Fiscal Year 2023			Fiscal Year
			2022	Adopted	Amended*	Year-End	2024
			Actuals	Budget	Budget	Estimate	Adopted
EXPENDITURES BY CHARACTER:							
Personnel Services			1,773,023	1,968,289	1,968,289	2,010,270	1,947,710
Services, Supplies, and Other Charges			2,531,842	4,107,601	8,125,156	6,892,617	19,132,497
Capital Outlay			1,350,982	-	43,064	43,064	30,000
Total Expenditures			5,655,846	6,075,890	10,136,509	8,945,950	21,110,207
EXPENDITURES BY ACTIVITY:							
Community Promotion-Downtown Business Promotion			1502	-	-	7,139	-
Community Promotion-Arts Council-SC County			1503	70,875	70,875	70,875	70,875
Economic Development-Project Admin			5401	2,125,423	2,375,297	2,600,354	3,231,731
Economic Development-Project Admin			5590	544,444	468,000	999,379	828,935
Property Management			5591	242,900	161,000	409,402	304,745
City Arts			5592	135,157	70,000	344,857	344,857
Homelessness Response			6105	-	-	150,000	150,000
Subtotal General Fund				3,118,799	3,145,172	4,582,007	4,341,987
Cafe Extensions & Kiosks			1504	20,000	15,000	15,000	20,000
Cafe Extensions & Kiosks			1505	55,739	30,827	32,522	8,194
Cooperative Retail Management			1506	223,853	220,000	220,000	220,000
Economic Development-Project Admin			5590	73,637	1,045,000	1,174,509	1,174,709
Subtotal Other General Funds				373,228	1,310,827	1,442,031	1,422,903
Housing & Community Development			5201	1,668,930	818,995	3,172,073	2,356,161
CDBG Programs			5204	121,317	123,513	123,513	123,513
CDBG Programs			5205	4,070	30,000	30,000	91,900
HOME Program Administration			5207	23,275	53,983	53,983	53,983
CDBG-CV			5209	35,404	100,000	100,000	-
Public Improvements-Other			5579	18,325	50,000	146,439	126,439
Rental Assistance Programs			5604	16,305	11,000	11,000	-
Low & Moderate Housing Production			5650	94,845	67,247	110,311	53,064

*Sums may have discrepancies due to rounding

Budget Summary - Economic Development and Housing

		Fiscal Year*	Fiscal Year 2023			Fiscal Year
		2022	Adopted	Amended*	Year-End	2024
		Actuals	Budget	Budget	Estimate	Adopted
Homelessness Response	6105	-	215,153	215,153	190,000	-
CDBG Programs	6203	150,000	125,000	125,000	150,000	160,000
Red Cross Social Services Programs	6204	31,348	25,000	25,000	36,000	38,568
Subtotal Other Funds		2,163,819	1,619,891	4,112,471	3,181,060	15,732,601
Total Expenditures		5,655,846	6,075,890	10,136,509	8,945,950	21,110,207
RESOURCES BY FUND :						
General Fund	101	18,026	156,607	441,311	253,004	61,300
Co-op Retail Management	122	218,222	220,000	220,000	224,000	220,000
Kiosk Maintenance	123	2,703	8,000	8,000	1,500	40,200
Economic Development Trust	136	177,141	-	37,458	40,000	-
HOME Investment Partnership	253	250,202	3,288,337	3,388,337	-	1,116,390
Community Development Block Grant	261	1,482,569	677,566	1,273,658	4,568,895	707,493
Affordable Housing Trust Fund	279	321,686	5,555,995	10,820,739	15,388,340	587,837
SA (H) LMIH-Merged 2-1-12	281	368,351	130,182	135,783	204,000	126,000
Total Resources		2,838,900	10,036,687	16,325,285	20,679,739	2,859,220
Net General Fund Cost		(3,123,275)	(2,988,565)	(4,140,696)	(4,088,983)	(3,970,306)
		FY 2022				FY 2023
TOTAL AUTHORIZED PERSONNEL:		14.50				15.50
						FY 2024
						15.50

*Sums may have discrepancies due to rounding

Staffing

Positions	2020-21 Revised*	2021-22 Revised*	2022-23 Revised*	2023-24 Adopted	FY 2024 Change
Administrative Assistant II	1.00	1.00	1.00	1.00	-
Administrative Assistant III	1.00	1.00	1.00	1.00	-
Business Liaison	1.00	1.00	1.00	1.00	-
Development Manager	3.00	5.00	5.00	5.00	-
Economic Development Coordinator I/II	0.50	0.50	0.50	0.50	-
Economic Development and Housing Director	1.00	1.00	1.00	1.00	-
Economic Development Manager	1.00	1.00	1.00	1.00	-
Housing and Community Dev Mgr.	1.00	1.00	1.00	1.00	-
Housing Programs Specialist	1.00	1.00	1.00	1.00	-
Management Analyst	1.00	1.00	1.00	1.00	-
Principal Management Analyst	2.00	2.00	2.00	2.00	-
Total	13.50	14.50	15.50	15.50	-

*Revised salary authorizations are adopted staffing plus any mid-year adjustments

Organization Chart

