

Overview of the City of Santa Cruz Children's Fund

Brief History

- **2014:** Voters approved [Measure L](#), amending the Santa Cruz Municipal Code to impose a tax on cannabis businesses operating in the City (**Cannabis Tax**).
- **2017:** City Council adopted a [Council policy](#) to allocate General Fund revenue equivalent to 12.5% of the funds generated by the Cannabis Tax to a dedicated **Children's Fund**.
- **2021:** Voters approved [Measure A](#), **institutionalizing** the existing Council Policy in the City Charter and **increasing** the amount of General Fund revenue allocated to the Children's Fund to the equivalent of **20%** of funds generated by the Cannabis Tax.

Purpose & Intent

To support **enhancement and expansion of evidenced-based programs** to prioritize **access to early childhood development, prevention, and vulnerable youth programs, without supplanting** existing City of Santa Cruz services or investments. (City Charter)

Monies in the Santa Cruz Children's Fund are to be used to provide services to Santa Cruz children and youth **less than twenty-five (25) years old**, in accordance with **asset-based youth development** principles, and placing a strategic priority on serving those children and youth **most impacted by poverty, trauma, and violence**. (Measure A)

Why This Matters

- A. Cities benefit when youth live **safe, peaceful, and healthy lives** free from involvement with the juvenile and criminal justice systems.
- B. By helping City of Santa Cruz children and youth to **succeed in school and graduate high school prepared for college, career, and community**, the City of Santa Cruz will benefit.
- C. Fostering the **healthy development of young children**, ages 0-5 years old, will have a positive impact on the Santa Cruz community.

(Measure A)

Parameters

- **20% of audited revenue** from Cannabis Tax
- Available funding is calculated **based on the prior year's** audited financial statements
- **Permanent:** can only be rescinded or amended by a future vote

(Measure A)

Parameters

Monies in the Santa Cruz Children's Fund shall not be appropriated or expended for:

- Any service which merely **benefits children and youth incidentally**;
- Acquisition, lease, or maintenance of any **capital item or real property not for primary and direct use** by children and youth; or
- Any service for which a **fixed or minimum level of expenditure is mandated by state or federal law**, to the extent of the fixed or minimum level of expenditure.

(Measure A)

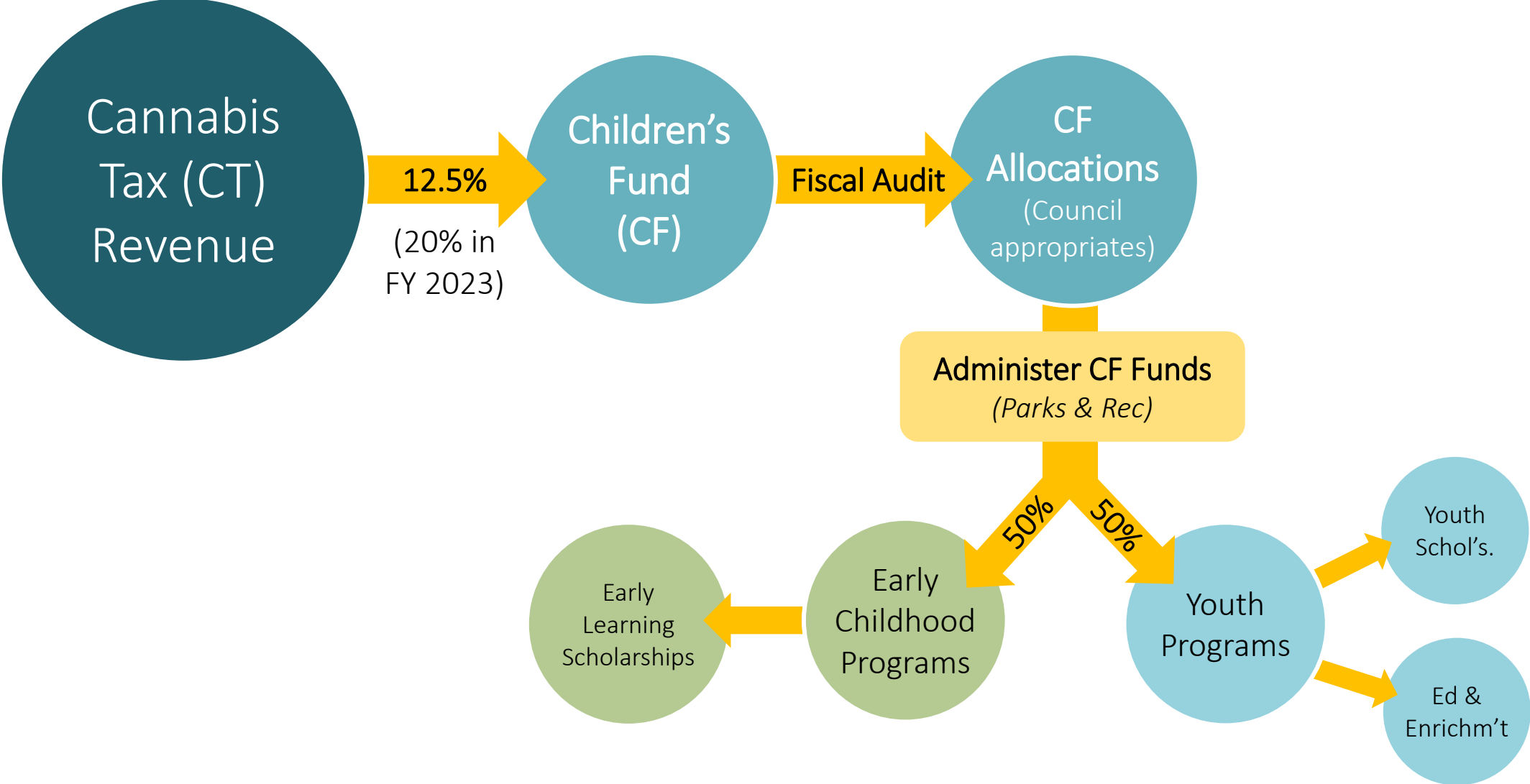
Oversight

The City Council shall designate a **community oversight panel** to make **recommendations on the use of future revenues** in a manner consistent with this Section which may include, but shall not be limited to, representatives of the following:

- The City's Parks and Recreation Commission
- The Santa Cruz City School District
- First Five Santa Cruz
- Youth Organizations
- The City Council

(Measure A)

Allocations Process *(Current)*



Revenue & Allocations

Fiscal Year (FY) (ending June 30)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
CT Revenue	\$669,080	\$943,831	\$1,410,175	\$1,689,100	\$1,910,982	TBD
Percentage to CF	12.5%	12.5%	12.5%	12.5%	12.5%	20.0%
Amount to CF	\$83,635	\$117,979*	\$176,272	\$211,137	\$238,873*	TBD
CF Allocations	\$23,000	\$60,634	\$176,272	\$211,137	TBD	TBD
CF Allocation Date	12/11/2018	10/22/2019	09/28/2021	06/14/2022	TBD	TBD
Resolution No.	N/A	NS-29,585	NS-29,875	NS-30,002	TBD	TBD

* Per Finance Department, allocation has not been disbursed.

Partner Allocations

CF Allocation Date	12/11/2018	10/22/2019	09/28/2021	06/14/2022	TOTAL
TOTAL	\$23,000	\$60,634	\$176,272	\$211,137	\$471,043
First 5 of Santa Cruz County		\$30,317	\$88,136	\$105,569	\$224,022
Friends of Parks & Recreation (FOPAR)		\$30,317	\$15,000	TBD	TBD
Parks & Recreation			\$73,186	TBD	TBD
Youth Council Rep. Stipend				TBD	TBD
Neighborhood Childcare Center	\$15,000				\$15,000
Toddler Care Center	\$5,000				\$5,000
Foster Grandparent Program	\$3,000				\$3,000

2018 CF Allocations

(Administered in FY 2019)

Administered By	Allocation	Description
Neighborhood Childcare Center	\$15,000	Funds were used to maintain the program's sliding scale fee structure to ensure childcare was provided to diverse socio-economic backgrounds and diverse family structures.
Santa Cruz Toddler Care Center	\$5,000	Funds were used to provide scholarships to low-income families, allowing them to access high quality early education.
Foster Grandparent Program	\$3,000	Funds were used to improve the academic skills of 1st-3rd grade children in the City of Santa Cruz Elementary School District who had fallen behind in school.

CF Allocations: Early Childhood Programs

Description: Early Learning Scholarships (ELS) are distributed to childcare providers operating within the City of Santa Cruz, based on the number of children (ages 0-5) served. ELS are intended to help childcare providers deal with the extraordinary costs associated with providing safe, high-quality early care and education to young children, which was particularly essential during the pandemic.

Administered by: First 5 Santa Cruz County

Fiscal Year (ending June 30)	FY 2020	FY 2021	FY 2022
Total amount	\$30,317	NA	\$88,136
Total # of ELS recipients (providers)	11		20
Total # children benefitting (ages birth-5)	178		330
ELS award range per recipient	\$1,365 - \$5,110		\$534 - \$14,155
Average ELS award per recipient	\$2,756		\$5,509

CF Allocations: Youth Programs

Description: FOPAR youth scholarships are available to limited-income families residing within the City of Santa Cruz to use toward recreation activity fees. All Children’s Fund dollars are placed into a restricted scholarship account, ensuring that 100% of Children’s fund dollars are used for youth scholarships.

Administered By: Friends of Parks & Recreation (FOPAR)

Fiscal Year (ending June 30)	FY 2020	FY 2021	FY 2022
Total amount	\$30,317	N/A	\$15,000
Total # of scholarships	19	88	81
Total # children benefitting (ages 5-16)	19 (Average Age: 9) Income Qualified	70 (Average Age: 9) Income Qualified	74 (Average Age: 9) Income Qualified 30% Medi-Cal
Scholarship award range	\$60-300	\$247-900	\$46-600
Average award per recipient	\$192	\$428	\$389

CF Allocations: Youth Programs

Description: After School Academy is offered free to qualifying children (those enrolled in the free and reduced lunch program) and provides after-school enrichment and activities to participating children five days a week

Administered By: City of Santa Cruz Parks & Recreation in partnership with Gault and Bay View Elementary schools

Fiscal Year (ending June 30)	FY 2020	FY 2021	FY 2022
Total amount	N/A	N/A	73,136
# of sites – Gault and Bayview			2
Total # of children benefitting (ages 5-10)			217
Average Age			N/A
Children/site			123/Bayview (46% English learners) 94/Gault (56% English learners)