



CITY OF _____
SANTA CRUZ

2017 ANNUAL REPORT



TABLE OF CONTENTS

- 4 City Manager Martin Bernal’s Message
- 6 Housing
- 8 Homelessness
- 11 Infrastructure
 - Work Plan
- 13 Traffic Demand Management
 - “Go Santa Cruz”
- 15 SCRAP — Recycled Art
- 17 Green Corner
 - Launching of Monterey Bay Community Power
- 20 Employee Spotlight
 - Meta Rhodeos

Credits

Designer/Layout

Eric Zwierzynski

Photography

Page 6, 15, 16, City of Santa Cruz

Page 8 Roman Bodnarchuk

Page 9 Downtown Streets Team

Page 17 Monterey Bay Community Power

Page 20 Santa Cruz Sentinel

All other images Crystal Birns

MESSAGE FROM CITY MANAGER

BY MARTÍN BERNAL

This past year was a momentous year for the City of Santa Cruz, as we celebrated our 150th year as a community. We also emerged from one of the wettest years on record with only minor damage. I am very proud of the way our staff responded during the big storm events, keeping our roads open, water system running and our community safe.

Last year we surface-sealed 24 miles of City roads (or over 15% of the City's 130 miles of streets) and began critical projects like the Branciforte Bridge/Riverwalk pathway connection project. The Water Department has begun implementation of the Water Supply Advisory Committee recommendations. The Neighborhood Safety Team ramped up efforts in crime hot spots. We expanded our business assistance and retention programming, through those efforts we helped facilitate the opening of Jaguar Mexican Restaurant on Soquel through the "Grow Santa Cruz" loan program. And we maintained a AA+ Bond rating, one of the best bond ratings in the nation.



In addition, Santa Cruz voters approved Measure S for new and improved libraries in the City and Measure D to assist with our transportation system. Thank you for your support in helping bring these needed improvements to our infrastructure.

Regardless of the circumstances that each year brings, the City works each and every day to ensure your safety, maintain roads, keep parks clean and welcoming, and sustain a safe and reliable water supply. These services are our essential charge as your City government; it's why we exist and where we spend the vast majority of our time and resources. However, at this time several pressing issues require our focused attention above and beyond the day-to-day operations. City Council recently adopted a Two-Year Work Plan, which has focused the organization's energy on addressing the following priorities:

- 1) Public safety and community well-being
- 2) Housing
- 3) Infrastructure

Three major goals within the City's Work Plan are reducing homelessness,



comprehensively addressing the housing crisis, and maintaining and building modern infrastructure to ensure Santa Cruz is the best that it can be. Over the past few years, we have heard clearly from the community that these are the issues creating the biggest impacts on the quality of life. You can learn more about City Council's Two-Year Work Plan on the City's website www.cityofsantacruz.com and search "Two-Year Work Plan".

I invite you to take a few moments to review the 2017 Annual Report. You will find articles about the major components of the City's Work Plan, as well as an update on City efforts to spur economic development through recycled art; the work of the City to make our roads and sidewalks safer for cyclists and pedestrians; a new initiative to

reduce our energy and your energy costs; and an introduction to one of our exemplary employees. It is an honor to work for such a great community and City Council. This is a community that cares, engages in important local government decisions, and recognizes the contributions of our dedicated City employees. I would love to hear from you and encourage you to share your thoughts, ideas, and concerns with the City. Please feel free to email me at mbernal@cityofsantacruz.com. And, stay up to date with the City and engage with us by visiting our website and following us on Facebook www.facebook.com/cityofsantacruz and Twitter www.twitter.com/cityofsantacruz.

Finally, I would like to dedicate this Annual Report to Santa Cruz Firefighter/Paramedic Clayton Ogden who passed away at the age of 47 this August. Clayton served this community with distinction over his 16 year career and was awarded the medal of valor for selfless and heroic acts. We ask that you hold him and his family in your hearts.

Sincerely,
Martín Bernal
City Manager

HOUSING CRISIS

Finding Creative Solutions Together



The Santa Cruz area has one of the most challenging housing markets in the nation. The median home price in the County topped \$875,000 in June and rental rates continue to surge. In total, approximately 41% of homeowners and 67% of renters in the City are housing-cost-burdened, meaning more than 30% of their income goes to housing costs.

City elected officials and staff have spoken with many residents and business owners about the housing crisis. Through these community conversations and stories related in the media, it's become evident that the housing crisis impacts everyone. We have heard how workers are commuting longer and longer distances to work in Santa Cruz, and teachers, firefighters, police officers, small business owners and other professionals, are considering whether they can afford to live here any longer. Health and University system leaders have expressed the great difficulty they are experiencing in trying to recruit the next generation of nurses, doctors and

We will be prepared to move decisions forward on housing policies and programs only after we have comprehensively engaged with the community and incorporated their concerns, ideas and values.

professors. And, we hear more and more how students and renters are facing massive rental increases and seniors are struggling to age-in-place in our community.

So, what can the City do to address the deepening crisis?

In order to make improvements, we are rethinking our approach, emphasizing creativity, and capitalizing on the growing level of passion and expertise in our community. To make progress, we're going to need multiple solutions that are developed in such a way that supports alternative transportation, business development and job creation, while maintaining neighborhood character and quality of life. We'll only make progress by working together as a community—and forming bridges among a wide variety of points of view.

With that in mind, the City is committing to an increased level of community engagement around housing issues. From one-on-one meetings with the Mayor, to a deep study of the issues at City Council meetings, to community events to invite more participation and engagement in City policy making around housing, this fall the City has a very proactive approach to involve you in solutions.

Over the next six months, we will educate ourselves and the community about housing issues of greatest concern to Santa Cruz residents. The Council will take up policies around the creation of new housing and the protection of existing housing. Through this the City will make a concerted effort to reach those in the community who typically don't engage in City policy, as we want to make decisions that are informed by the various perspectives that make up Santa Cruz. We



will be prepared to move decisions forward on housing policies and programs only after we have comprehensively engaged with the community and incorporated their concerns, ideas and values.

We hope that you will participate in the engagement effort, and participate in the decision-making process. If you would like to learn more about the engagement process, or housing in general, please visit: www.cityofsantacruz.com/housing



HOMELESSNESS

Solutions That Work for Santa Cruz

Addressing homelessness is a top priority for our community and for City leaders. Homelessness affects the entire community, from concerns about safety in public spaces, to community cleanliness, to impacts on the local economy and general quality-of-life. Homeless individuals, particularly those living unsheltered, have a terribly difficult day-to-day existence and face significantly shorter life spans.

Every two years a “Point in Time” census is conducted countywide to count the

number of homeless persons living in each community. The 2017 Homeless Point in Time Census results are disappointing, with homelessness increasing by nearly 15% countywide compared to 2015, although the 2017 count was lower than in 2013. But the numbers weren’t unexpected, as many in the community and at the City have noted an increase in the number of unsheltered homeless.

To redouble focus on this community challenge, the City Council took action in May 2017 and approved 20 recommendations—

Recognizing a need to do something quickly, the City is pursuing several short-term measures: basic essential services to improve the day-to-day conditions and impacts of homelessness

generated from nationwide best practices—to reduce the impacts of homelessness and the overall number of homeless persons. Understanding that the scope and breadth of this complex, national problem makes solutions difficult, putting the right combination of solutions together in partnership with other local governments, services providers, the faith communities and service organizations, can help improve conditions. The recommendations that City Council approved are rooted in partnerships and represent a mixture of short-term and long-term measures.

Immediate Measures — Recognizing a need to do something quickly, the City is pursuing several short-term measures: basic essential services to improve the day-to-day conditions and impacts of homelessness including more bathrooms and showers, storage for possessions, expanded service outreach and substance use and mental illness treatment, and expanding emergency shelter. Immediate

measures also include improving information about homelessness and resources in the community, and launching a jobs outreach program, the Downtown Streets Team, here in Santa Cruz.

Countywide Coordination — The City cannot make headway alone. Real change will require coordination across systems, including City, County and non-profit sectors. In addition to strategic planning and improved information sharing and coordination, the City is supporting the launch of a single Coordinated Entry platform that will allow any entity supporting a homeless person to assess needs and identify available resources across the county. We also will pursue a strategy with regard to funding and advocacy at higher levels of government.

Long-Term Measures — The City supports the creation of a regional, low-barrier permanent shelter that integrates rehabilitation, employment, shelter and wrap-around



services. This will be large-scale regional effort and conversations are just beginning.

Addressing an issue of this scope and complexity will take a significant effort, and contributions and collaboration across many organizations and the entire community. We are committed to making a difference and hope you stay engaged on the issue.

If you would like to learn more about homelessness in Santa Cruz and the solutions put forward by City Council, please visit: www.cityofsantacruz.com/homelessness





MAINTAINING AND BUILDING MODERN INFRASTRUCTURE

When people think of great cities, the first image that typically comes to mind is their physical infrastructure—the landmark buildings, parks, community centers, libraries, walkways, bridges and public art. Infrastructure gives cities a sense of place. In addition, reliable infrastructure breathes life into a City: it allows for the delivery of safe drinking water and the safe and smooth passage of bicycles, pedestrians, cars and buses; it makes commerce and trade possible; it facilitates passive and active recreation and art, dance and culture; and it houses the

halls of government that help make democracy possible.

On a more basic level, infrastructure is the conduit for the services that our City and community depend upon for their daily lives. In recognizing the critical importance of maintaining and building modern infrastructure, City Council has made it the third major focus area for the Two-Year Work Plan. More specifically, Council and staff are working hard to inventory our most significant infrastructure needs and build a plan to fund the top priority projects.





In taking an initial high-level inventory of our systems, we have identified an initial set of community needs and desires. Our needs include projects such as new playground equipment to keep youth active and healthy, stormwater drains and river levee improvements to prevent winter flooding, beautification projects that attract people to our business corridors, and community and entertainment centers to enhance our cultural vibrancy.

As we move through the process and conduct a more thorough inventory our infrastructure needs, this list of projects is likely grow. The

next task will be to narrow the list of needs down to top priorities. However, even with a narrowed list of projects comes the obvious question: how do we pay for it?

We have much to be thankful for when it comes to funding certain components of our infrastructure. Measure D, California Senate Bill 1 and previously successful ballot measures have provided the City with resources to support the conditions of our streets. With the passage of Measure S in 2016, we are now able to modernize the City's three library branches. In addition, our water, garbage/ recycling and wastewater systems are

regularly maintained and upgraded, as they have consistent funding through customer rate payments. However, our ability to fund other critical infrastructure is very limited.

The challenge is carving out sufficient funding in our General Fund, which is the same pot of money that supports our general operations (Police, Fire, Parks, etc.). With the City, like most other California cities, projected to face some rather significant budget obstacles over the next several years, we will have to be creative to fund projects. This could mean cutting costs so that we can reallocate budget to capital projects, pursuing state and federal grant opportunities, finding innovative partnerships to build projects, and consider a future ballot measure.

As we move through the various stages of this process we will actively engage the community. We want to better understand your needs and priorities, and have an open and honest dialogue about funding options. We hope you stayed engaged.

To learn more about this effort please visit: www.cityofsantacruz.com/workplan



GO SANTA CRUZ

Making It Safer & Easier to Get Around Town Without a Car

Did you know that the city of Santa Cruz is second in the state only to the city of Davis in the number of residents who bike to work? By providing a host of programs that support alternatives to driving alone, the City has become a national leader in reducing single-occupant car trips. In fact, the City obtained a gold ranking as a bike-friendly community by the League of American Bicyclists. This is a testament to the community’s long-held value of environmental sustainability, and the support of our partners, like Bike Santa Cruz County.

In order to help the community take alternative transportation to the next level, the City is launching a new initiative called “Go Santa Cruz”, which will encompass new bike and pedestrian improvements and programs, as well as educate folks on all the options there are to get out of their cars and stay safe.

As part of this effort, City leaders and staff are looking for new ways to expand and improve biking opportunities in town. This year alone, several bike and pedestrian projects have been completed to enhance safe routes to school and bike and pedestrian safety.





These include adding a “contraflow lane” downtown, which allows bikers to ride in both directions on Pacific Avenue, as well as adding new green lanes in high traffic areas and “bike boxes” to keep bikers visible and safe at major intersections.

New, exciting projects are also in the works in 2017 to get even more people on bikes. We will be able to better connect people to Downtown and the San Lorenzo River through the completion of the Riverwalk pathway at Branciforte Creek—the new bridge and pathway will be complete by the fall of this year. And, the City is launching a bike share program next spring in the Downtown area, giving residents and visitors a cheap option

to get out of their cars and get around town. For many people, choosing a new mode of transportation includes concerns about safety. And although the City enjoys high rates of bike ridership, we have work to do to improve safety on our roads. The City has one of the highest rates of collisions between cars and cyclists and pedestrians in California.

We are addressing pedestrian safety issues through a combination of infrastructure improvements (highlighted above) and public education. The City is launching a “Streets Smarts” campaign this fall, to sharpen community awareness about traffic safety. The campaign will target traffic-related problems of unsafe speed, unsafe turns,

City leaders and staff are looking for new ways to expand and improve biking opportunities in town.

distracted driving, and not following rules of the road, like stop sign compliance. The City will accomplish this by communicating traffic safety messages to the entire community, as well as outreach to public elementary schools, including student assemblies.

It can be a big effort for our community to get out of their cars and try new ways of getting around town. We hope that the City’s infrastructure improvements, expanding bike and pedestrian resources, and an increased focus on bike and pedestrian safety will help support and encourage your decision to try something new.

If you are interested in learning how to get around town without your car, or what the City is doing to encourage alternative transportation, please visit the City’s website and search “Go Santa Cruz”.



SANTA CRUZ RECYCLED ART PROGRAM: SCRAP

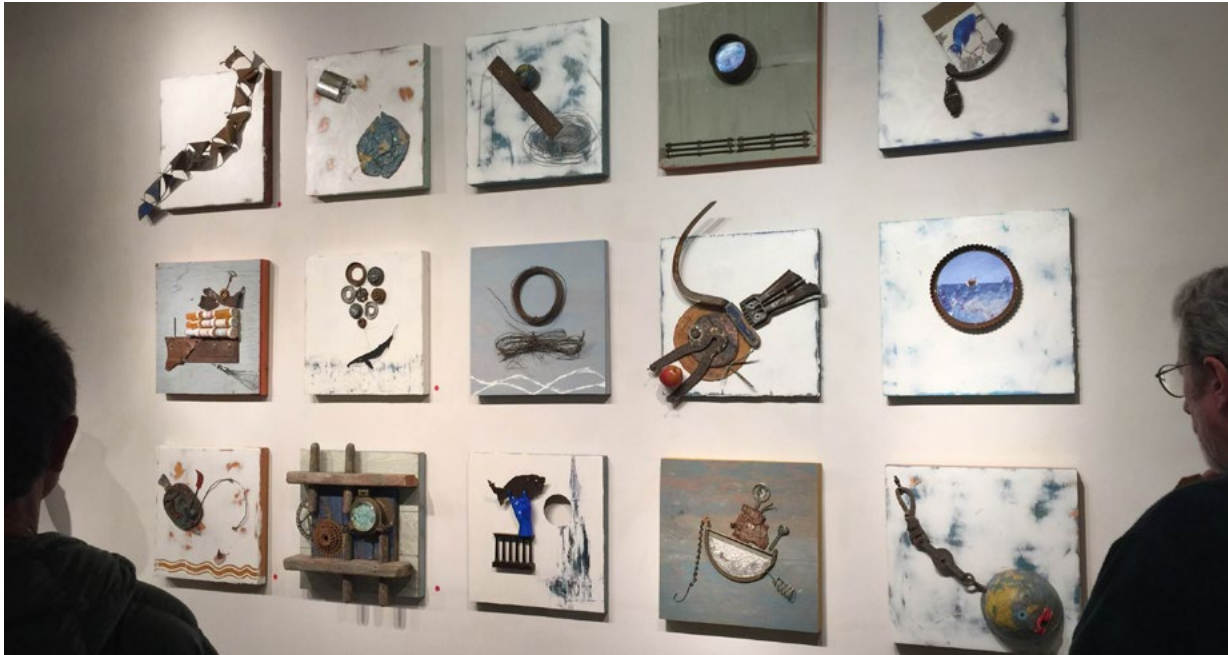
Santa Cruz has a vibrant and active arts community. We are home to the 5th largest population of working artists per capita, right behind New York, Los Angeles, San Francisco and Santa Fe. A recent study by Americans for the Arts demonstrated that the arts are a major economic driver in Santa Cruz County, with the arts industry generating more than \$38 million in total economic activity countywide.

Also a community of compassion, thoughtfulness, and environmental stewardship, Santa Cruz is the perfect

place for the Santa Cruz Recycled Art Program, or SCRAP. SCRAP assists local artists by providing access to reclaimed and recycled materials and equipment to be used in artwork, while also encouraging the community to think differently about its waste and consumption practices.

Launched in the fall of 2016, SCRAP is a collaboration between Santa Cruz City Arts and the Public Works Department. Artist participants are given access to the Dimeo Lane Resources Recovery Center “landfill” where they spend 4 months gleaning





This program challenges artists to find every day or uncommon materials at the landfill to create art

materials and creating art to then be displayed in a month-long gallery exhibit. This program challenges artists to find every day or uncommon materials at the landfill to create art, and challenges the community to think more about our purchases, what happens to our belongings when we dispose

of them, and how we can better re-use or recycle items and save them from landfills.

In August, the second round of SCRAP art was debuted at the Radius Gallery, located at the Tannery Arts Center. Highlights include a 6 foot tall metal horse's head by artist Alexander Khah, a weaving of tires stacked waist-high by Rachel Maryam Smith, and a number of beautiful wooden pieces by Su Evers and Lisa Hochstein.

“Anything that we can pull from the landfill is going to be good for the earth...so I felt like I



was contributing by making as much art as I could from stuff I found at the dump.” Leslie Morgan, 2016 artist.

Santa Cruz City Arts, through SCRAP, is committed to the continued support of artists and to building awareness about waste and the challenges of our ever-growing landfill. We hope SCRAP will inspire the community to make better choices about what we buy and what we throw away. You can learn more about the SCRAP program and other City economic development programs by visiting: choosesantacruz.com



GREENER ENERGY OPTIONS COMING YOUR WAY SOON

Have you read the news lately about climate change? Are you concerned? Do you wonder what you can do as an individual to make a real difference? Well, soon you will have the opportunity to reduce your carbon footprint in a measurable way, without impacting your wallet. Enter the non-profit Monterey Bay Community Power (MBCP). Not just another fancy government acronym, MBCP will allow you to join hundreds of thousands of residents in the tri-county area of Santa Cruz, San Benito and Monterey to purchase green energy at a cost equivalent to Pacific Gas and Electric (PG&E).

Santa Cruz and 18 other jurisdictions in the tri-county area formed MBCP as a joint powers authority this year, with the goal to improve customer choice, increase renewable energy and stimulate the regional economy by reinvesting in local green energy projects.

The City of Santa Cruz's Climate Action Plan identifies the MBCP as one of the most significant opportunities to reduce its greenhouse gas emissions. This non-profit will also help boost the local economy because the money collected from rates paid by customers stays local, helping to



...soon you will have the opportunity to reduce your carbon footprint in a measurable way, without impacting your wallet.

fund renewable energy projects and create jobs. PG&E will continue to provide gas and customer service including billing, as well as maintain power lines.

The MBCP is in the early stages of development, and just hired an interim executive director to get the program up and running quickly to take advantage of better energy rates. You will be hearing more about it in the coming months, as the system will go live in 2018. This fall, local PG&E customers will be notified about how the transition to MBCP electricity will work. Customers may continue to stay with PG&E service if they wish.

More information about MBCP can be found at: mbcommunitypower.org





EMPLOYEE SPOTLIGHT: META RHODEOS

33 Years in Park Service



The City is fortunate to have many long-term public servants who have dedicated their careers to serving the Santa Cruz community. One such employee is Meta Rhodeos, who began her career with the City's Parks and Recreation Department in 1984 as a temporary employee. Meta has risen through the ranks to become Supervisor for the City's Central Park District. Meta has worked for the Parks and Recreation Department through flush budget times and belt-tightening periods, and never wavered in her service to the community. She's passionate about our parks and wants the community to come out and enjoy them. We sat down with Meta to get to know her better and to hear some of her insights about working for Santa Cruz, as well as her perspective on the future of parks.

How long have you worked for the City, and what roles have you served?

I began my career as a temporary employee for the Parks and Recreation Department

in 1984 for Harvey West Park. Thankfully I was hired as a permanent employee shortly after that, and I have served in various parks maintenance roles in different parts of the City such as Lighthouse Field, Neary Lagoon and the Eastside Parks (DeLaveaga and San Lorenzo Park among others). Through those roles I learned about all of our parks and open spaces and got to know the Santa Cruz community. I have been the Parks Supervisor for the Central District for 12 years. I love the Central District, as I get to lead park crews for Pogonip, Harvey West Park, Downtown and Laurel Street Park, among others.

What is your favorite part of your job?

Most recently, I would say the most favorite part of my job is working with a lot of new employees and getting them familiar with City operations and the parks. I've been fortunate to see several of them succeed and get promotions. I am also thrilled about working with young people in the Summer Youth Trail Program, helping them understand parks and hopefully get them interested in working for the City sometime in the future. That work has been incredibly satisfying. Second to that would be getting



If you see Meta in the Parks or one of her crew members, please stop by and say “hi.”

out in the field with a tool in my hand... anything from a rake, grab stick, or tractor. It feels good to connect with the parks.

Overall the best part of the job is seeing people use our parks. I get a great charge out of witnessing people enjoy them and watching families and kids grow up in our parks.

What is the coolest project you've been a part of?

I am pretty happy about the Emma McCrary trail in the Pogonip open space area. It is a project that satisfied a community need for connectivity. I am lucky to have been involved in many playground renovations and hope to be involved in one more.





How has the City changed since you started working here in the 1980's?

Parks maintenance work has changed dramatically since I started. When I started, the focus of work was on landscape maintenance, play area maintenance and working with different user groups far more so than we do now. Parks maintenance employees still do that work of course, but when we hire now, we are looking for a different set of skills so that we have employees who can effectively handle the social impacts to our parks.

The structure of the parks department has changed as well; we are a department of generalists, whereas we used to be staffed with specialists. These changes are driven by years of budget reductions to our parks. But we find ways to succeed through innovations and team work. That also means working far more closely with other departments like Public Works and the Police Department.

The City is currently developing its long-term Parks plan (Parks Master Plan 2030). Where do you think parks are going in the next 10 to 20 years?

The Parks Master Plan 2030 is setting the vision for our parks for the next 10 to 15 years. It's a solid plan in my opinion with a lot of great ideas. But we need money. If we can get money, through grants or other sources, it will be amazing. In particular, I look forward to modernizing some of the aging play areas to encourage greater use.

Moving forward, I hope that people engage with our parks more. We succeed when people use parks positively and I would love to see volunteering take off. We really need to help build compromises between the various user groups in our parks.

Anything else you would like to add about your profession?

I am very grateful for my job, I love to help people and this is a great place to do it. I have been lucky to work under great leadership and alongside awesome people in my career. Finally, this community is pretty special in many different ways. I am seeing signs of more engagement and hope to see that continue.



809 Center Street
Santa Cruz, CA 95060