

2022-2023

# CONSOLIDATED FINAL REPORT with Responses

## SANTA CRUZ COUNTY CIVIL GRAND JURY

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Santa Cruz Town Clock

### THE REPORTS

**CORE: The Needs of The Community Equitably Distributed**

**Cyber Threat Preparedness**

**Envisioning the Future of our Jails**

**Housing Our Workers**

**Honoring Commitments to the Public**

**Diagnosing the Crisis in Behavioral Health**

**Surveillance State in Santa Cruz County**

**Code Compliance Division - Out of Compliance**

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December 21, 2023

To the Citizens of Santa Cruz County:

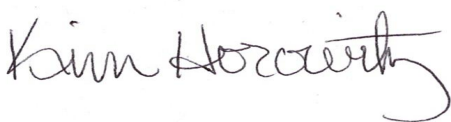
Pursuant to California Penal Code §933 and §933.05, I submit the responses of the agencies and elected officials to the 2022–2023 Santa Cruz County Civil Grand Jury Consolidated Final Report, which was published on June 30, 2023. The 2023–2024 Santa Cruz County Civil Grand Jury collected and organized these responses.

The Grand Jury wishes to thank all of the respondents for their careful consideration of the Grand Jury’s recommendations. We also want to thank the many agencies cited in these reports for their dedication to our community well-being and their due diligence in responding to our requests for information.

Special thanks to the members of the 2022-2023 Santa Cruz Civil Grand Jury. Jurors are volunteers who work many hours throughout their one-year term and the results of their investigative work provide a valuable community service. These jurors represent the best of Santa Cruz county and are to be commended. In addition, many regular citizens and various community members met anonymously with the grand jury and provided valuable input into these reports and our thanks goes out to them as well. Special thanks to our volunteer admins, John Rible, David Heinz, and Eric Decker for ensuring the completion and publication of this 2022–2023 Santa Cruz Civil Grand Jury Consolidated Final Report with Responses. The jury is also grateful for the legal expertise of County Counsels Jordan Sheinbaum and Suzanne Yang along with Assistant Presiding Judge, the Honorable Syda Cogliati, in their review of the responses.

While we seek to continuously improve services to Santa Cruz County communities, we want to commend those who serve us in county and city government for their ongoing efforts to serve our community. With that, I invite you to read these Responses to the Reports.

Sincerely,

A handwritten signature in black ink that reads "Kim Horowitz". The signature is written in a cursive style with a large, sweeping flourish at the end.

Kimberly Horowitz, Foreperson  
2023–2024 Santa Cruz County Civil Grand Jury



June 30, 2023

Honorable Syda Cogliati, Presiding Judge  
Superior Court of California, County of Santa Cruz  
701 Ocean Street  
Santa Cruz, California 95060

Dear Judge Cogliati,

On behalf of the 2022-23 Santa Cruz County Civil Grand Jury, it is with great pride that I present our Consolidated Final Report to the residents of Santa Cruz County.

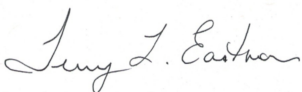
This has been a year of transition for the Grand Jury, from the imposed isolation and virtual work environment of COVID back to in-person meetings and work sessions. Like many other public and private entities, the jury's work environment will likely continue to be a hybrid of physical and virtual meetings.

Our jury members, like those before us, applied for this opportunity because of an interest in the community and a desire to understand more about how local government works. Looking back, it is amazing to think that 19 strangers could come together and work collaboratively to research and produce reports on a variety of topics that few knew anything about prior to jury service. Like previous juries, the 2022-23 Santa Cruz County Civil Grand Jury did just that, and did so with a cohesive, professional focus.

It is a daunting task to learn about the workings of city or county governmental agencies and also research a topic that the leaders of those agencies know more about than many of the jurors. Still, it is vitally important to do so. As I learned many times in my professional life, one of the most important voices in any discussion or decision process is the one who sees the topic with a new set of eyes. That is what the Santa Cruz County Civil Grand Jury does. Hopefully, the 2022-23 reports will give the public an opportunity to benefit from that perspective. The reports may expose an issue that county or city officials need to address, but they also educate the public about topics of interest and, sometimes, they shine a light on the good work that county and city agencies are already doing. Santa Cruz County Civil Grand Jury service is an example of our California democracy at its best.

I want to thank all of the jurors for their service. It was a privilege and a pleasure to get to know all of them. I also want to commend the clerks, John Rible, David Heintz, and Eric Decker, for all of their support and help in the editing and publication of the reports. County Counsel Suzanne Yang has offered prompt and supportive guidance, as has the Honorable Judge Syda Cogliati. Thank you Judge Cogliati for supervising the jury tactfully and trustfully. The jury is grateful for your ongoing help.

Sincerely,



Terry Eastman, Foreperson  
2022-2023 Santa Cruz County Civil Grand Jury

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2022-2023

## SANTA CRUZ COUNTY CIVIL GRAND JURY

*Back Row:* Pat Downward, Jim Goodrich, Jill Wynn, Rodney Sellers

*Front Row:* Dick Lovelace, Katie Barlow, Dean Kashino, Terry Eastman, Julie Dixon, and Richard Hencke

*Not Pictured:* Rose Ashford, Colleen Sullivan, Jesus De La Rosa, Kevin Dempsey, and Bonnie Morr

Foreperson **Terry Eastman**  
Foreperson Pro Tempore **Rodney Sellers**  
Treasurer **Julie Dixon**  
Secretary **Pat Downward**

*Photo Credits: Cover picture by Shmuel Thaler, juror picture is a personal photo.*

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**SANTA CRUZ COUNTY**  
Civil Grand Jury

701 Ocean Street, Room 318-I  
Santa Cruz, CA 95060  
(831) 454-2099  
grandjury@scgrandjury.org

## **CORE: The Needs of The Community Equitably Distributed**

### A Model of Transparency

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#### **Summary**

The Santa Cruz County Civil Grand Jury reviewed the operational functions, processes and implementation of CORE (Collective of Results and Evidence-based) Investments awards to non-profit organizations throughout Santa Cruz County. CORE was established in 2015 to achieve equitable health and well-being in Santa Cruz County, using a results-based, collective impact approach that is responsive to the community needs. The focus was to create a more equitable and unbiased approach to awarding funds. Prior to CORE the County would hold public hearings for any organization or agency to present their case as to why they should be awarded funds. This series of actions was a very subjective process. This investigation was to determine if there were any inefficiencies, waste, or abuse in the current process and if there were any areas for process improvement. It is the Grand Jury's belief that the CORE process is being administered with integrity, transparency, and to create equity of opportunity for all applicants. Through research, the Jury found that significant time and resources were spent to communicate with and to support all potential applicants.

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## Background

The County and City of Santa Cruz seek to fund community-based organizations to provide evidence-based safety net services that will collectively impact the well-being of the community's most vulnerable people. As a result of this, Requests for Proposal (RFP) are solicited and three-year contracts are awarded in support of a new model termed "Collective of Results and Evidence-Based" Investments, also known as CORE Investments. In 2022 a total of 128 applications representing 78 organizations were received across all four funding tiers, representing all CORE conditions, with a total of \$15,179,382 worth of requests.<sup>[1]</sup> The Santa Cruz County Civil Grand Jury wanted to understand how the distribution process worked and how it was determined which organizations qualify for a grant or not.

## Scope and Methodology

The Santa Cruz County Civil Grand Jury reviewed the complete award process of CORE and how the parameters around the RFP and application sequence worked for each prospective organization. It was important to understand the scoring criteria and how funding size of an organization was determined, Small, Medium or Large Tier. The Jury wanted to understand if there is a fair and equitable distribution of funds, based on the application request and if each organization had an equal opportunity to capture an award.

The following areas were reviewed:<sup>[2]</sup>

- RFP Process
- Application Review & Process Understanding
- Application Scoring Review
- Panel Scoring Approach
- Panel Review and Scoring Process
- Funding Tier Determination
- Panel Funding Recommendations



## Investigation

The RFP process is a three year contract term. It allows increases to the base funding, including folding in the Set Aside Fund allocation, which is used as a reserve for organizations if they fall short on the services they are providing. The resulting \$4,799,000 in base County funding is available for awards. The City of Santa Cruz funding of \$1,080,000 added to the base, provides a total of roughly \$5,879,000 available funds to awarded grantees.<sup>[1]</sup> There is a tiered funding approach of small, medium, and large awards, with an additional, larger Targeted Impact award. A fair and equitable process is central to CORE investments and desired by applicant organizations. It's understood grants of all sizes would be driven by community needs, as defined, and articulated by the applicants. Also, the selection staff used discretion to recommend awards up to no more than ten percent variance from applicants' proposed budgets.

A total of 128 applications representing 78 organizations were received across all four funding tiers, representing all CORE conditions, with a total of \$15,179,382 worth of requests. Highlights of the applications are below, with further description of the application included in "Summary of Proposals/Applicant Profile".

- Twenty-two agencies submitted multiple applications, with 12 submitting 2, and 10 submitting 3 or more.
- Forty-seven percent of applicants were from new organizations (have never received CORE funding), representing 42 percent of total applications.
- While all CORE conditions were represented, the majority of the proposals were in the areas of Health and Wellness (36) and Stable, Affordable Housing & Shelter (23).
- Along the continuum of evidence-based practices, most proposals, sixty-seven percent utilized evidence-based programs, followed by twenty-four percent utilizing an effective practice.

The review panel approach was guided by the RFP. Review panels were organized by funding tier and CORE Condition, and 58 individuals participated as panelists. Panelists were assigned to panels based on their connection to the CORE Conditions of the proposals and demographics striving for locally representative, diverse panels. Seventy-six percent of panelists stated lived experience within one of the CORE conditions. Ninety-one percent of panelists stated professional experience with one or more of the CORE conditions. Eighty-six percent of the panelists live in Santa Cruz County, twenty-one percent of the panelists were Latinx, with a total of thirty-one percent Black, Indigenous, and People of Color. All panelists completed a survey, and conflict of interest and confidentiality statements.

A scoring rubric was developed for each tier, and proposals were scored based on the criteria of the tier for which the organization applied. Training on the CORE RFP and scoring matrix was provided to all panelists. Nineteen review panels were created according to CORE Conditions, at least three panelists reviewed each application according to the scoring matrix. Panels were reconvened to discuss discrepancies in

scores and a total of 34 reconvening meetings of 1–3 hours each were held across all panels for a total of approximately 63 hours worth of discussion. The average panelist score for each proposal was used to rank applications within each tier.

### **Funding Recommendations**

Funding recommendations are based on the score and rank of proposals within each tier and the dollar amounts available. The mix of proposed awards is different from the current list of CORE recipients; however, the geographic distribution and populations served are comparable to what is currently funded. The recommended awards across all CORE Conditions reflect the spread of proposals that were received across the CORE conditions, with largest proportions going to Health and Wellness (thirty-one percent) and Thriving Families (thirty-two percent).

The geographic distribution of recommended awards closely mirrors the geographic distribution of all proposals received, and the geographic distribution of current CORE Funding. The percentage of funding targeting seniors (thirty-two percent) is comparable to the percentage of current CORE funding supporting seniors, and also reflects the county population of seniors under two-hundred percent of the Federal Poverty Level. The distribution of recommended awards by race/ethnicity closely matches the distribution of people living below two-hundred percent of the Federal Poverty Level, with fifty percent of the funding going towards people who are Latinx. Distribution of recommended awards across the tiers demonstrates progressively higher levels of evidence-based practices within the higher tiers of funding. All levels of results and evidence-based practices on the Continuum of Results and Evidence are utilized by recommended awardees.

### **Conclusion**

The Santa Cruz County Civil Grand Jury is delighted to report that the Santa Cruz County CORE (Collective of Results and Evidence Based Investments) program provides fair and equitable distribution of funds to the many deserving non-profit organizations throughout the County. This process has removed any specter of bias and allows all potential organizations an even playing field. Their approach is completely transparent, from the application process, all the way through to the funded awards. The equity-centered approach clearly sets Santa Cruz County apart from any other counties in the region. It provides very clear parameters of how the process works and how each organization can benefit. The Grand Jury applauds the County and City officials and community members for their continued dedication and looks forward to the further evolution of CORE.

## Findings

- F1.** Funds are focused on improving conditions of well-being for community members experiencing the greatest challenges and barriers in the County.
- F2.** A hybrid approach is administered to support both broad-based service programs and smaller “Targeted Impact” models.
- F3.** There is good diversity of eligible applicants: Non-profit 501(c)(3) agencies, federally recognized tribal entities, and public education agencies.
- F4.** The program is well coordinated, with County and City staff partnering to review and award for all tiers. The City focused their funding on programs serving primarily City residents.
- F5.** A clear outline of the RFP is available to the applicants, with an understanding of the awards process and the tier level they fall under.
- F6.** The County and City provides a comprehensive review of the process which allows the applicants an opportunity to ask questions of clarity if needed.

## Commendations

- C1.** The CORE program is commended for being unbiased. Applicants for Small, Medium, and Large tiers are asked to select an “equity dimension” (i.e., race, ethnicity, age, gender, sexual orientation, etc.) that best describes how equity is defined in the proposed project or program. Since the Targeted Impact tier is focused on racial equity, a question is included in that specific application on any additional equity dimensions the proposal will address. It is not required to focus on an additional dimension, and it will not be scored. This aspect provides a very even playing field for all applicants applying and there is no room for any bias in the process.
- C2.** The CORE program is commended for accommodating applicants of diverse size equitably. All applicants are encouraged to be as specific as possible when articulating their activities, populations served, and program outcomes. Details on activities (strategies) are relevant in the Small tier while higher tier applications are to emphasize outcomes. This allows inclusion no matter what size your organization and focuses on the central objective of helping the broader community with the most impactful services.
- C3.** Since funding is awarded at the same amount for each year of the 3-year grant term, applicants are able to consider how this may impact the services throughout the 3-year term. CORE does a good job of ensuring that the services being funded remain intact and the impacted communities receive the needed support throughout the duration of the funded programs. We could not find any evidence of mishandling of the funds or programs being removed within this 3-year period.

## Invited Responses

<i>Respondent</i>	<i>Findings</i>	<i>Recommendations</i>	<i>Respond Within/ Respond By</i>
Director of Human Services Santa Cruz County	F1 – F6		90 Days August 16, 2023
Chief Administrative Officer Santa Cruz County	F1 – F6		90 Days August 16, 2023

## Glossary of Terms

**CORE:** The “Collective of Results and Evidence-based” investments model.

**CORE Conditions:** Elements of a thriving, healthy community. Every CORE Investments application must designate one primary CORE Condition the program seeks to achieve from among eight options: 1. Health and Wellness 2. Lifelong Learning and Education 3. Economic Security & Mobility 4. Thriving Families 5. Community Connectedness 6. Healthy Environments 7. Safe & Just Community 8. Stable, Affordable Housing & Shelter.

**Equity:** Fairness or justice in the way people are treated, specifically: freedom from bias or favoritism. A program built on equity will address the needs of specific populations most likely to be affected by inequities by providing resources and opportunities such that they may thrive alongside other residents in the county.

**Fiscal Year:** For this application a Fiscal Year (FY) is the period between July and June, thus FY 2022–2023 would be July 1, 2022 to June 30, 2023.

**HSD:** Human Services Department.

**Impact Area:** The specific result that you want to achieve or contribute to in the CORE Conditions. This can include short-term (1–3 years), medium-term (3–4 years), and long-term (5+ years) impacts. The full list of impact areas organized by CORE Condition can be found at [datasharescc.org](http://datasharescc.org). Other commonly used terms: Goal, Result.

**Needs:** Resources or conditions which are absent or insufficient for a particular group or community yet are necessary to thrive.

**Population:** A group of people.

**Program or Project:** An organized effort to implement a set of services with a specific purpose, for a specific population, with dedicated staff, policies, and procedures. Other commonly used terms: Services, Plans.

**Program Implementation:** The way that a program’s resources (staff, materials, other assets) are used to carry out services and activities.

**Program Outcomes:** The measurable changes expected as a direct result of a program’s strategies and implementation. Different outcomes may be expected in the short-, medium- or long-term phases of a program.

**RFP:** Request for Proposal.

**Services:** The activities or actions carried out on behalf of a program. Other commonly used terms: Activities.

## **CORE Primary Principles & Definitions**

### **CORE Values<sup>[3]</sup>**

**Equity**—Uncover the root causes of inequities and disrupt individual, organizational, and systemic practices and structures that perpetuate inequities in opportunities and outcomes.

**Compassion**—Ground our work with each other and the community in a human-centered, empathic approach to ensure that all can reach their potential.

**Voice**—Seek out, listen, and respond to the perspectives of those most affected by current and historical adversities and inequities.

**Inclusion**—Create authentic opportunities for people with diverse backgrounds and life experiences to share their perspectives and co-create solutions.

**Collaboration**—Work across sectors and organizational boundaries for the common good and contribute our individual talents and resources to achieve collective impact.

**Transparency**—Openly share our data, results, successes, and challenges to build trust, foster dialogue, and create a countywide culture of continuous improvement.

**Innovation**—Encourage creative strategies and approaches to solve the complex, inter-related social, economic and environmental challenges that undermine equitable health and well-being.

**Accountability**—Hold ourselves responsible for setting shared goals and measurable outcomes, investing public and private resources efficiently and effectively in data-driven, evidence-based and evidence-informed programs and practices, evaluating our efforts and progress, and demonstrating our collective impact.

### **CORE Conditions for Health & Well-Being<sup>[4]</sup>**

**Health and Wellness:** Optimal physical, mental, social-emotional, behavioral, and spiritual health across the lifespan.

**Lifelong Learning & Education:** High-quality education and learning opportunities from birth to the end of life.

**Economic Security & Mobility:** Stable employment, livable wages, food security, ability to afford basic needs, wealth accumulation, and prosperity.

**Thriving Families:** Safe, nurturing relationships and environments that promote optimal health and wellbeing of all family members across generations.

**Community Connectedness:** A sense of belonging, diverse and inclusive neighborhoods and institutions, vibrant arts and cultural life, and civic engagement.

**Healthy Environments:** Clean, safe, resilient natural environment and a built environment and infrastructure that support health and well-being.

**A Safe and Just Community:** Fair, humane approaches to ensuring personal, public, and workplace safety that foster trust, respect, and dignity.

**Stable, Affordable Housing & Shelter:** An adequate supply of housing and shelter that is safe, healthy, affordable, and accessible.

## Sources

### References

1. The County of Santa Cruz California Proposed 2022-23 Budget. March 29, 2022. "Proposed Budget in Brief." Accessed April 24, 2023.  
[https://www.co.santa-cruz.ca.us/portals/27/county/budget/pdf/Proposed%20Budget%20in%20Brief\\_05030745.pdf](https://www.co.santa-cruz.ca.us/portals/27/county/budget/pdf/Proposed%20Budget%20in%20Brief_05030745.pdf)
2. County and City of Santa Cruz. February 4, 2022. "Request for Proposal." Accessed April 24, 2023.  
<https://www.co.santa-cruz.ca.us/Portals/0/County/GSD/Purchasing/Solicitations/HSD1-2021%20CORE%20Investments%20RFP.pdf>
3. Santa Cruz County Data Share. Accessed April 24, 2023.  
<https://www.corescc.org/about-us>
4. Santa Cruz County Data Share. Accessed April 24, 2023.  
<https://static1.squarespace.com/static/619279f72531c218d085aee6/t/63f7ef8c3b2d295e3044c389/1677193225008/CORE+Conditions+Bilingual>

### Site Visits

Human Services Department, County of Santa Cruz  
County of Santa Cruz  
Health Services Agency  
Human Services Department Archives



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## Responses to the findings and recommendations in the 2022-2023 Grand Jury Report, "CORE: the Needs of the Community Equitably Distributed."

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Caitlin Smith <Caitlin.Smith@santacruzcounty.us>

Tue, Aug 8, 2023 at 4:26 PM

Good Afternoon,

Please see attached for the County Administrative Officer and the Human Services Director's responses to the findings and recommendations in the 2022-2023 Grand Jury Report, "CORE: the Needs of the Community Equitably Distributed."

Best,

Caitlin C. Smith

County Supervisors' Analyst

Santa Cruz County Board of Supervisors

[701 Ocean Street, Room 500](#)

[Santa Cruz, CA 95060](#)

831-454-2200 main

831-454-3516 direct

[caitlin.smith@santacruzcounty.us](mailto:caitlin.smith@santacruzcounty.us)

To email all five members of the Board of Supervisors at once,


please use: [BoardOfSupervisors@santacruzcounty.us](mailto:BoardOfSupervisors@santacruzcounty.us)

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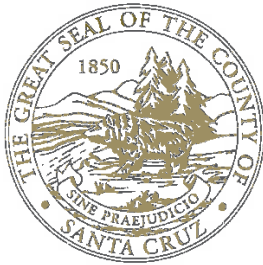
### 3 attachments

 **CORE response cover letter.pdf**  
37K

 **CORE Report-CAO response.pdf**  
216K

 **CORE report-Director of Human Services response.pdf**  
217K





# County of Santa Cruz

## BOARD OF SUPERVISORS

701 OCEAN STREET, SUITE 500, SANTA CRUZ, CA 95060-4069  
(831) 454-2200 • FAX: (831) 454-3262 TDD/TTY - Call 711

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FIRST DISTRICT

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THIRD DISTRICT

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FOURTH DISTRICT

**BRUCE MCPHERSON**  
FIFTH DISTRICT

August 8, 2023

The Honorable Syda Cogliati  
Santa Cruz Courthouse  
701 Ocean Street  
Santa Cruz, CA 95060

**RE: Response to the 2022-2023 Grand Jury Report titled "CORE: The Needs of the Community Equitably Distributed – A Model of Transparency"**

Dear Judge Cogliati:

The purpose of this letter is to formally transmit the responses of the Santa Cruz County Chief Administrative Officer and the Santa Cruz County Director of Human Services to the 2022-2023 Grand Jury Report titled "CORE: The Needs of the Community Equitably Distributed – A Model of Transparency."

Sincerely,

ZACH FRIEND, Chair  
Board of Supervisors

ZF: cs  
Attachment

CC: Clerk of the Board  
Santa Cruz County Grand Jury



The 2022–2023 Santa Cruz County Civil Grand Jury  
Invites the  
**Director of Human Services, Santa Cruz County**  
to Respond by August 16, 2023  
to the Findings and Recommendations listed below  
which were assigned to them in the report titled  
**CORE: The Needs of The Community  
Equitably Distributed**  
A Model of Transparency

Responses are **invited** from appointed agency and department heads, appointed committees, and non-profit agencies contracted to the county which are investigated by the grand jury. You are not required to respond by the California Penal Code [\(PC\) §933\(c\)](#); if you do, [PC §933\(c\)](#) requires you to make your response available to the public.

If you choose to respond, your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in the report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. ***For the Findings, mark one of the following responses with an “X” and provide the required additional information:***
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
  
2. ***For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:***
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
  
3. ***When your responses are complete, please email your completed Response Packet as a PDF file attachment to both***

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

***If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).***

## Findings

- F1.** Funds are focused on improving conditions of well-being for community members experiencing the greatest challenges and barriers in the County.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F2.** A hybrid approach is administered to support both broad-based service programs and smaller “Targeted Impact” models.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F3.** There is good diversity of eligible applicants: Non-profit 501(c)(3) agencies, federally recognized tribal entities, and public education agencies.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F4.** The program is well coordinated, with County and City staff partnering to review and award for all tiers. The City focused their funding on programs serving primarily City residents.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):



**F5.** A clear outline of the RFP is available to the applicants, with an understanding of the awards process and the tier level they fall under.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F6.** The County and City provides a comprehensive review of the process which allows the applicants an opportunity to ask questions of clarity if needed.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

---

## Responses to the findings and recommendations in the 2022-2023 Grand Jury Report, "CORE: the Needs of the Community Equitably Distributed."

---

Caitlin Smith <Caitlin.Smith@santacruzcounty.us>

Tue, Aug 8, 2023 at 4:26 PM

Good Afternoon,

Please see attached for the County Administrative Officer and the Human Services Director's responses to the findings and recommendations in the 2022-2023 Grand Jury Report, "CORE: the Needs of the Community Equitably Distributed."

Best,

Caitlin C. Smith

County Supervisors' Analyst

Santa Cruz County Board of Supervisors

[701 Ocean Street, Room 500](#)

[Santa Cruz, CA 95060](#)

831-454-2200 main

831-454-3516 direct

[caitlin.smith@santacruzcounty.us](mailto:caitlin.smith@santacruzcounty.us)

To email all five members of the Board of Supervisors at once,


please use: [BoardOfSupervisors@santacruzcounty.us](mailto:BoardOfSupervisors@santacruzcounty.us)

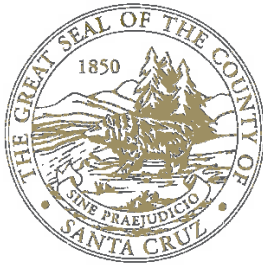
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### 3 attachments

 **CORE response cover letter.pdf**  
37K

 **CORE Report-CAO response.pdf**  
216K

 **CORE report-Director of Human Services response.pdf**  
217K



# County of Santa Cruz

## BOARD OF SUPERVISORS

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FIFTH DISTRICT

August 8, 2023

The Honorable Syda Cogliati  
Santa Cruz Courthouse  
701 Ocean Street  
Santa Cruz, CA 95060

**RE: Response to the 2022-2023 Grand Jury Report titled "CORE: The Needs of the Community Equitably Distributed – A Model of Transparency"**

Dear Judge Cogliati:

The purpose of this letter is to formally transmit the responses of the Santa Cruz County Chief Administrative Officer and the Santa Cruz County Director of Human Services to the 2022-2023 Grand Jury Report titled "CORE: The Needs of the Community Equitably Distributed – A Model of Transparency."

Sincerely,

ZACH FRIEND, Chair  
Board of Supervisors

ZF: cs  
Attachment

CC: Clerk of the Board  
Santa Cruz County Grand Jury



The 2022–2023 Santa Cruz County Civil Grand Jury  
Invites the  
**Chief Administrative Officer, Santa Cruz County**  
to Respond by August 16, 2023  
to the Findings and Recommendations listed below  
which were assigned to them in the report titled  
**CORE: The Needs of The Community  
Equitably Distributed**  
A Model of Transparency

Responses are **invited** from appointed agency and department heads, appointed committees, and non-profit agencies contracted to the county which are investigated by the grand jury. You are not required to respond by the California Penal Code [\(PC\) §933\(c\)](#); if you do, [PC §933\(c\)](#) requires you to make your response available to the public.

If you choose to respond, your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in the report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

- 1. For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
  
- 2. For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
  
- 3. When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

***If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).***

## Findings

- F1.** Funds are focused on improving conditions of well-being for community members experiencing the greatest challenges and barriers in the County.

- AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):



**F2.** A hybrid approach is administered to support both broad-based service programs and smaller “Targeted Impact” models.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F3.** There is good diversity of eligible applicants: Non-profit 501(c)(3) agencies, federally recognized tribal entities, and public education agencies.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F4.** The program is well coordinated, with County and City staff partnering to review and award for all tiers. The City focused their funding on programs serving primarily City residents.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F5.** A clear outline of the RFP is available to the applicants, with an understanding of the awards process and the tier level they fall under.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F6.** The County and City provides a comprehensive review of the process which allows the applicants an opportunity to ask questions of clarity if needed.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

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**SANTA CRUZ COUNTY**  
Civil Grand Jury

701 Ocean Street, Room 318-I  
Santa Cruz, CA 95060  
(831) 454-2099  
grandjury@scgrandjury.org

## Cyber Threat Preparedness

### Phishing and Passwords and Ransomware, Oh My!

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#### Summary

Cyber attacks targeting computer information systems, personal digital devices, or smartphones increase every year with the largest number of attacks typically hitting California. Cyber criminals target all types of businesses and all sizes of government agencies including small cities that often have limited resources to invest in cybersecurity. As Santa Cruz County continues its plans to expand broadband access and to provide efficient digital services to its residents, adherence to cybersecurity measures and best practices is critical.

Santa Cruz County and the cities of Santa Cruz, Watsonville, Scotts Valley, and Capitola understand the cyber threat environment and the potential consequences of a cyber attack. These government entities have implemented varying levels of security measures to mitigate such threats.

The Jury's overall recommendations encompass the following:

- The County and the four cities should write and implement Cybersecurity Plans and Incident Response Plans that detail frameworks for mitigating cyber attacks and details for responding to a cyber incident.
- Each of our cities should designate a city official as the lead for cybersecurity. Even when an information technology consulting firm supports the city, one government official should be responsible for cybersecurity.
- The County and cities would benefit from cyber threat information sharing across the county, enabling greater knowledge of potential threats and shared ideas for threat mitigation.

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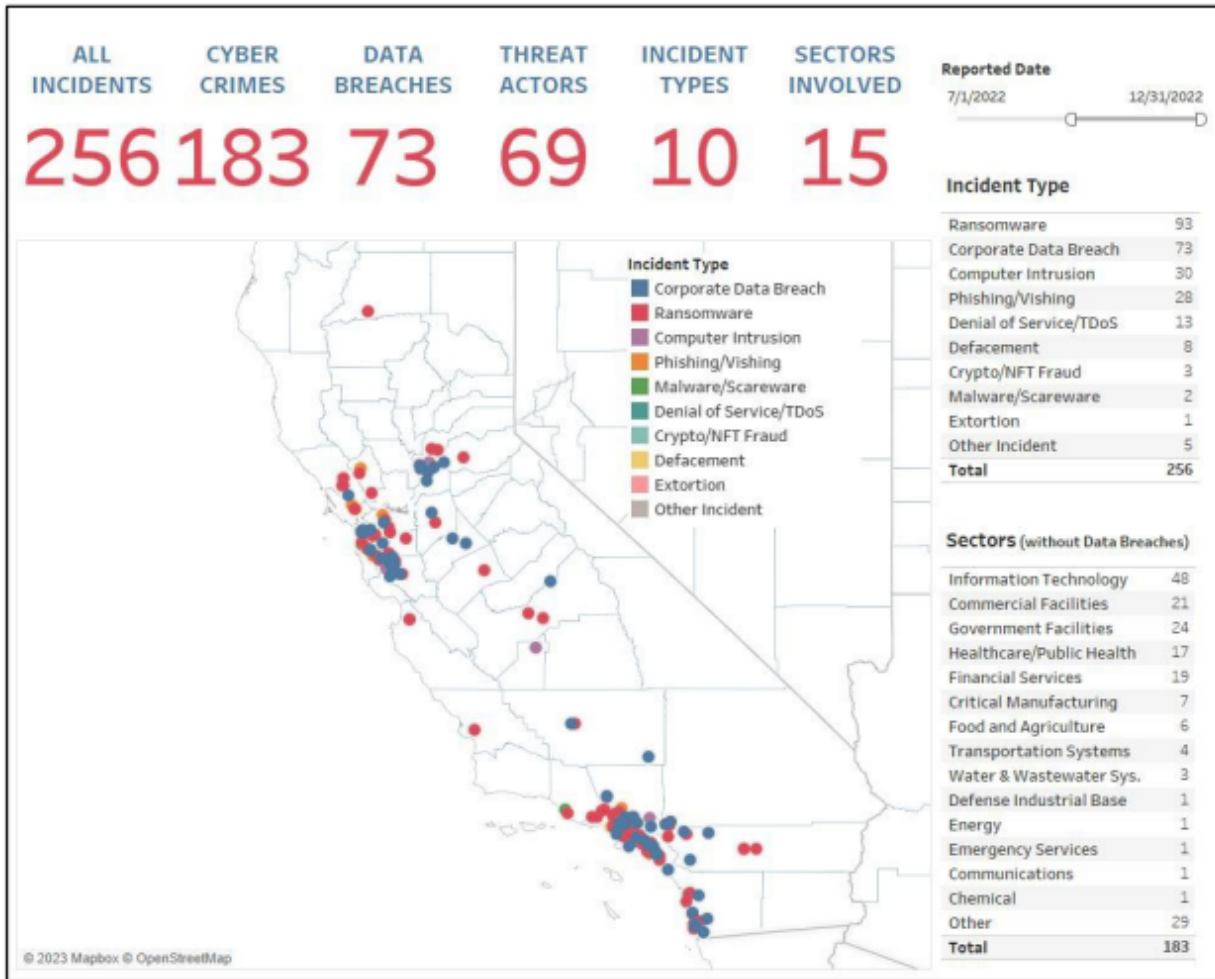


## Background

Cyber preparedness is the practice of ensuring that an entity has a strategy to mitigate, respond, and recover from a cyber incident on its networks or devices. With cyber attacks continuing to escalate year over year, and targets expanding to include small- and mid-sized cities, schools, and medical facilities, Santa Cruz County and its cities need to allocate sufficient attention to this threat. Cyber attacks can occur in many ways and can produce a wide range of effects including:

- Damaging financial security and theft of intellectual property;
- Theft of personally identifiable information (PII);
- Blocking digital access or deleting information and accounts;
- Complicating or blocking business and government services, and
- Interfering with transportation, power networks, and other critical infrastructure.

The United States remains the top target worldwide for all types of cyber attacks, with Californians constituting the most frequent victims, totalling over 67,000 people or businesses for a total loss of more than \$1.2 billion in 2021.<sup>[1][2]</sup> According to the California Cybersecurity Integration Center (Cal-CSIC), in 2022, ransomware was by far the most common type of cyber attack in the state, although other cyber crimes, including data breaches and investment crimes, are common as well. No industry sector has been spared from cyber attacks. In the last six months of 2022 alone, the Cal-CSIC recorded over 250 cyber incidents in California and a 22 percent increase in ransomware attacks over the first six months of the year.<sup>[2][3][4]</sup>



**Figure 1. Cal-CSIC reporting on sectors targeted and types of cyber attacks in California in the second half of 2022.<sup>[3]</sup>**

Over the past several years, cyber attacks have become much more sophisticated, often leveraging multiple attack surfaces, third-party software, or cloud-based infrastructure to reach a viable target. In the cyber industry, experts recognize that it is not a question of whether an attack will happen, but rather when an attack will happen and how prepared the target entity is to mitigate the impacts.<sup>[5] [6] [7] [8]</sup>

In mid-February 2023, the city of Oakland declared a local emergency and shut down some of its city services, including non-emergency calls, parking and business payments, and planning services, when it was hit by a ransomware attack.<sup>[9]</sup> As of early March, the hacker group had released over nine gigabytes of data including employees' social security numbers, driver license numbers, addresses, and bank statements of the city's operating accounts.<sup>[10] [11]</sup>

In March 2018, the city of Atlanta was the target of a ransomware attack that shut down many city services, including court services and utilities, for several weeks and at the cost of more than \$10 million.<sup>[12] [13] [14]</sup>

Small cities are not immune to ransomware attacks, as evidenced by the November 2018 ransomware attack against Valdez, Alaska, a city of less than 4,000 residents. Contrary to FBI advice, the city admitted to paying the ransom to recover access to their network.<sup>[15]</sup> The cost of the attack probably totaled considerably more than the ransom itself as the city hired a well known cybersecurity firm to negotiate the ransom payment and ensure recovery of their data. While the cost of the Valdez ransomware attack was in the tens of thousands, in 2022, the cost of a data breach reached an average of \$4.35 million, according to IBM's Cost of a Data Breach Report.<sup>[16]</sup>

Fortunately, Santa Cruz County has not experienced the breadth of cyber attacks that many other counties experience; however, an attack could occur at any time and could have significant impacts across the county.<sup>[17][18]</sup> Given the daily barrage of news about cyber attacks, the Santa Cruz County Civil Grand Jury elected to shine a light on the level of cyber preparedness in our county and our cities.

## Scope and Methodology

The Santa Cruz Civil Grand Grand Jury sought to evaluate the overall level of preparedness for a cyber incident against the county or city networks. It performed research across federal and state resources, top cyber security sites, and reputable media sources to build an understanding of the current cyber landscape and a foundation for cyber preparedness. Based on interviews with subject matter experts and resources available from the Cybersecurity and Infrastructure Security Agency (CISA) at the Department of Homeland Security (DHS) and the National Institute of Standards and Technology (NIST) in the U.S. Department of Commerce, the jury delineated key elements of strong cyber hygiene, the security and health of the information systems, and best practices for local governments.<sup>[6][19][20]</sup>

The Grand Jury conducted multiple interviews of employees in Santa Cruz County and its cities. The investigation examined the extent to which cyber precautions are implemented and maintained—including cyber awareness training, common network security measures, and planning for cyber incidents—across Santa Cruz County and the cities of Santa Cruz, Watsonville, Scotts Valley, and Capitola. The Grand Jury specifically looked at:

- Do Santa Cruz County and its cities stay informed on emerging technologies and current cyber threat trends?
- Is there an identified individual responsible for cyber security?
- Do the County and its cities routinely follow recommended cyber security practices?
- What is the extent of cyber awareness training for county and city staff, particularly given that most attacks begin with phishing emails?
- To what extent do the County and cities participate in regional or state-level information sharing or information sharing within the County itself with respect to cyber threats?
- Do the County and the cities have a plan in place for mitigating cyber attacks?

- Are there policies and procedures in place for how our local governments will respond to a cyber attack?
- Do the County and cities have cyber insurance?

In each interview the Civil Grand Jury conducted, it discussed best practices in cyber security and the state of each entity's cyber hygiene or the practices organizations and individuals perform regularly to maintain the security and functionality of users, devices, networks, and data.<sup>[21]</sup> The discussions highlighted the preparations to mitigate, detect, and manage cyber incidents and the level of attention to training and education, all of which constitute an entity's level of cyber maturity.

The Civil Grand Jury investigation focused solely on the county and city governments. It did not assess cyber preparedness at the County Office of Education or the schools, law enforcement and fire entities, or critical infrastructure such as water systems and public health facilities.

## Investigation

The Civil Grand Jury's research underscored the fact that, to date, our county has not been a target of a major cyber attack. This favorable status is not likely to continue given the increasing volume of cyber incidents and the very broad nature of targets, many of which are simply targets of opportunity rather than entities of specific interest to cyber criminals.

The most notable cyber attack raised during the jury's research was the December 2010 Distributed Denial of Service (DDOS) attack against the Santa Cruz County website that temporarily shut down the site and county digital services. A DDOS attack is a malicious attempt to disrupt a website by overwhelming the site with communication requests, thus denying access to legitimate users. According to the 2011 Department of Justice indictment, the People's Liberation Front (PLF), a group associated with the Anonymous hacktivist group, planned and executed the attack. The cyber actor, known by the moniker "Commander X," conducted the DDOS attack as part of "Operation Peace Camp 2010," a protest against the county's camping policies.<sup>[22] [23]</sup>

The Commander X cyber incident was a wake-up call for Santa Cruz County, highlighting the vulnerabilities and potential damage of a cyber attack that could quickly shut off county services. Since that time, the sophistication, frequency, and nature of cyber attacks has evolved dramatically with ransomware attacks becoming the most common and costly type of cyber incident. Ransomware is a form of malware that encrypts files on a device or network rendering the files and/or services unusable. Malicious actors then demand ransom in exchange for releasing the files. Examples in 2022 include the September 3rd ransomware attack against the Los Angeles Unified School District, the October 2nd ransomware attack against Hartnell College in Salinas, and the October 5th ransomware attack against CommonSpirit, the parent company of Dominican Hospital, that exposed the personal data of 623,700 patients and recently prompted a lawsuit. Fortunately, the CommonSpirit attack did not impact patients at Dominican Hospital in Santa Cruz.<sup>[15] [24] [25] [26] [27] [28]</sup>

A CISA cybersecurity advisory published in 2022 noted that recent trends, tactics, and protocols (TTP) among ransomware actors encompass:

- Gaining access to networks via phishing emails, stolen Remote Desktop Protocols (RDP) credentials or brute force, and exploiting network vulnerabilities. The pandemic-caused increase in remote work significantly expanded the landscape for cyber actors.
- Using cybercriminal services-for-hire. Ransomware attacks can now be conducted through ransomware-as-a-service (RaaS) that sells malware as well as services to negotiate and facilitate payments.
- Sharing victim information across cyber criminal groups.
- Targeting a greater number of medium and smaller organizations, including local governments and public services.
- Diversifying avenues for extorting money to include the threat of releasing stolen data, further network disruptions, and informing shareholders and partners.<sup>[6]</sup>

The same CISA Advisory, along with additional CISA cybersecurity resources for state and local governments, recommends several measures for minimizing the chance of and mitigating the impact of cyber attacks:

- Maintain data back-up versions, preferably to multiple locations, requiring multi-factor authentication (MFA) for access, and encrypting data in the cloud.
- Require MFA for as many services as possible, particularly for webmail, accounts that access critical systems, privileged accounts that manage backups, and virtual private networks (VPN).
- Keep all operating systems and software up to date.
- Implement a user training program and phishing exercises to raise awareness among users about the risks of visiting suspicious websites, clicking on suspicious links, and opening suspicious attachments.
- Evaluate and monitor third-party software for security concerns.
- Ensure devices are properly configured and that security features are enabled.
- Maintain a current Cybersecurity Policy and Incident Response Policy that is accessible when networks are inoperable.<sup>[6] [19]</sup>

### **Cyber Best Practices across Santa Cruz County**

The Civil Grand Jury applied this list of best practices cited above, with the addition of a Cyber Insurance Policy, in its assessment of cyber preparedness in the county and cities. With respect to cyber insurance, insurance companies such as Beazley, Ironshore, and other markets offered through the Monterey Bay Area Self Insurance Authority (MBASIA) and Alliant, which provide insurance coverage for our cities, are now requiring government entities to meet basic cyber best practices to be eligible for all insurance coverages. If these requirements are not met, the government entities may still have cyber insurance for some causes of loss, but payments may be restricted if the

cyber measures are not implemented before an incident occurs. In order to obtain competitive insurance terms, access all coverage terms available, and control claims exposures, cyber hygiene measures should be prioritized for implementation.<sup>[23]</sup>

The Jury concluded that Santa Cruz County and its cities are well educated on the potential cyber threats—probably more so than most U.S. cities of similar size—and are making efforts to improve their cyber posture. The jury identified several areas for improvement and a critical need for more attention to cybersecurity among county and city leaders. Information Technology (IT) and cyber professionals understand that cybersecurity constitutes a business problem, not an IT problem, and therefore, is everyone’s responsibility.

Table 1 summarizes the cyber best practices and levels of adoption by Santa Cruz County and city government entities.

**Table 1. Summary of best practices**

Cyber Security Practice	Santa Cruz County	Santa Cruz City	Watsonville	Scotts Valley	Capitola
Routinely Back-up Data	M	M	M	M	M
Multi-factor Authentication	M	M	IP	A	IP
Timely Patching and Updates	M	IP	M	M	M
Restrict Admin Accounts	M	M	M	M	M
Security Awareness Training	M	M	M	M	IP
Cybersecurity Policy	A	A	A	A	A
Incident Response Plan	A	A	A	A	A
Cyber Insurance	IPA	IPA	IPA	IPA	IPA

Key: M Currently meet standards  
 IP Improvement in process  
 A Needs attention  
 IPA Needs more attention before an incident

Source: Grand Jury interviews and document requests<sup>[29] [30] [31] [32] [33] [34] [35] [36] [37] [38] [39] [40] [41] [42] [43] [44] [45] [46] [47] [48] [49] [50] [51] [52] [53] [54] [55] [56] [57] [58] [59] [60] [61] [62] [63] [64] [65] [66] [67] [68] [69] [70] [71] [72]</sup>



## Steps in the Right Direction

Santa Cruz County and the city governments of Santa Cruz, Watsonville, Scotts Valley, and Capitola demonstrate a strong awareness of potential cyber threats and the risks of a ransomware attack against county or city networks. Across these public entities, there is a wide variation in resources assigned to cybersecurity and efforts to mitigate the growing threats.

With a well structured Information Services Department (ISD) and a plan to hire a dedicated Chief Information Security Officer (CISO) in 2023, Santa Cruz County has built a solid foundation for cybersecurity.<sup>[73] [74]</sup> The County is aware of possible areas for improvement and is working towards filling any cybersecurity gaps. With its strong foundation and IT resources, the County is positioned to take a leading role in cybersecurity across the county.

Santa Cruz City appears well educated on the potential cyber threats to cities, although it lacks sufficient resources to fully implement appropriate security measures. The City's primary challenge is hiring and retaining qualified personnel. The City IT department is implementing measures to raise its level of cyber hygiene, including participation in CISA services and augmenting cyber best practices.<sup>[35]</sup>

Watsonville recently revamped and enlarged its IT Department to meet its IT requirements and match the changing threat environment. While its new IT structure and system upgrades are critical for improving the functionality and security of city networks, they are not yet sufficient to mitigate the range of potential cyber threats. Watsonville is working towards raising awareness of cyber threats across city departments and expanding its capabilities.<sup>[62]</sup>

Scotts Valley manages its IT needs, including cybersecurity, through a local contracting company that is responsible for all aspects of information technology from user support and staff training to network monitoring and cybersecurity. The consulting company maintains a current and strong understanding of cyber threats and the status of city networks. The company is positioned to respond rapidly to any network threats.<sup>[9] [52]</sup>

With one person responsible for all of the IT needs of Capitola, the City is inadequately resourced to meet the threat of cyber attacks. Capitola did not replace its IT Director when he departed in mid-2022. Although Capitola recently contracted with an IT consulting company for technology services, the contract support is limited. There is no city official responsible for cybersecurity, and awareness of the potential threats—especially in the wake of increased national attention following the 2023 storms—is limited.<sup>[43] [46]</sup>

## Conclusion

Overall, the Grand Jury investigation found that the IT staff in the county and city governments are well aware of current and growing cyber threats to local governments and the potential consequences of a cyber attack. The level of preparedness for mitigating and responding to an attack varies from the County's excellent cyber security

foundation to minimal security measures in some of the cities. Nationwide, under-resourced public sectors are insufficiently prepared for cyber attacks and continue to be heavily targeted by cyber criminals. Lack of adequate budgets and skills shortages make these localities potentially vulnerable. In several cases in our county, IT staff appeared swamped with the daily press of the business of managing hardware, software, and access issues, leaving cybersecurity to fall to a lower priority.<sup>[75]</sup><sup>[76]</sup>

The potentially high cost of a ransomware attack underscores that in addition to the IT staff, executive-level attention to the risks and a greater investment in cybersecurity is a sound business practice for local governments.<sup>[77]</sup> All of our government entities would benefit from greater countywide collaboration and information sharing.<sup>[78]</sup> Multiple regional and state resources offer opportunities for cyber threat information sharing. As one official noted, monthly coffees with the IT leads in each local government would offer a very useful opportunity to share cyber TTPs and best practices specific to Santa Cruz County.

The Grand Jury recognizes the limited resources available to small counties and cities, a situation that often leads to a lack of funding and insufficient attention to cybersecurity. The Jury would argue that the potential cost of a ransomware attack more than justifies a much greater investment in cybersecurity.<sup>[79]</sup> There are several avenues small cities should consider to enhance their cybersecurity including:

1. **Secure long-term funding for cybersecurity in the core budget.** A proactive approach that prioritizes network defense, situational awareness, and education is a critical element of cybersecurity and well worth the commitment. Cybersecurity should be a budget item on a business level, not solely an IT budget allocation.
2. **Hire and retain cyber talent.** Small and medium-sized cities need to identify innovative methods for hiring and retaining the appropriate expertise to ensure secure networks and a vigilant security program. If funding limits the ability to hire a sufficient number of competent IT professionals, cities may want to consider a part-time CISO position, shared resources, or hiring an outside contractor.
3. **Set up strong relationships with the private sector.** Santa Cruz is well positioned to leverage private sector partnerships in the region that may offer additional resources and superb cyber expertise with minimal investments.
4. **Build an exhaustive Incident Response Policy.** Every entity should maintain a current Incident Response Policy that delineates established relationships, detailed scenario planning, step-by-step instructions for incident responses, defined public relations measures, and plans for business continuity. Such a plan is critical to delineate the processes that will allow cities to continue serving the public in the event of an attack. The plan should define how systems will be restored without disrupting the business continuity, steps for a thorough investigation of the nature of the breach, and an immediate investment in addressing the vulnerabilities.



5. **Improve training and culture.** A company culture that encourages security and provides a broad range of cybersecurity training is the best approach to mitigating cyber threats, in both government and private entities.<sup>[73] [74]</sup>
6. **Rely on cybersecurity best practices.** At a minimum, entities should ensure the use of reputable automation and cybersecurity tools across all networks. The cybersecurity foundation should encompass firewalls, antivirus software, and strong endpoint and network security products that allow visibility into the network.<sup>[18]</sup>

With proper cybersecurity measures in place, our county and cities could take advantage of the cybersecurity grant opportunities available from federal agencies such as DHS/CISA and the Federal Emergency Management Agency (FEMA). In the event of limited resources to prepare and apply for grants, the County and cities would be well served by hiring a consultant to write grant proposals. In the long run—or possibly in the short run—such expenditures would pay for themselves and much more.<sup>[43] [73] [79]</sup>

## Findings—Santa Cruz County

- F1.** Santa Cruz County does not have a Cybersecurity Plan, and the absence of a current plan that defines security policies, procedures, and controls required to protect its networks and devices increases the risk of vulnerabilities.
- F2.** Santa Cruz County does not have a sufficiently detailed Incident Response Plan, indicating they would not be prepared to respond rapidly and effectively in the event of a cyber incident.
- F3.** Santa Cruz County participates in multiple information sharing groups at regional and state levels, although it has only minimal interaction with the cities across Santa Cruz County, degrading their ability to fully understand regional vulnerabilities.

## Recommendations—Santa Cruz County

- R1.** Santa Cruz County should prepare and implement a Cybersecurity Plan by the end of 2023, ensuring that city officials and all staff are well aware of the plan details, their responsibilities, and associated policies. (F1)
- R2.** By the end of 2023, the county should revise and expand its Incident Response Plan to clearly delineate the steps it will take in response to a cyber attack, the responsibilities of identified officials, and the coordination required with state and federal officials for each type and level of cyber attack. A detailed plan is a requirement for continuity of county operations in a cyber incident. (F2)
- R3.** The County's information sharing efforts should be expanded to ensure fulsome information sharing across all government entities in the county, specifically Santa Cruz, Watsonville, Scotts Valley, and Capitola, by the end of 2023. A simple schedule of monthly meetings would permit regular sharing of possible threats, TTPs seen across the county, and information learned from outside organizations such as the Cal-CSIC. (F3)

## Findings—City of Santa Cruz

- F4.** The City of Santa Cruz seems to have an adequate IT Department structure; however, in late 2022, 40 percent of its positions remained vacant, leaving them inadequately staffed to mitigate and respond to cyber attacks.
- F5.** Inadequate staffing and high attrition has led to overworked staff and raises the risk of cyber vulnerabilities across its networks.
- F6.** The City does not have an individual dedicated as the lead for cyber security, which could lead to inadequate preparation for and response to a cyber attack.
- F7.** The City of Santa Cruz does not have a Cybersecurity Policy, suggesting that preparations to mitigate a cyber attack are inadequate and not widely shared.
- F8.** The City of Santa Cruz does not have an Incident Response Plan, and this absence indicates that the City will be challenged in responding to a cyber attack, especially a ransomware attack.
- F9.** Santa Cruz participates in some information sharing organizations such as the California Municipal Information Services Association (MISAC), yet it has minimal collaboration within the county and the other cities, forfeiting opportunities to share best practices and understand threats.

## Recommendations—City of Santa Cruz

- R4.** The City of Santa Cruz should prioritize filling its vacant IT department positions by Fall 2023. The IT Department and the Human Resources (HR) Department should revise its position requirements, compensation packages, and recruiting priorities to enable the City to attract qualified personnel to these positions. (F4)
- R5.** By Fall 2023, Santa Cruz should identify and implement creative approaches to hiring and retention so they can maintain a fully staffed IT Department despite the competition with surrounding counties. The City should investigate potential partnerships with one or more of the 18 California colleges and universities with National Centers of Academic Excellence in Cybersecurity. (F5)
- R6.** By Fall 2023, the City of Santa Cruz should assign one individual responsible for cybersecurity. Adoption of a managed service provider arrangement will boost its security posture, although it does not eliminate the need for a dedicated security lead within the City's IT Department. (F6)
- R7.** By the end of 2023 or sooner, the City of Santa Cruz should develop and implement a Cybersecurity Plan that encompasses all aspects of information security. (F7)
- R8.** By the end of 2023 or sooner, the City should complete an Incident Response Plan with sufficient detail for city officials to use as a step-by-step guide in the event of a cyber incident. (F8)

- R9.** Once the IT Department has adequate staffing and by the end of 2023, it should expand its participation in local and state information sharing groups to maintain current knowledge of the threat environment and emerging technologies. (F9)

## **Findings—City of Watsonville**

- F10.** After recently expanding its IT Department, the City of Watsonville has improved its IT functions although it does not yet allocate sufficient resources to cybersecurity.
- F11.** The City does not have an individual whose primary responsibility is cybersecurity for the city networks, leaving cybersecurity oversight to the IT Director—along with a multitude of other IT responsibilities—and lowering the priority for cybersecurity measures.
- F12.** Watsonville does not have a Cybersecurity Plan that defines security policies, procedures, and controls required to protect its networks and devices, a situation that increases the risks of vulnerabilities.
- F13.** Watsonville does not have an Incident Response Plan that provides detailed information on how to respond to an attack, suggesting the City would not be able to respond rapidly and effectively to a cyber attack.
- F14.** Watsonville participates in some regional information sharing forums, but it does not have the resources to expand its participation or tap into state-level information sharing, thus forfeiting valuable best practices and cyber threat information.

## **Recommendations—City of Watsonville**

- R10.** Watsonville should conduct an evaluation of its recently expanded IT Department, critical IT upgrades, and the status of cybersecurity measures by the end of 2023. Based on this assessment, the City should allocate existing or newly identified resources to ensure cybersecurity is adequately addressed going forward. (F10)
- R11.** Given the size of Watsonville, the City should have a dedicated position for cybersecurity by the end of 2023, to ensure adherence to best practices, mitigation of potential threats, and education of city staff and leadership. (F11)
- R12.** By early 2024 or sooner, Watsonville should prepare and implement a Cybersecurity Plan that addresses all of the best practices for strong cyber hygiene. (F12)
- R13.** By early 2024 or sooner, Watsonville should prepare and implement an Incident Response Plan with sufficient detail to serve as a guide in the event of a cyber attack. (F13)
- R14.** Upon completion of IT structural upgrades and a higher level of cyber maturity, and by the end of 2023, Watsonville should participate in local, regional, and state information sharing initiatives. (F14)

## Findings—City of Scotts Valley

- F15.** Although Scotts Valley’s managed service provider is very knowledgeable and capable of providing cybersecurity services, there is no single city official with cybersecurity oversight, potentially leading to a poor understanding of the threats and an inadequate response to a cyber attack.
- F16.** Scotts Valley does not have a current Cybersecurity Plan that defines security policies, procedures, and controls required to protect its networks and devices, potentially increasing the risks of vulnerabilities.
- F17.** Scotts Valley does not have a current Incident Response Plan, which could exacerbate the effects of a cyber incident such as increase the time a network is unavailable or raise the potential financial costs of a resolution.
- F18.** Scotts Valley does not participate in any cybersecurity information sharing groups to enhance best practices, rather they depend on their contractor to stay informed, which makes the City last to know of critical cyber threats.

## Recommendations—City of Scotts Valley

- R15.** By mid-2023, Scotts Valley should assign a city official as the lead for cybersecurity for the city. This individual should oversee the contractor’s performance in cybersecurity and ensure city leaders are well informed on emerging threats, cybersecurity challenges, and information provided from regional and state entities. (F15)
- R16.** Working with its IT contractor, by Fall 2023, Scotts Valley should write and implement a Cybersecurity Plan that is shared with all city officials to demonstrate comprehensive security measures and executive-level cyber threat awareness. (F16)
- R17.** By Fall 2023, Scotts Valley should write an Incident Response Plan that clearly delineates the steps it will take in response to a cyber attack, the responsibilities of identified officials, and the coordination required with state and federal officials for each type and level of cyber attack. (F17)
- R18.** Scotts Valley should participate in local, regional, and state cybersecurity organizations for information sharing by the end of 2023. (F18)

## Findings—City of Capitola

- F19.** With one individual responsible for IT services, Capitola does not allocate sufficient resources to cybersecurity, a status that could lead to poor cyber knowledge and unnecessary vulnerabilities.
- F20.** The City of Capitola does not have a robust cybersecurity training program, nor does it conduct phishing tests or routinely remind employees to adhere to cybersecurity measures during potential periods of increased threats.

- F21.** The City of Capitola does not have a Cybersecurity Plan to address cybersecurity measures city wide, suggesting the city is not adequately mitigating the potential impact of cyber incidents.
- F22.** The City of Capitola does not have an Incident Response Plan, which could exacerbate the effects of a cyber incident such as increase the time a network is unavailable or raise the potential financial costs of a resolution.
- F23.** Capitola does not participate in any cyber-focused information sharing groups, nor does it take advantage of state and federal resources designed to assist small cities with mitigating cyber attacks, thereby forfeiting opportunities to learn best practices and raise their cyber awareness.

## Recommendations—City of Capitola

- R19.** By Fall 2023, Capitola should hire a full-time IT Director to replace the IT Director who departed in mid-2022. The IT Director should oversee and expand IT services, including those of the consulting company, and lead cybersecurity initiatives. (F19)
- R20.** The City should develop a more robust cybersecurity training and phishing testing program for all employees by Fall 2023 or earlier. (F20)
- R21.** Capitola should establish and implement a Cybersecurity Plan by the end of 2023. Several resources exist to provide a foundation or templates for these plans including NIST Guidelines, CISA resources, and Cal-CSIC guidance. (F21)
- R22.** By Fall 2023 Capitola should prepare an Incident Response Plan that provides detailed guidance for a city response to a cyber attack. (F22)
- R23.** When appropriately resourced to monitor cyber threats, and by the end of 2023, Capitola should participate in regional cybersecurity information sharing groups, to gain valuable information to best protect the City. (F23)
- R24.** By mid-2023, Capitola city management should raise the priority it assigns to cybersecurity and demonstrate a recognition of their role in ensuring the security of the City's information networks.(F19–F23)

## Commendations

- C1.** Santa Cruz County has built an excellent foundation for preparing for the possibility of cyber incidents. Its Information Services Department (ISD) has a very knowledgeable Director, is very well informed, and has taken steps to prioritize cybersecurity. The integration of ISD in all IT purchasing processes provides a sound check on the security of third-party software, and its cyber training appears well integrated for all county staff.
- C2.** The City of Santa Cruz has instituted a cyber awareness program that is strongly enforced. Its IT Advisory Team and standard security questions provide a security perspective for all third-party software purchases, thus minimizing supply chain threats.

- C3.** Watsonville has instituted commercial cyber security training for all employees and has recently begun to raise cyber risk awareness among city executives, highlighting that cyber security is a business problem for all departments and that promoting cyber education among government leaders is a critical element of effective cyber hygiene.

## Required Responses

<i>Respondent</i>	<i>Findings</i>	<i>Recommendations</i>	<i>Respond Within/ Respond By</i>
Santa Cruz County Board of Supervisors	F1–F3	R1–R3	90 Days August 16, 2023
Santa Cruz City Council	F4–F9	R4–R9	90 Days August 16, 2023
Watsonville City Council	F10–F14	R10–R14	90 Days August 16, 2023
Scotts Valley City Council	F15–F18	R15–R18	90 Days August 16, 2023
Capitola City Council	F19–F23	R19–R24	90 Days August 16, 2023

## Definitions

**Access:** The ability and means to communicate with or otherwise interact with a system, to use system resources to handle information, to gain knowledge of the information the system contains, or to control system components and functions.

**Adversary:** An individual, group, organization, or government that conducts or has the intent to conduct detrimental activities.

**Antivirus software:** A program that monitors a computer or network to detect or identify major types of malicious code and to prevent or contain malware incidents. Sometimes by removing or neutralizing the malicious code.

**Attack:** An attempt to gain unauthorized access to system services, resources, or information, or an attempt to compromise system integrity.

**Attack surface:** The set of ways in which an adversary can enter a system and potentially cause damage.

**Continuity of operations plan:** A document that sets forth procedures for the continued performance of core capabilities and critical operations during any disruption or potential disruption. Continuity of operations may be included in an Incident Response Plan.



**Critical infrastructure:** The systems and assets, whether physical or virtual, that are so vital to society that the incapacity or destruction of such may have a debilitating impact on the security, economy, public health or safety, environment, or any combination of these matters.

**Cyber hygiene:** The practices organizations and individuals perform regularly to maintain the health and security of users, devices, networks, and to ensure the safe handling of data.

**Cybersecurity:** The activity or process, ability or capability, or state whereby information and communications systems and the information contained therein are protected from and/or defended against damage, unauthorized use or modification, or exploitation.

**Cybersecurity maturity:** Cybersecurity maturity refers to an organization's capabilities and degree of readiness to mitigate vulnerabilities and threats from cyber criminals. The more 'mature' a company's cybersecurity protocols and practices are, the better equipped it is at preventing threats before they become breaches.

**Data breach:** The unauthorized movement or disclosure of sensitive information to a party, usually outside the organization, that is not authorized to have or see the information.

**Denial of service:** An attack that prevents or impairs the authorized use of information system resources or services.

**Disruption:** An event which causes unplanned interruption in operations or functions for an unacceptable length of time.

**Distributed denial of service (DDOS):** A denial of service technique that uses numerous systems to perform the attack simultaneously.

**Event:** An observable occurrence in an information system or network; also known as an incident.

**Exploit:** A technique to breach the security of a network or information system in violation of security policy.

**Hacker:** An unauthorized user who attempts to or gains access to an information system.

**Incident:** An occurrence that actually or potentially results in adverse consequences to an information system or the information that the system processes, stores, or transmits and that may require a response action to mitigate the consequences.

**Incident response:** The activities that address the short-term, direct effects of an incident and may also support short-term recovery.

**Incident response plan:** A set of predetermined and documented procedures to detect and respond to a cyber incident.

**Information or cyber security policy:** An aggregate of directives, regulations, rules, and practices that prescribe how an organization manages, protects, and distributes information.

**Information sharing:** An exchange of data, information, and/or knowledge to manage risks or respond to incidents.

**Information technology:** Any equipment or interconnected system or subsystem of equipment that processes, transmits, receives, or interchanges data or information.

**Malicious code:** Program code intended to perform an unauthorized function or process that will have adverse impact on the confidentiality, integrity, or availability of an information system.

**Malware:** Software that compromises the operation of a system by performing an unauthorized function or process.

**Mitigation:** The application of one or more measures to reduce the likelihood of an unwanted occurrence and/or lessen its consequences.

**Multi Factor Authentication (MFA):** A form of authentication that requires a user to provide two or more verification factors to access a resource such as an online account.

**Personally identifiable information (PII):** The information that permits the identity of an individual to be directly or indirectly inferred.

**Phishing:** A digital form of social engineering to deceive individuals into providing sensitive information.

**Preparedness:** The activities to build, sustain, and improve readiness capabilities to prevent, protect against, respond to, and recover from natural or manmade incidents.

**Ransomware as a Service (RaaS):** A business model where cyber criminals pay to launch ransomware attacks using malware developed by other individuals.

**Recovery:** The activities after an incident or event to restore essential services and operations in the short and medium term and fully restore all capabilities in the longer term.

**Remote Desktop Protocol (RDP):** RDP is a technical standard for using a desktop computer remotely.

**Resilience:** The ability to adapt to changing conditions and prepare for, withstand, and rapidly recover from disruption.

**Response:** The activities that address the short-term, direct effects of an incident and may also support short-term recovery.

**Risk:** The potential for an unwanted or adverse outcome resulting from an incident, event, or occurrence, as determined by the likelihood that a particular threat will exploit a particular vulnerability, with the associated consequences.

**Risk assessment:** The product or process that collects information and assigns values to risks for the purpose of informing priorities, developing or comparing courses of action, and informing decision making.

**Risk mitigation:** A structured approach to managing risks to data and information by which an organization selects and applies appropriate security controls in compliance with policy and commensurate with the sensitivity and value of the data.



**Security policy:** A rule or set of rules that govern the acceptable use of an organization's information and services to a level of acceptable risk and the means for protecting the organization's information assets.

**Supply chain:** A system of organizations, people, activities, information and resources, for creating and moving products including product components and/or services from suppliers through to their customers.

**Supply chain risk management:** The process of identifying, analyzing, and assessing supply chain risk and accepting, avoiding, transferring or controlling it to an acceptable level considering associated costs and benefits of any actions taken.

**Tactics, techniques, and procedures (TTP):** The behavior of an actor. A tactic is the highest-level description of this behavior, while techniques give a more detailed description of behavior in the context of a tactic, and procedures an even lower-level, highly detailed description in the context of a technique.

**Targets:** The potential and selected subjects of cyber incidents.

**Threat:** A circumstance or event that has or indicates the potential to exploit vulnerabilities and to adversely impact organizational operations, organizational assets, individuals, other organizations, or society.

**Threat analysis:** The detailed evaluation of the characteristics of individual threats. Identification and analysis of the capabilities and activities of cyber criminals or foreign intelligence entities.

**Threat assessment:** The product or process of identifying or evaluating entities, actions, or occurrences, whether natural or man-made, that have or indicate the potential to harm life, information, operations, and/or property.

**Unauthorized access:** Any access that violates the stated security policy.

**Virtual Private Network (VPN):** A virtual network built on top of existing networks that can provide a secure communications mechanism for data and IP information transmitted between networks.

**Virus:** A computer program that can replicate itself, infect a computer without permission or knowledge of the user, and then spread or propagate to another computer.

**Vulnerability:** A characteristic or specific weakness that renders an organization or asset (such as information or an information system) open to exploitation by a given threat or susceptible to a given hazard.

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SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## Revised Board of Supervisors Response to 2022-2023 Grand Jury Report

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Caitlin Smith <Caitlin.Smith@santacruzcountyca.gov>

Tue, Oct 3, 2023 at 2:12 PM

Good Afternoon,

Please see attached for the revised Board of Supervisors response to the 2022-2023 Grand Jury Report "Cyber Threat Preparedness". As you may recall, the original response was approved by the Board on August 8<sup>th</sup> and this revised response was approved on September 19<sup>th</sup>.

Best,

Caitlin C. Smith

County Supervisors' Analyst

Santa Cruz County Board of Supervisors

701 Ocean Street, Room 500

Santa Cruz, CA 95060

831-454-2200 main

831-454-3516 direct

[caitlin.smith@santacruzcountyca.gov](mailto:caitlin.smith@santacruzcountyca.gov)

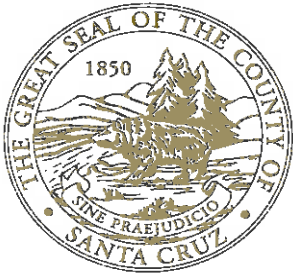
To email all five members of the Board of Supervisors at once,

please use: [boardofsupervisors@santacruzcountyca.gov](mailto:boardofsupervisors@santacruzcountyca.gov)



Revised Board of Supervisors Response to Grand Jury Report Cyber Threat Preparedness.pdf  
249K





# County of Santa Cruz

## BOARD OF SUPERVISORS

701 OCEAN STREET, SUITE 500, SANTA CRUZ, CA 95060-4069  
(831) 454-2200 • FAX: (831) 454-3262 TDD/TTY - Call 711

**MANU KOENIG**  
FIRST DISTRICT

**ZACH FRIEND**  
SECOND DISTRICT

**JUSTIN CUMMINGS**  
THIRD DISTRICT

**FELIPE HERNANDEZ**  
FOURTH DISTRICT

**BRUCE MCPHERSON**  
FIFTH DISTRICT

September 29, 2023

The Honorable Syda Cogliati  
Santa Cruz Courthouse  
701 Ocean Street  
Santa Cruz, CA 95060

**RE: Revised Response to the 2022-2023 Grand Jury Report "Cyber Threat Preparedness"**

Dear Judge Cogliati:

The purpose of this letter is to formally transmit the revised response of the Santa Cruz County Board of Supervisors to the 2022-2023 Grand Jury Report "Cyber Threat Preparedness".

Sincerely,

ZACH FRIEND, Chair  
Board of Supervisors

ZF: cs  
Attachment

CC: Clerk of the Board  
Santa Cruz County Grand Jury





The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

**Santa Cruz County Board of Supervisors**

to Respond by August 16, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

**Cyber Threat Preparedness**

Phishing and Passwords and Ransomware, Oh My!

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
  
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.

**3. Please confirm the date on which you approved the assigned responses:**

We approved these responses in a regular public meeting as shown

in our minutes dated September 19, 2023.

4. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

**If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).**

## Findings

- F1.** Santa Cruz County does not have a Cybersecurity Plan, and the absence of a current plan that defines security policies, procedures, and controls required to protect its networks and devices increases the risk of vulnerabilities.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

In 2019, the County developed an Incident Response Plan for Cyber events and is working on establishing a more formal Cybersecurity Plan that addresses emerging threats and responses. The County has reached out to the four cities and Santa Cruz Regional 911 (SCR911) to convene a regional Cybersecurity Consortium to take a regional approach to developing Cybersecurity and incident response plans that can be leveraged for the individual needs and requirements of each participating agency. The plans will be completed before or by December 31, 2023

- F2.** Santa Cruz County does not have a sufficiently detailed Incident Response Plan, indicating they would not be prepared to respond rapidly and effectively in the event of a cyber incident.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

In 2019, the County developed an Incident Response Plan for Cyber events and is working on establishing a more formal Cybersecurity Plan that addresses emerging threats and responses. The County is coordinating with the four cities and SCR911 to develop a regional plan that can be modified for the individual needs and requirements of each entity. The plans will be completed before or by December 31, 2023

- F3.** Santa Cruz County participates in multiple information sharing groups at regional and state levels, although it has only minimal interaction with the cities across Santa Cruz County, degrading their ability to fully understand regional vulnerabilities.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The County has reached out in the past to inform cities of Cybersecurity resources, such as the Northern California Regional Intelligence Center and Urban Areas Security Initiative Program. A more formal information sharing has been established through a regional Cybersecurity Consortium to promote and encourage communication and resources. The Consortium began meeting on June 12, 2023.

## Recommendations

**R1.** Santa Cruz County should prepare and implement a Cybersecurity Plan by the end of 2023, ensuring that city officials and all staff are well aware of the plan details, their responsibilities, and associated policies. (F1)

**HAS BEEN IMPLEMENTED** – summarize what has been done

**HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** –

summarize what will be done and the timeframe

**REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe  
(not to exceed six months)

**WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

The County has reached out to the four cities and SCR911 to convene a regional Cybersecurity Consortium to take a regional approach to developing Cybersecurity and incident response plans that can be leveraged for the individual needs and requirements of each participating agency. The plans will be completed before or by December 31, 2023

**R2.** By the end of 2023, the county should revise and expand its Incident Response Plan to clearly delineate the steps it will take in response to a cyber-attack, the responsibilities of identified officials, and the coordination required with state and federal officials for each type and level of cyber-attack. A detailed plan is a requirement for continuity of county operations in a cyber incident. (F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The County is coordinating with the four cities and SCR911 to develop a regional plan that can be modified for the individual needs and requirements of each entity. The plan will provide clear delineated steps for the County to respond to a cyber-attack. The FY 2023-24 budget funds a position to establish a dedicated security analyst that will take on this work on behalf of the County. This will be completed by December 31, 2023

- R3.** The County's information sharing efforts should be expanded to ensure fulsome information sharing across all government entities in the county, specifically Santa Cruz, Watsonville, Scotts Valley, and Capitola, by the end of 2023. A simple schedule of monthly meetings would permit regular sharing of possible threats, TTPs seen across the county, and information learned from outside organizations such as the Cal-CSIC. (F3)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

On June 12, 2023, a regional Cybersecurity group was formally convened. The focus of the group will be to develop the Cybersecurity policy and plans, along with an incident response plan as noted above. The Santa Cruz Cybersecurity Consortium will meet regularly on at least a monthly basis going forward to look at iterative changes needed for policy and discuss regional approaches to mitigating emerging Cybersecurity threats.





SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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### ATTN: Civil Grand Jury Response (Cyber Threat Preparedness)

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**Emeline Nguyen** <enguyen@santacruzca.gov>

Tue, Aug 15, 2023 at 5:08 PM

To: "syda.cogliati@santacruzcourt.org" <syda.cogliati@santacruzcourt.org>, "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>

Cc: Dean Kashino <dean.kashino@scgrandjury.org>, Fred Keeley <fkeeley@santacruzca.gov>, Matt Huffaker <mhuffaker@santacruzca.gov>, Laura Schmidt <LSchmidt@santacruzca.gov>, Ken Morgan <kmorgan@santacruzca.gov>


Good afternoon Honorable Judge Cogliati and Santa Cruz County Grand Jury,

On behalf of the City, I've attached the Civil Grand Jury Response relating to Cyber Threat Preparedness from the August 8<sup>th</sup> Council meeting for your review. Please let me know if you have any questions.

Thank you,

	<p><b>Emeline Nguyen</b></p> <p>Principal Management Analyst</p> <p>City of Santa Cruz   City Manager's Office</p> <p>809 Center Street, Santa Cruz, CA 95060</p> <p>Phone: 831-420-5017</p> <p>Email: <a href="mailto:enguyen@santacruzca.gov">enguyen@santacruzca.gov</a></p> <p>Web: <a href="http://www.cityofsantacruz.com">www.cityofsantacruz.com</a></p> <p>     </p>
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 20230816\_Civil Grand Jury\_Cyber Threat Preparedness.pdf  
226K



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

## Santa Cruz City Council

to Respond by August 16, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

## Cyber Threat Preparedness

Phishing and Passwords and Ransomware, Oh My!

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Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

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Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. **Please confirm the date on which you approved the assigned responses:**

We approved these responses in a regular public meeting as shown in our minutes dated August 8, 2023.

4. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

**If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).**

## Findings

- F4.** The City of Santa Cruz seems to have an adequate IT Department structure; however, in late 2022, 40 percent of its positions remained vacant, leaving them inadequately staffed to mitigate and respond to cyber attacks.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

- F5.** Inadequate staffing and high attrition has led to overworked staff and raises the risk of cyber vulnerabilities across its networks.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

- F6.** The City does not have an individual dedicated as the lead for cyber security, which could lead to inadequate preparation for and response to a cyber attack.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F7.** The City of Santa Cruz does not have a Cybersecurity Policy, suggesting that preparations to mitigate a cyber attack are inadequate and not widely shared.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F8.** The City of Santa Cruz does not have an Incident Response Plan, and this absence indicates that the City will be challenged in responding to a cyber attack, especially a ransomware attack.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F9.** Santa Cruz participates in some information sharing organizations such as the California Municipal Information Services Association (MISAC), yet it has minimal collaboration within the county and the other cities, forfeiting opportunities to share best practices and understand threats.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

## Recommendations

- R4.** The City of Santa Cruz should prioritize filling its vacant IT department positions by Fall 2023. The IT Department and the Human Resources (HR) Department should revise its position requirements, compensation packages, and recruiting priorities to enable the City to attract qualified personnel to these positions. (F4)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

At the time of the interview with the Civil Grand Jury, the City of Santa Cruz (City) Information Technology (IT) Department was experiencing significant staffing shortages. Since the interview, the IT Department staffing shortages have improved. Currently, 22 of the 23 Full Time Equivalent (FTE) IT positions have been filled. This includes filling positions critical to helping manage, and proactively improving the City's overall cybersecurity posture.

- R5.** By Fall 2023, Santa Cruz should identify and implement creative approaches to hiring and retention so they can maintain a fully staffed IT Department despite the competition with surrounding counties. The City should investigate potential partnerships with one or more of the 18 California colleges and universities with National Centers of Academic Excellence in Cybersecurity. (F5)

- **HAS BEEN IMPLEMENTED** – summarize what has been done
- X** **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- **REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- **WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City's Human Resources (HR) department is continually exploring avenues to adopt dynamic and innovative recruitment strategies, such as direct networking, compensation analysis, engaging with educational institutions, and fostering workforce development. By fall of 2023, IT recruitments will involve actively seeking collaborations with state and local universities renowned for their academic excellence in cybersecurity.

**R6.** By Fall 2023, the City of Santa Cruz should assign one individual responsible for cybersecurity. Adoption of a managed service provider arrangement will boost its security posture, although it does not eliminate the need for a dedicated security lead within the City's IT Department. (F6)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Reduced staffing has likely increased the risk of cyber vulnerabilities across City IT networks. In 2022, the City partnered with a Managed Security Service Provider (MSSP) to augment the City's staffing challenges. The City's MSSP provides a comprehensive outsourced security solution for the City, including 24-hour-a-day security monitoring of networks and endpoints and incident response assistance.

The IT infrastructure team has jointly managed the City's cybersecurity initiatives in collaboration with the City's MSSP. Beginning June 1<sup>st</sup>, 2023, the IT Manager overseeing the infrastructure team will be the single point of contact within the City responsible for performing the duties as the dedicated cybersecurity lead.

Additionally, the City is evaluating the feasibility of adding a dedicated FTE to lead cybersecurity initiatives across the City.



- R7.** By the end of 2023 or sooner, the City of Santa Cruz should develop and implement a Cybersecurity Plan that encompasses all aspects of information security. (F7)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The IT Department has completed a draft Cybersecurity Policy Plan, which is currently undergoing an approval process to be formalized as an internal Administrative Procedure Order (APO). The Cybersecurity Policy will be integrated into the City's existing Technology Use APO upon completion. The policy formalization process is expected to conclude by the end of 2023 or potentially earlier.

In addition, the City has initiated discussions with neighboring organizations, such as the County of Santa Cruz, the City of Watsonville, the City of Scotts Valley, and the Santa Cruz Public Libraries, to develop a comprehensive Cybersecurity plan that covers the entire county. The County of Santa Cruz is leading this effort, organizing regular meetings to foster collaboration among the involved parties.

- R8.** By the end of 2023 or sooner, the City should complete an Incident Response Plan with sufficient detail for city officials to use as a step-by-step guide in the event of a cyber incident. (F8)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City's IT Department has completed a draft Cybersecurity Incident Response plan. This plan will become an integral part of IT's internal policies upon final approval. The formalization of this plan is expected to be completed by the end of calendar year 2023 or potentially earlier.

**R9.** Once the IT Department has adequate staffing and by the end of 2023, it should expand its participation in local and state information sharing groups to maintain current knowledge of the threat environment and emerging technologies. (F9)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City's IT Department is actively engaged in multiple local, state, and federal groups that emphasize sharing cybersecurity-related information among local and state organizations. The City regularly participates in the Northern California Regional Information Center (NCRIC) and the Municipal Information Systems Association of California (MISAC). Additionally, the City has partnered with Cybersecurity and Infrastructure Security Agency (CISA) for regular vulnerability and hygiene scans. Moreover, several local government agencies have initiated a collaborative effort, namely the City of Watsonville, the City of Capitola, the County of Santa Cruz, and the Santa Cruz Public Library. This newly formed regional group focuses specifically on cybersecurity and conducts regular meetings to exchange knowledge and security insights.



SANTA CRUZ  
COUNTY  
GRAND JURY

grandjury <grandjury@scgrandjury.org>

## City of Watsonville Response to Grand Jury Report

'Irwin Ortiz' via Santa Cruz Grand Jury <grandjury@scgrandjury.org>

Thu, Sep 7, 2023 at 12:16 PM

Reply-To: Irwin Ortiz <irwin.ortiz@watsonville.gov>

To: "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>, "syda.cogliati@santacruzcourt.org" <syda.cogliati@santacruzcourt.org>

Dear Grand Jury and Honorable Judge Cogliati,

I hope this email finds you in good health. At our August 29, 2023, City Council Meeting, the City Council unanimously approved the response packet to the Grand Jury Report received by the City. We thank you for your patience and your good work. Please see the response packet as approved by our City Council attached to this email.

If you have any questions, please feel free to contact me.



**Irwin I. Ortiz, CMC**  
City Clerk



Office: (831) 768-3040  
Direct: (831) 768-3048  
Fax: (831) 761-0736

275 Main St, Suite 400, Watsonville, CA 95076

Irwin I. Ortiz, City Clerk  
City Clerk's Office (831) 768-3048  
[275 Main Street, Suite 400, Watsonville, CA 95076](https://www.watsonville.gov)  
FAX: 831-761-0736  
E-mail: [irwin.ortiz@watsonville.gov](mailto:irwin.ortiz@watsonville.gov)  
Open Monday - Friday 8:00 AM to 5:00 PM

\*\*Public Records Requests (PRR) submitted via email, fax, USPS, or dropoff after 5:00 p.m. on a business day, Saturday, Sunday, holidays, will be processed as received on the next open business day. The 10-day response period begins when the PRR is received.

Please note: Our website domain and emails have changed on 4/17/23 to [watsonville.gov](https://www.watsonville.gov)

 **Item 9.b. Civil Grand Jury Housing & Cyber Response.pdf**  
1178K

## Agenda Report



**MEETING DATE:** Tuesday, August 29, 2023

**TO:** City Council

**FROM:** COMMUNITY DEVELOPMENT DIRECTOR MERRIAM  
INNOVATION & TECHNOLOGY DIRECTOR GILL

**THROUGH:** CITY MANAGER MENDEZ

**SUBJECT:** CITY RESPONSE TO THE SANTA CRUZ COUNTY CIVIL GRAND  
JURY'S INVESTIGATION OF HOUSING OUR WORKERS AND  
CYBER THREAT PREPAREDNESS

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### RECOMMENDED ACTION:

It is recommended that the City Council by Motion approve the response packets prepared for the 2022-2023 Santa Cruz County Grand Jury's Investigation on two specific topics: 1) Cyber Threat Preparedness: Phishing and Passwords and Ransomware, Oh My! and 2) Housing Our Workers: Essential Workers Need Affordable Housing!

### BACKGROUND:

Each year the Santa Cruz Civil Grand Jury (Grand Jury) issues reports and requires certain agencies and departments to respond. In many cases, the respondents are department heads and administrators. In other cases, the respondent is an agency itself. This year the Grand Jury is requiring a response to the reports on Cyber Threat Preparedness and Housing Our Workers from the Watsonville City Council.

### DISCUSSION:

The Santa Cruz County Civil Grand Jury prepared two reports addressing issues in the Watsonville community and requested that the Council prepare responses to several findings and recommendations in each report. The County and all four cities within the County received these reports and were compelled to respond.

The Grand Jury looks for contact information, budget data, policies, and procedures, etc. to conduct their investigation. The reports contain findings by the 2022-2023 Grand Jury and offer recommendations for consideration and ongoing improvement of operations.

Both Grand Jury reports are included as Attachments 1 through 4; below is a summary of the areas of interest for each issue reviewed and some highlights of the recommendations made by the Grand Jury:

**Cyber Threat Preparedness: Phishing and Passwords and Ransomware, Oh My!:**

This report sought to evaluate the overall level of preparedness for a cyber incident against the county or city networks. It performed research across federal and state resources, top cyber security sites, and reputable media sources to build an understanding of the current cyber landscape and a foundation for cyber preparedness. Based on interviews with subject matter experts and resources available from the Cybersecurity and Infrastructure Security Agency (CISA) at the Department of Homeland Security (DHS) and the National Institute of Standards and Technology (NIST) in the U.S. Department of Commerce, the jury delineated key elements of strong cyber hygiene, the security and health of the information systems, and best practices for local governments. They recommend that the cities and county hire staff that focus specifically on cybersecurity, develop a cybersecurity plan, and develop an incident response plan. With the resourcing of the IT department that began a couple of years ago, staff have been proactively working to make improvements system wide. One of the areas has been an increased focus on security to protect against cyber threats. For example, the City recently implemented a double authentication process and as is articulated in the report while some of the recommendations are not yet fully implemented, they are underway and many will be implemented over this current 2-year budget cycle.

**Housing Our Workers: Essential Workers Need Affordable Housing!**

This report investigated the reasons that housing scarcity and cost has increased over the last 5 years, and its impact on Santa Cruz County works that earn between \$35,000-\$99,999 per year. Specifically, the Grand Jury considered:

- What affordable housing options are available in Santa Cruz County to support middle class workers?
- Are employers offering housing support to their employees?
- What can local city and county planning departments do to provide more housing for these workers?
- What changes are needed in the planning and permit process to make it easier to build more workforce housing in our cities and unincorporated areas?
- How can local jurisdictions leverage recent state bills and initiatives to encourage more housing here?
- How can local agencies work together to help support housing for local workers?
- What changes are needed to plan for the future housing needs of our workforce?
- What is UCSC doing to help house its students, faculty, and staff?

The Grand Jury found that Watsonville should have been more proactive in implementing state regulatory changes, however Watsonville was also commended for being the jurisdiction that continued to build housing in years that other jurisdictions were not.

The Grand Jury found that local jurisdictions should implement local preference policies for both housing projects and construction. The City of Watsonville does have a local preference policy in for-sale ownership projects by way of a lottery system in which local residents or workers get additional entries into the lottery to purchase affordable units. We do not currently have a local preference policy for rental projects. Further, the City adopted

a local hiring procedure (WMC 7-15) in 2002 that requires contractors who enter into contracts for Public Works projects over \$600,000.

The Grand Jury recommended that the City of Watsonville reestablish regular meetings with planners from all agencies in the county to regularly meet to share ideas on housing development and develop joint projects. In addition, it was recommended that Watsonville give local preference to those contractors developing affordable housing.

The answers to these Findings and Recommendations are listed in Attachment 4.

**STRATEGIC PLAN:**

The response to the Grand Jury 2023 report aligns with Goal 7 of the 2023-2025 Strategic Plan: Efficient and High Performing Government.

**FINANCIAL IMPACT:**

There is no financial impact associated with filing responses to the Grand Jury report.

**ALTERNATIVE ACTION:**

The Council may choose not to approve the Response Packet, or to modify the responses, however the responses are due to the Grand Jury no later than August 31, 2023.

**ATTACHMENTS AND/OR REFERENCES (If any):**

1. Report: "Cyber Threat Preparedness: Phishing and Passwords and Ransomware, Oh My!"
2. Watsonville response to "Cyber Threat Preparedness: Phishing and Passwords and Ransomware, Oh My!"
3. Report: "Housing Our Workers: Essential Workers Need Affordable Housing!"
4. Watsonville response to "Housing Our Workers: Essential Workers Need Affordable Housing!"



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

## Watsonville City Council

to Respond by August 16, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

## Cyber Threat Preparedness

Phishing and Passwords and Ransomware, Oh My!

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Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

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1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. **Please confirm the date on which you approved the assigned responses:**

We approved these responses in a regular public meeting as shown  
in our minutes dated August 29, 2023.

4. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

**If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).**

## Findings

**F10.** After recently expanding its IT Department, the City of Watsonville has improved its IT functions although it does not yet allocate sufficient resources to cybersecurity.

- AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F11.** The City does not have an individual whose primary responsibility is cybersecurity for the city networks, leaving cybersecurity oversight to the IT Director—along with a multitude of other IT responsibilities—and lowering the priority for cybersecurity measures.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F12.** Watsonville does not have a Cybersecurity Plan that defines security policies, procedures, and controls required to protect its networks and devices, a situation that increases the risks of vulnerabilities.

- AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F13.** Watsonville does not have an Incident Response Plan that provides detailed information on how to respond to an attack, suggesting the City would not be able to respond rapidly and effectively to a cyber attack.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F14.** Watsonville participates in some regional information sharing forums, but it does not have the resources to expand its participation or tap into state-level information sharing, thus forfeiting valuable best practices and cyber threat information.

- AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

## Recommendations

**R10.** Watsonville should conduct an evaluation of its recently expanded IT Department, critical IT upgrades, and the status of cybersecurity measures by the end of 2023. Based on this assessment, the City should allocate existing or newly identified resources to ensure cybersecurity is adequately addressed going forward. (F10)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

A cybersecurity remediation team has been formed and is currently identifying all cybersecurity elements that require remediation. The team is creating a remediation plan as items are identified. If approved in the fy24/25 budget, a position will be reclassified to focus on cybersecurity as a major job function.

**R11.** Given the size of Watsonville, the City should have a dedicated position for cybersecurity by the end of 2023, to ensure adherence to best practices, mitigation of potential threats, and education of city staff and leadership. (F11)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

If approved in the fy24/25 budget, a position will be reclassified to focus on cybersecurity as a major job function.



**R12.** By early 2024 or sooner, Watsonville should prepare and implement a Cybersecurity Plan that addresses all of the best practices for strong cyber hygiene. (F12)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Funds for professional services are identified in the FY24/25 budget to assist with plan creation. In addition, the County of Santa Cruz is leading an effort with the City of Watsonville, the City of Capitola, the City of Scotts Valley, and the City of Santa Cruz to create a cybersecurity plan that will support both cities and the county. The Cybersecurity Plan will be substantially completed by Spring 2024.

**R13** By early 2024 or sooner, Watsonville should prepare and implement an Incident Response Plan with sufficient detail to serve as a guide in the event of a cyber attack. (F13)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Funds for professional services are identified in the FY24/25 budget to assist with plan creation. In addition, the County of Santa Cruz is leading an effort with the City of Watsonville, the City of Capitola, the City of Scotts Valley, and the City of Santa Cruz to create an incident response plan that will support both cities and the county. The incident response plan will be substantially completed by early 2024.

**R14.** Upon completion of IT structural upgrades and a higher level of cyber maturity, and by the end of 2023, Watsonville should participate in local, regional, and state information sharing initiatives. (F14)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Along with participation in the NCRIC (regional) and MS-ISAC (national), the city will subscribe to CAL-CSIC (state) information sharing. Watsonville will also participate in a quarterly cybersecurity focused discussion led by the County of Santa Cruz, with the City of Santa Cruz, the City of Capitola, and the City of Scotts Valley (local) as additional participants.



SANTA CRUZ  
COUNTY  
GRAND JURY

grandjury <grandjury@scgrandjury.org>

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## Scotts Valley Response - Cyber Threat Preparedness

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'Cathie Simonovich' via Santa Cruz Grand Jury <grandjury@scgrandjury.org> Thu, Aug 3, 2023 at 9:14 AM

Reply-To: Cathie Simonovich <csimonovich@scottsvalley.gov>

To: "Syda.Cogliati@santacruzcourt.org" <Syda.Cogliati@santacruzcourt.org>,  
"grandjury@scgrandjury.org" <grandjury@scgrandjury.org>

Cc: Mali LaGoe <mlagoe@scottsvalley.gov>, Stephanie Hill <shill@scottsvalley.gov>

Dear Honorable Judge Cogliati and Members of the Santa Cruz County Grand Jury,

We have attached the completed response packet for the report titled *Cyber Threat Preparedness - Phishing and Passwords and Ransomware, Oh My!* This report was approved by the Scotts Valley City Council at the regular public meeting held on August 2, 2023.

Please confirm receipt of the report.

Best regards,

**Cathie Simonovich**  
City Clerk



City of Scotts Valley  
1 Civic Center Drive  
Scotts Valley, CA 95066  
[csimonovich@scottsvalley.gov](mailto:csimonovich@scottsvalley.gov)  
Phone: 831-440-5608

**NOTE:** My regular work schedule is Tuesday through Friday from 7:00 AM to 5:30 PM.



2023-3dR\_Cyber\_ScottsValleyCC\_Packet.pdf  
252K



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

## Scotts Valley City Council

to Respond by August 16, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

## Cyber Threat Preparedness

Phishing and Passwords and Ransomware, Oh My!

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Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

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1. ***For the Findings, mark one of the following responses with an “X” and provide the required additional information:***
  - a. **AGREE with the Finding**, or
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  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
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  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. ***Please confirm the date on which you approved the assigned responses:***

**We approved these responses in a regular public meeting as shown in our minutes dated August 2, 2023.**

4. ***When your responses are complete, please email your completed Response Packet as a PDF file attachment to both***

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

***If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).***

## Findings

**F15.** Although Scotts Valley's managed service provider is very knowledgeable and capable of providing cybersecurity services, there is no single city official with cybersecurity oversight, potentially leading to a poor understanding of the threats and an inadequate response to a cyber attack.

- AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

We agree that the Scotts Valley managed service provider is very knowledgeable and capable of providing cybersecurity services. In addition, the Administrative Services Director oversees the City's managed services provider contract including cybersecurity services. The Administrative Services Director and City Manager meet at least monthly with the managed service provider where reports of phishing, cyber incidents and training statistics are reviewed and discussed. In the event of an immediate threat or incident, there is immediate communication between the managed service provider, City Manager, and Administrative Services Director. The City Manager and Administrative Services Director have an appropriate understanding of the potential cybersecurity threats and the managed service provider ensures the City has the tools in place to respond to a cyber attack. Therefore we disagree that our organizational structure as the potential to lead to a poor understanding or inadequate response to a cyber attack.

**F16.** Scotts Valley does not have a current Cybersecurity Plan that defines security policies, procedures, and controls required to protect its networks and devices, potentially increasing the risks of vulnerabilities.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):



**F17.** Scotts Valley does not have a current Incident Response Plan, which could exacerbate the effects of a cyber incident such as increase the time a network is unavailable or raise the potential financial costs of a resolution.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Although the City does not have a written Incident Response Plan, we have reporting channels in place in the event of a cyber incident and access to a cybersecurity response consultant via our risk management insurance pool who is under contract to provide cybersecurity incident response and maintains plans accordingly.

**F18.** Scotts Valley does not participate in any cybersecurity information sharing groups to enhance best practices, rather they depend on their contractor to stay informed, which makes the City last to know of critical cyber threats.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Via the City's insurance pool, MBASIA, cybersecurity information is shared among the 10 city members and our contracted risk management consultants. In addition, our managed service provider stays informed of the cybersecurity environment and alerts the City of potential threats. The City's relationship with a contracted managed service provider does not make the City any less informed or more vulnerable. In fact the team we are served by is more informed and provides a broader skillset, knowledge base and faster response times than we could expect if the contract was replaced by 1-2 City staff. That being said, there are always more opportunities for information sharing and collaboration which the City, via it's managed service provider, will pursue.

## Recommendations

**R15.** By mid-2023, Scotts Valley should assign a city official as the lead for cybersecurity for the city. This individual should oversee the contractor's performance in cybersecurity and ensure city leaders are well informed on emerging threats, cybersecurity challenges, and information provided from regional and state entities. (F15)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

The City already oversees the managed service provider's performance via the Administrative Services Director and City Manager.

**R16.** Working with its IT contractor, by Fall 2023, Scotts Valley should write and implement a Cybersecurity Plan that is shared with all city officials to demonstrate comprehensive security measures and executive-level cyber threat awareness. (F16)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City will work with the managed service provider in developing a written Cybersecurity Plan by 11/30/2023. The plan will be shared with those who need to know and have a role in implementing security measures. The plan will not be publicly shared or available due to its sensitive nature.

**R17.** By Fall 2023, Scotts Valley should write an Incident Response Plan that clearly delineates the steps it will take in response to a cyber attack, the responsibilities of identified officials, and the coordination required with state and federal officials for each type and level of cyber attack. (F17)

- HAS BEEN IMPLEMENTED** – summarize what has been done
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- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City will work with our managed service provider and cyber insurance consultant to develop a written Incident Response Plan by 11/30/2023.

**R18.** Scotts Valley should participate in local, regional, and state cybersecurity organizations for information sharing by the end of 2023. (F18)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City will work with the managed service provider in identifying and selecting appropriate organizations to share cybersecurity information with by 11/30/2023.



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## Non-compliant response received

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Moss, Julia <jmoss@ci.capitola.ca.us>

Fri, Sep 15, 2023 at 1:18 PM

To: "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>, Syda Cogliati <Syda.Cogliati@santacruzcourt.org>

Good Afternoon,

Please see attached updated response from the City of Capitola City Council. Please confirm receipt of this email.

**Julia Moss**

City Clerk - City of Capitola

831.475.7300 x228

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### 2 attachments



**Cyber - Minutes from July 27th.pdf**

609K



**2023-3eR\_Cyber\_CapitolaCC\_Packet\_edits.pdf**

219K

# City of Capitola

## City Council Meeting Minutes

### Thursday, July 27, 2023 – 6:00 PM



City Council Chambers  
420 Capitola Avenue, Capitola, CA 95010

**Mayor:** Margaux Keiser

**Vice Mayor:** Kristen Brown

**Council Members:** Yvette Brooks, Joe Clarke, Alexander Pedersen

#### Closed Session – 5 PM

- i. CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code § 54957.6)  
Negotiator: Chloé Woodmansee, Assistant to the City of Manager  
Employee Organizations: Association of Capitola Employees, Police Officers Association, Mid-Management Employees, Confidential Employees, Police Captains, and Management
- ii. CONFERENCE WITH LEGAL COUNSEL—LIABILITY CLAIMS (Gov. Code § 54956.95)  
1) Graciela Cardiel  
Claim against the City of Capitola
- iii. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Gov. Code § 54956.9)  
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: one case

#### Regular Meeting of the Capitola City Council – 6 PM

### 1. Roll Call and Pledge of Allegiance

*The meeting was called to order at 6:00 PM. In attendance: Council Members Brooks, Clarke, Pedersen, and Mayor Keiser. Absent: Vice Mayor Brown*

### 2. Additions and Deletions to the Agenda - None

### 3. Report on Closed Session – *The City Council met and discussed three items on the Closed Session Agenda. No reportable action was taken.*

### 4. Additional Materials

- A. Updated Attachments for Item 7F
- B. Correspondence Received - Item 8C (2 emails)
- C. Correspondence Received - Item 8E (3 emails)
- D. Correspondence Received - Item 8F (3 emails)

### 5. Oral Communications by Members of the Public - None

### 6. Staff / City Council Comments

- *Police Chief Dally reminded the public of National Night Out on August 1<sup>st</sup> from 5-7 PM.*
- *Council Member Clarke commended the Random Acts of Capitola Kindness group for their efforts on the Depot Hill fence repair.*

### 7. Consent Items

- A. City Council Meeting Minutes



Recommended Action: Approve the June 22, 2023, City Council meeting minutes.

B. City Check Registers

Recommended Action: Approve check registers dated June 23, 2023, and July 7, 2023.

C. Liability Claim of Graciela Cardiel

Recommended Action: Reject liability claim.

D. **Grand Jury Response – Cyber Security**

Recommended Action: Approve the responses to the Grand Jury Report and direct the City Clerk to submit the completed response packet pursuant to California Penal Code Section 933.05.

E. Grand Jury Response – Housing our Workers

Recommended Action: Approve the responses to the Grand Jury Report and direct the City Clerk to submit the completed response packet pursuant to California Penal Code Section 933.05.

F. Jade Street Park Universally Accessible Playground Fundraising Partnership

Recommended Action: 1) Authorize the City Manager to execute a Memorandum of Understanding with the Friends of Santa Cruz County Parks for a fundraising campaign and administration of donations for the Jade Street Park Universally Accessible Playground Project; and 2) approve an administrative policy regarding the Universally Accessible Playground at Jade Street Park Donor Recognition.

G. Plein Air Public Art Prize Amount

Recommended Action: Approve the Art & Cultural Commission recommendation to increase the Plein Air Public Art Festival Competition prize amount from \$1,500 to \$1,800 for first place and from \$800 to \$1,000 for second place.

***Motion to adopt the Consent Calendar: Council Member Clarke***

***Seconded: Council Member Brooks***

***Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser***

***Absent: Vice Mayor Brown***

**8. General Government / Public Hearings**

A. State Budget Update from Senator John Laird

***Senator John Laird provided a presentation on the State of California Budget.***

B. Children and Youth Bill of Rights

Recommended Action: Adopt a resolution adopting the City of Capitola Children and Youth Bill of Rights.

***Deputy City Clerk Westly presented the staff report.***

***Council Member discussion included an overview of the partnership between the City and the Children’s Network and Youth Action Network.***

***Motion to adopt the resolution adopting the Capitola Children and Youth Bill of Rights with direction to staff to research the addition of a \$2,000 stipend for youth participation on City advisory boards: Council Member Brooks***

***Seconded: Council Member Clarke***

***Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser***

***Absent: Vice Mayor Brown***

C. Jade Street Park UA Playground Project

Recommended Action: Approve the Final Conceptual Design for the Jade Street Park Universally Accessible (UA) Playground Project.

**Public Works Director Kahn and Todd from Verde Design presented the staff report.**

**Public Comments:**

- **Brenda, community member, spoke in support of the UA Playground Project.**
- **Dan Hastley, County Park Friends, spoke in support of the UA Playground Project.**
- **Lisa Duran, Capitola Aptos Rotary Member, spoke in support of the UA Playground Project.**

**Council Member discussion included thanks for the Santa Cruz County Park Friends for their fundraising efforts, and encouragement to the community to donate to the fundraiser.**

**Motion to approve the Final Conceptual Design: Council Member Brooks**

**Seconded: Council Member Pedersen**

**Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser**

**Absent: Vice Mayor Brown**

D. Community Center Renovation Project – Budget Update

Recommended Action: 1) Receive update on external funding sources for the Community Center Renovation Project; and 2) authorize Amendment 1 to the Professional Services Agreement with Boone Low Ratliff Architects in the amount of \$374,000 for final design documents, bidding support, and construction administration for the Community Center Renovation Project.

**Public Works Director Kahn presented the staff report.**

**Council Member discussion included clarification on funding sources and timelines.**

**Motion to authorize Amendment 1 to the Agreement with Boone Low Ratliff Architects:**

**Council Member Pedersen**

**Seconded: Council Member Clarke**

**Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser**

**Absent: Vice Mayor Brown**

E. Capitola Wharf Enhancement Project Preliminary Conceptual Design

Recommended Action: Direct staff to prepare a final concept plan, for consideration by the City Council on August 24, 2023, for the Capitola Wharf Enhancement Project (CWEP).

**Public Works Director Kahn presented the staff report.**

**Public Comments:**

- **Community member requested clarification on the conceptual design.**
- **Gerry Jensen, CWET, thanked City staff and Wharf to Wharf staff for their collaboration efforts.**
- **Skip Allen, community member, voiced concerns about enhanced lighting in the conceptual design.**

**Council Members expressed thanks to CWET for their efforts, an interest in the addition of a kiosk element, and additional outreach for volunteer opportunities.**

**Direction provided to staff to prepare a Final Conceptual Design with the addition of a kiosk: Council Member Brooks**

**Seconded: Council Member Clarke**

**Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser**

**Absent: Vice Mayor Brown**

F. Capitola Road Pavement Rehabilitation Project

Recommended Action: Approve the plans, specifications, and construction budget of \$1,700,000 for the Capitola Road Pavement Rehabilitation Project; adopt a resolution amending the FY 2023-24 budget; and authorize the Department of Public Works to advertise for construction bids.

**Public Works Director Kahn presented the staff report.**

**The City Council requested that staff provide an update on the ADA recommendations for this project and associated electrical improvements.**

**Public Comments:**

- **Marianne Mahern, resident, requested further consideration of ADA accommodations in the pavement plan.**

**Motion to approve the plans, specifications, and budget for the Road Pavement Rehabilitation Project and adopt the resolution: Council Member Brooks**

**Seconded: Council Member Clarke**

**Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser**

**Absent: Vice Mayor Brown**

G. City Council Appointments to City Advisory Bodies

Recommended Action: Appoint members of the public to the City of Capitola Arts and Cultural Commission and Historical Museum Board.

**City Clerk Moss presented the staff report.**

**Motion to appoint Jennifer Major to the Arts and Cultural Commission to a term expiring 12/31/2024 and Brian Legakis to the Historical Museum Board to a term expiring 6/30/2024: Council Member Clarke**

**Seconded: Council Member Pedersen**

**Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser**

**Absent: Vice Mayor Brown**

**9. Adjournment – The meeting was adjourned at 7:36 PM to the next regularly scheduled meeting on August 24, 2023, at 6:00 PM.**

**ATTEST:**

\_\_\_\_\_  
Margaux Keiser, Mayor

\_\_\_\_\_  
Julia Moss, City Clerk



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

## Capitola City Council

to Respond by August 16, 2023

to the Findings and Recommendations listed below  
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We approved these responses in a regular public meeting as shown

in our minutes dated July 27, 2023, Updated on September 1, 2023.

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The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

**If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).**

## Findings

**F19.** With one individual responsible for IT services, Capitola does not allocate sufficient resources to cybersecurity, a status that could lead to poor cyber knowledge and unnecessary vulnerabilities.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The City of Capitola allocates sufficient resources to cybersecurity. The City employs an Information Systems Specialist in the City Manager Department and holds a contract with Exceedio for 24-hour technical support, analysis, and security.

**F20.** The City of Capitola does not have a robust cybersecurity training program, nor does it conduct phishing tests or routinely remind employees to adhere to cybersecurity measures during potential periods of increased threats.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The City is currently working to address the need for robust employee cybersecurity training. At present, the following is in place:

1. Capitola Police Department mandates twice-annual security awareness training for their IT, Captain & Chief, Officers, and Records Staff, as well as Public Works staff, the Volunteers in Policing (VIPs), and cleaning staff.
2. All City employees are required to complete "Email and Messaging Safety" training on an annual basis.

The City is developing new additions to the training plan, such as:

1. The City's Information Systems Specialist is developing regular phishing tests to be sent to all employees on a rolling basis, with further help and training available to those employees who 'fail' phishing tests.
2. The City's Information Systems Specialist is implementing mandatory cyber security training as a part of New Employee Onboarding that must be completed prior to new employees' gaining access to the City's network, shared files, internet, and email.

**F21.** The City of Capitola does not have a Cybersecurity Plan to address cybersecurity measures city wide, suggesting the city is not adequately mitigating the potential impact of cyber incidents.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Capitola Police Department has adopted Policy Section 806.11 regarding Information Technology and Cybersecurity.

The City has a functioning cybersecurity plan that addresses security concerns and outlines a response plan to a security breach. Staff is also working with the Santa Cruz County Cyber Security Consortium to draft a more comprehensive Cybersecurity Plan template that can be modified for each jurisdiction.



**F22.** The City of Capitola does not have an Incident Response Plan, which could exacerbate the effects of a cyber incident such as increase the time a network is unavailable or raise the potential financial costs of a resolution.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The City has a Cyber Attack Response plan in place. The plan is modified and updated annually by the Information Systems Specialist.

**F23.** Capitola does not participate in any cyber-focused information sharing groups, nor does it take advantage of state and federal resources designed to assist small cities with mitigating cyber attacks, thereby forfeiting opportunities to learn best practices and raise their cyber awareness.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The City's Information Systems Specialist participates in:

1. Cyber threat meetings sponsored by Alvarez Technology Group
2. NCRIS.ca.gov Regional Information Center meetings regarding cyber threats
3. MISAC.org
4. Santa Cruz County Cyber Security Consortium

## Recommendations

**R19.** By Fall 2023, Capitola should hire a full-time IT Director to replace the IT Director who departed in mid-2022. The IT Director should oversee and expand IT services, including those of the consulting company, and lead cybersecurity initiatives. (F19)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

The City has never employed an IT Director and does not intend to create/fill such a position.

**R20.** The City should develop a more robust cybersecurity training and phishing testing program for all employees by Fall 2023 or earlier. (F20)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City is currently working to address the need for robust employee cybersecurity training:

1. Capitola Police Department mandates twice-annual security awareness training for their IT, Captain & Chief, Officers, Records Staff, as well as Public Works staff, the Volunteers in Policing (VIPs), and cleaning staff.
2. All employees are required to complete “Email and Messaging Safety” training on an annual basis.
3. The City’s Information Systems Specialist is developing regular phishing tests to be sent to all employees on a rolling basis, with further help and training available to those employees who ‘fail’ phishing tests.
4. The City’s Information Systems Specialist is considering including mandatory cyber security training to New Employee Onboarding that must be completed prior to new employees’ gaining access to the City’s network, shared files, internet, and email.

**R21.** Capitola should establish and implement a Cybersecurity Plan by the end of 2023. Several resources exist to provide a foundation or templates for these plans including NIST Guidelines, CISA resources, and Cal-CSIC guidance. (F21)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City of Capitola is working with regional entities as a member of the newly formed Santa Cruz County Cyber Security Consortium. One of the group's main goals is to develop a Cyber Security Plan that can be modified for each individual organization. Staff anticipates this will be completed by November 30, 2023.

**R22.** By Fall 2023 Capitola should prepare an Incident Response Plan that provides detailed guidance for a city response to a cyber attack. (F22)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City of Capitola is working with the regional entities as a member of the newly formed Santa Cruz County Cyber Security Consortium. One of the group's main goals is to develop a Cyber Security Plan, including an Incident Response Plan, that can be modified for each individual organization. **Staff anticipates this will be completed by November 30, 2023.**

**R23.** When appropriately resourced to monitor cyber threats, and by the end of 2023, Capitola should participate in regional cybersecurity information sharing groups, to gain valuable information to best protect the City. (F23)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City's Information Systems Specialist currently participates in the regional cybersecurity information-sharing groups listed below and will continue to do so.

1. Santa Cruz County Cyber Security Consortium
2. Cyber threat meetings sponsored by Alvarez Technology Group
3. NCRIS.ca.gov Regional Information Center
4. MISAC.org

**R24.** By mid-2023, Capitola city management should raise the priority it assigns to cybersecurity and demonstrate a recognition of their role in ensuring the security of the City's information networks.(F19–F23)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City Manager Department has increased prioritizing Information Technology and cybersecurity by:

- 1) Budgeting \$250,000 towards information technology and cyber security
- 2) Joining the Santa Cruz County Cyber Security Consortium
- 3) Increasing employee training, for example with an annual Email and Messaging Safety training and more in-depth Anti-phishing training
- 4) Drafting a more comprehensive Cybersecurity Plan template with the assistance of the SCC Cyber Security Consortium





**SANTA CRUZ COUNTY**  
Civil Grand Jury

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## **Envisioning the Future of our Jails**

### *We Continue to “Kick The Can”*

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#### **Summary**

Every year, the Santa Cruz County Civil Grand Jury examines detention facilities within the County, including the Main Jail, the Blaine Street Women’s Jail, the Rountree Men’s Medium Security Facility, and Juvenile Hall. During the tours, which uncovered little information not reported by previous Grand Juries, it learned about the ongoing crisis in Correctional Officer staffing that has caused some detention facilities to be closed. While touring the aging, dismal Main Jail, the Grand Jury also learned about the need for a new jail. This became the subject of our report.

The Grand Jury recommends increasing funding for the Sheriff’s Office to combat the longstanding and serious staffing issue. It recommends increased funding for anti-recidivism programs run by the Public Defender’s Office, Behavioral Health and others to reduce the distressingly high number of inmates who commit further crimes and end up right back in jail. An approximately \$200 million new Main Jail should be considered only after anti recidivism programs have been funded adequately and for a sufficient period to evaluate the needs of a much reduced inmate population.

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## Background

Each year in accordance with California Penal Code Section 919(b), the Grand Jury examines the housing and general living conditions of the incarcerated population within our jails. Santa Cruz County has four jails; the maximum security adult Main Jail in Santa Cruz, the adult men's medium security Rountree jail in Watsonville, the Blaine Street women's minimum security jail next to the Main Jail, and Juvenile Hall in Felton.

The Main Jail, located at 259 Water Street in Santa Cruz, was constructed in 1981 to house 92 inmates. It was expanded in 1986 and again in 1999, bringing the total capacity to 319 inmates. It currently houses some women because the women's jail is closed, and the requirement to keep women separated reduces the capacity slightly.

Rountree Detention Facility, located at 90 Rountree Lane, Watsonville, includes two medium security units and the minimum security Rehabilitation and Re-entry Facility. The Rountree medium security units have a capacity of 48 each, totalling 96. One of these units is currently closed due to lack of staffing. The R&R facility has a capacity of 64.

Blaine Street Women's Facility, located at 141 Blaine Street, Santa Cruz, has a capacity of 32. It is currently closed due to lack of staffing, however, the expected reopening date will be mid May 2023.

Juvenile Hall, located at 2650 Graham Hill Road, Felton, was built in 1968 and can house up to 42 juveniles.

Table 1 shows the average population of each adult facility for the period March 2022 until February 2023.

**Table 1. Santa Cruz County Jails Average Occupancy  
March 2022 – February 2023**

<b>Facility</b>	<b>Capacity</b>	<b>Occupancy</b>	<b>Percent Occupied</b>
Main Jail	319	281	88%
Rountree	96	27	28%
Reentry and Rehabilitation	64	47	73%
Blaine Street	32	0	0%

Source: Santa Cruz County Sheriff's Office February 2023 Monthly Statistics.<sup>[1]</sup>

When the Grand Jury toured Juvenile Hall, the population was 13 boys and one girl, 33 percent of capacity. (There is not an average for the previous year.)

## Scope and Methodology

The Grand Jury toured and assessed the Main Jail, Rountree facility, and Juvenile Hall. As described later in this report, the jury's inspections of the jail facilities did not result in new information beyond that included in the 2015-16 and 2018-19 Grand Jury jail inspections.<sup>[2] [3]</sup> During the tours, the Jury asked about the chronic and significant

staffing shortage among Correctional Officers, the main subject of this investigation proposal. The Jury was also told about the need for a new jail to replace the aging and obsolete Main Jail.

The Santa Cruz County Civil Grand Jury interviewed members of the Sheriff's Office, the Public Defender's Office, County Government, the jail's medical contractor, and private citizens having knowledge germane to the investigation. It reviewed numerous law enforcement, criminal justice and mental health websites, published articles on criminal justice and mental health, and local newspaper reports.

The Sheriff's Office was prompt and helpful with the many document and information requests, including but not limited to, county reports, research studies, interviews, annual reports, operations manual & public articles. In addition, the Jury reviewed the several reports of prior grand juries dealing with the jails in Santa Cruz County.

There is some overlap between this investigation and the investigation into Santa Cruz County Behavioral Health. Thus information gathered for this investigation has been shared with the Behavioral Health investigation, and vice versa.



**Figure 1.** The Main Jail (photo credit East Bay Times)

## Investigation

### ***Touring the Jails***

The 2022-23 Santa Cruz County Civil Grand Jury toured the Main Jail, the Rehabilitation and Reentry Facility at Rountree and Juvenile Hall in October and November 2022. Staff were helpful and forthcoming at each of the facilities. Some jurors were able to tour the women's facility, which is closed. The Jury found the adult jails to be as described in the 2015-16 and 2018-19 reports, but with a few more years of normal wear and tear.<sup>[2][4]</sup>

The Jury was impressed with Juvenile Hall. If kids need to be detained, this was a good place for the 13 boys and 1 girl to be. The building is old and in need of upgrade,<sup>[5]</sup> but staff have done what they can to make the environment friendly and appealing. The Jury learned about the school that provides high school classes up to graduation. The day some jurors attended, they observed "Unchained", a program that brings dogs in need of training to Juvenile Hall, where students are paired with a dog to promote a positive learning experience while working with their dog on the socialization skills they need before adoption. The Jury found this inspiring and effective for both kids and dogs.

### ***Life in Jail for Staff and Inmates***

Being in jail is an entirely different experience depending on which jail, and which part of the jail the inmate is in. Some of the Grand Jury toured the Main Jail and the Rehabilitation and Re-entry facility at Rountree on the same day, making the huge contrast between the facilities even more striking. While the Main Jail is crowded, foreboding, and with little to distract the inmates from the boredom of incarceration, the Rehabilitation and Re-entry facility is spacious, light and with much programming which both serves to engage the inmates and to provide necessary skills for life on the outside. During the tours, the Jury was informed that Rountree/R&R provides food service and laundry for the Main Jail. Some staffing for these functions is provided by inmates, allowing them to gain useful work experience, as well as save the jail a little money.

Both jails suffer from a significant staffing shortage, described in the 2018-19 Grand Jury Jail inspection report<sup>[3]</sup> and again in the 2020-21 "Justice in the Jail" Investigation.<sup>[6]</sup> Both reports describe mandatory overtime, especially for newly-hired Correctional Officers. Mandatory overtime is often coupled with long commutes to where housing prices are slightly less unaffordable than Santa Cruz County. Being a Correctional Officer is stressful; mandatory overtime and a long commute make this much worse. Abuse of sick leave and other negative behavior has been reported, suggesting that there is dissatisfaction among the Correctional Officers. Turnover is high for new COs; some become Deputies, some go to another agency.<sup>[7]</sup> The Corrections Policy Manual<sup>[8]</sup> describes in detail how COs should treat inmates, and how their safety and welfare should be protected. But expecting an overworked CO to always follow policy is a recipe for failure.<sup>[9]</sup> The Sheriff's Office appears to be doing what they can to make the Correctional Officers' work experience more positive; among other improvements, their locker room is being fixed.<sup>[10]</sup>



The Main Jail is used to house inmates deemed a high security risk. Most are pretrial, even though they may have been incarcerated at the Main Jail many years.<sup>[11]</sup> The Grand Jury is concerned about the civil rights of those detained long-term without being convicted, but that question is beyond the scope of this investigation. However, living in this unending limbo must have a negative effect on the inmates. Those who have never been incarcerated cannot imagine what life is like behind bars, especially the dungeon-like Main Jail. Inmates may be locked in their cells for 23 hours a day and let out for an hour of exercise in a small area open to the sky, but still without a view of any green plant. The exercise hour might be in the middle of the night!<sup>[12]</sup> Exorbitant cost of the commissary and phone calls are also a common inmate complaint.<sup>[13][14]</sup>



**Figure 2.** Rountree Rehabilitation and Re-entry Facility (photo credit Santa Cruz County Sheriff's Correctional Officer Association)

Rountree is where lower level offenders are housed. Rountree includes two medium security units and the minimum security Rehabilitation and Re-entry facility. Unlike the Main Jail, Rountree is spacious, with outdoor exercise areas including basketball and handball. The Grand Jury watched inmates weeding their home-grown vegetable plots.



**Figure 3.** “Paths out of Jail” Class at Rehabilitation and Reentry facility (photo credit Santa Cruz Sentinel)

Inmates have access to a large variety of programming including educational, motivational and life skills classes described in the 2019-19 inspection report.<sup>[3]</sup> These are both aimed at keeping the inmates occupied and at providing necessary skills for life after incarceration. The Grand Jury understood that not all programming has been resumed post-Covid.<sup>[15]</sup> Inmates initially housed at the Main Jail may be transferred to Rountree once they have demonstrated sustained appropriate behavior.<sup>[16]</sup>

In recent years, there have been a number of lawsuits against the Main Jail when inmates suffered injuries or worse.<sup>[17][18]</sup> Some of these lawsuits have resulted in settlements in the millions of dollars, which our County pays. Additionally, there have been sexual assaults, violence, drugs, and serious equipment failures, all described in the 2020-21 investigation.<sup>[19]</sup> That report also shows in Appendix B that while Santa Cruz County has the eighth lowest death rate in California, the total number of incidents described in the report suggests that all is not well at the jail.

## ***Mental Health and Substance Use Disorder of Inmates***

The Santa Cruz Main Jail has been described as the largest mental health holding facility in the County.<sup>[20] [21] [22] [23] [24]</sup> Approximately 40 percent of jail inmates have been diagnosed with mental illness.<sup>[25]</sup> Sixty-five percent have an active Substance Use Disorder (SUD) and an additional 20 percent were under the influence of drugs or alcohol at the time of the crime. Clearly, some inmates have both mental illness and SUD. Treatment for mental illness or SUD for incarcerated people is limited, most inmates do not get the care that is available for insured people on the outside, although treatment in jail may be the first and only treatment they receive. The National Alliance on Mental Illness estimates that between 25-40 percent of all mentally ill Americans will be jailed or incarcerated at some point in their lives. By contrast, about 6.6 percent of the general population will experience this. Rates of recidivism are between 50% and 230% higher for persons with mental health disorders regardless of diagnosis. Prison conditions such as crowded living quarters, lack of privacy, increased risk of victimization, and exposure to punitive segregation are strongly correlated with emerging and worsening psychiatric symptoms.<sup>[26] [27] [28]</sup>

Treatment for inmates suffering from mental illness or SUD can be effective, but must be followed by significant continuing care after release. Without adequate follow up, a released inmate will find it easier and cheaper to score street drugs rather than follow the laborious process to get medical insurance coverage for methadone, or whatever medication assisted treatment they were on.

## ***Keeping People out of Jail***

Santa Cruz law enforcement has made several very successful efforts to keep low level offenders out of jail. The Pretrial Division of the Probation Office uses evidence-based tools to determine which defendants are at low risk of failing to appear for court dates, or committing another crime, and who may be released until trial. Moderate risk individuals may be allowed more supervised release. Higher risk individuals may be fitted with electronic monitoring and/or be subject to home detention. Only those for whom a significant public safety concern exists are detained. Since 2015, the population of pretrial released individuals has increased from 38 to 249 in 2022.<sup>[29]</sup> The Pretrial Division estimates that keeping offenders out of jail saved more than 91,000 jail bed days in 2022 resulting in a cost saving of over \$26M.<sup>[30]</sup> The District Attorney's Office administers several diversion programs allowing a person charged with a crime to avoid a conviction by engaging in treatment designed to tackle the root cause of their involvement in the criminal justice system.<sup>[31]</sup> The Sheriff's Custody Alternatives Program allows qualified, sentenced, low level offenders to serve their sentence while working, or performing supervised community service, with electronic monitoring and restricted movement.<sup>[32]</sup>

In 2019, the County received a \$6 million grant that was used to start the Neighborhood Courts, a successful diversion program designed to keep low level misdemeanor offenders from entering the criminal justice system.<sup>[33]</sup> In August 2022, the County received another \$6 million grant that will continue the Neighborhood Courts program,



and allow the County to expand its Coordinated Access for Empowering Success (CAFES) program, a collaboration of the Santa Cruz County Probation Department, the Public Defender’s Office, the District Attorney’s Office, Santa Cruz County Superior Court and County Behavioral Health. It aims to prevent unnecessary engagement in the justice system, and reduce recidivism for those already involved, while improving the health and well-being of adults who have committed low level crimes so they are less likely to reoffend.<sup>[34] [35] [36]</sup> The chart in Figure 4 below shows how CAFES works.

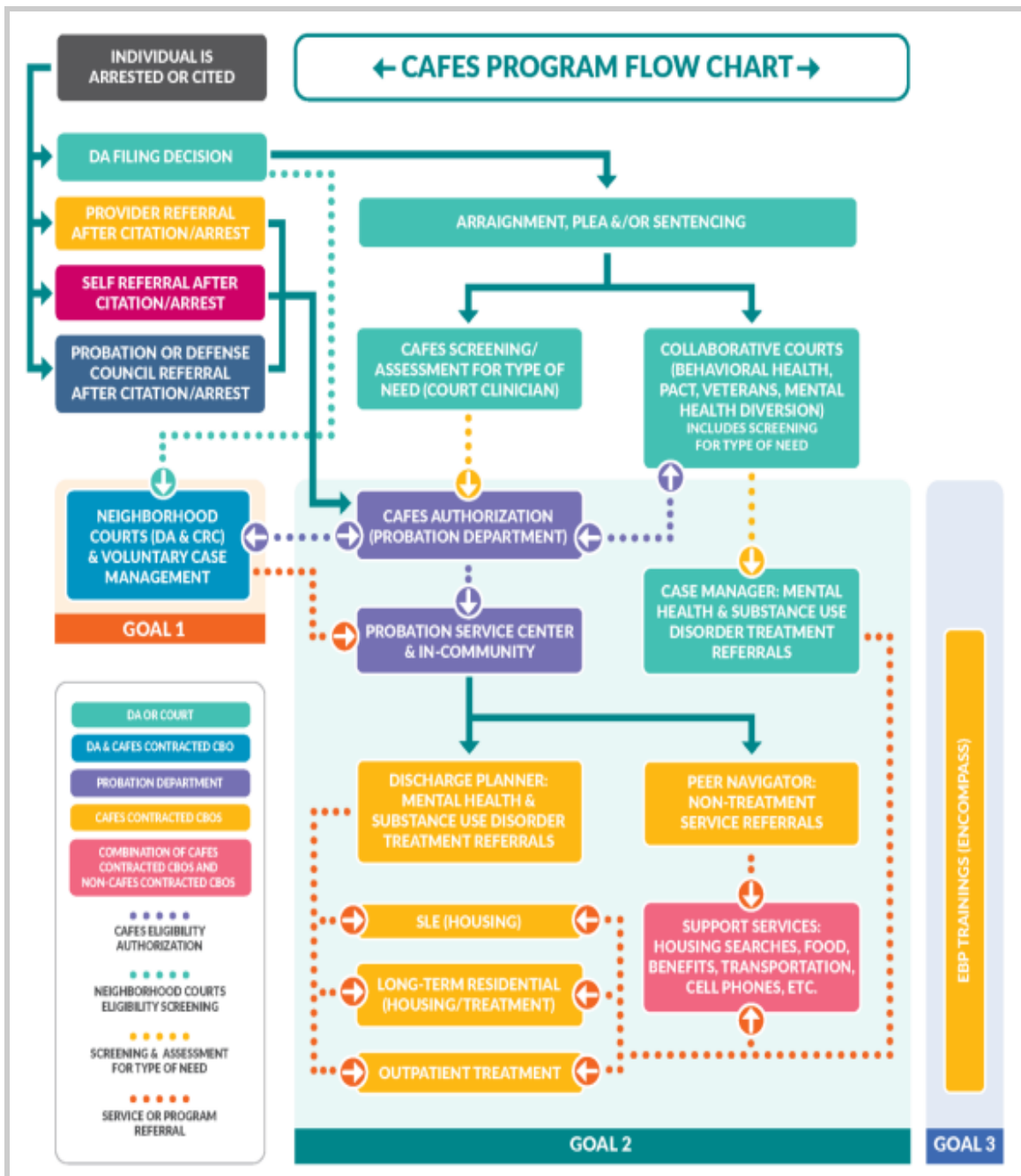


Figure 4. The Coordinated Access for Empowering Success (CAFES) program.<sup>[37]</sup>

CAFES focuses on first-time offenders who do not qualify for other programs. Its main goals are to Increase diversion opportunities (Goal 1), reduce recidivism (Goal 2), and improve existing support for those already incarcerated (Goal 3). The chart in Figure 4 shows the major steps in achieving each goal. CAFES is sufficiently new that little data on its effects are available, especially including the impact of Covid. However, the report notes that of 197 people authorized to CAFES, just 8, or 4 percent have recidivated.<sup>[38]</sup>

The Focused Intervention Team (FIT) is a collaboration between the Sheriff's Office and Santa Cruz Behavioral Health aimed at reducing recidivism among qualified, but more serious, repeat offenders who have demonstrated aggressive, threatening or assaultive behavior, and who are resistant to being helped. These offenders, mostly homeless people with substance use disorder, get intensive police supervision and support services. Offenders, both in jail and after release, get positive incentives, including employment training, housing assistance, and behavioral health treatment.<sup>[21] [39] [40] [41]</sup>

### **Combating Recidivism**

The programs noted above are not an exhaustive list of all law enforcement is doing to keep people out of the criminal justice system; however it is clear that local law enforcement is putting significant effort and resources into reducing the number of offenders going into detention, and reducing the number who commit further crimes after being released. In spite of these laudable efforts, recidivism is still around 60 percent within 10 years<sup>[42] [43] [44]</sup>, and the Main Jail is sometimes overcrowded.<sup>[45]</sup> During Covid, the jail population was reduced by about a third to reduce spread of the disease. This made the jail more manageable with the staffing level at the time.<sup>[46]</sup> About 15 percent of those released were soon rearrested, but most apparently stayed out of trouble.<sup>[47]</sup> This suggests there is yet more that could be done to keep people out of jail.

In spite of all the efforts listed above to prevent recidivism, the lack of sufficient step-down programs, also described as continuing care for released inmates, was noted during several of our interviews.<sup>[48] [49] [50] [51]</sup> Many released former inmates are either unhoused or have insecure housing.<sup>[52] [53]</sup> Being homeless is a full time job; just getting food, shelter, bathroom access, medical and dental care, and access to whatever limited services local government or non-profit organizations provide is all consuming.<sup>[54] [55]</sup> More than 40 percent of released inmates have additionally been diagnosed with mental illness,<sup>[42] [56]</sup> making reestablishing life on the outside even more difficult for the unhoused. A person needs secure housing before they can be expected to take an active role in dealing with their mental health, or complying with probation or other restrictions imposed for their release from custody.<sup>[57]</sup>

This does not mean that the step-down programs that do exist are not working, but that they are inadequate. Santa Cruz County Probation enrolled 464 low-level, unduplicated participants in an anti-recidivism program. For those that completed the program, recidivism was calculated at nearly 12 percent, while those who had left early were calculated as repeat offenders more than 18 percent of the time. Program participants who received only one-time services had recorded recidivism rates of nearly 24 percent, twice that of those who completed the program.<sup>[34] [58]</sup>

The jail's healthcare contractor, Wellpath, does provide some assistance for inmates being released, including a "discharge planner", similar to a case manager, who helps the inmate get medical insurance restarted and other necessities of life on the outside.<sup>[59] [60] [61] [62]</sup> There is a 6-7 month wait for getting a bed at a state mental hospital, which is no help for an inmate needing inpatient care.<sup>[63]</sup> The Public Defender's Office also tries to help inmates being released by having a social worker do reentry planning.<sup>[64]</sup>

The Santa Cruz County Behavioral Health Department provides mental health care for those without private insurance and is often the only source of mental health care for released inmates. Behavioral Health is also part of the CAFES program described above. Behavioral Health states that 43 percent of their client population has some involvement with the criminal justice system, mostly post-release supervision.<sup>[65]</sup> They further state that there is a lack of coordination with other county systems, such as law enforcement or the jail, and a lack of warm handoff to outpatient providers and ensuring a sufficient amount of medication until a pharmacy is open.<sup>[66]</sup> (A warm handoff means that jail staff actually introduces the inmate to the outpatient provider rather than just providing a referral.)

This year's Grand Jury is also investigating Behavioral Health, which we found to be overworked, understaffed and under-funded.<sup>[67] [68]</sup> Expecting Behavioral Health to improve step-down programs without a significant improvement in staffing and funding is unreasonable.

### ***The Case for a New Jail***

Local law enforcement really wants a new jail! After touring the grim, gloomy, cramped Main Jail, which lacks natural light or even a view of the trees around the building, the Santa Cruz County Civil Grand Jury was inclined to agree. The jail was intended for inmates being held for less than a year, but many have been held pretrial for several years.<sup>[69] [70]</sup> The current jail does not meet the needs of inmates or modern requirements for incarceration.<sup>[71]</sup> The Sheriff's Office has also suggested that a new jail is needed because the current jail is near the end of its useful life.<sup>[72]</sup> A new jail would be expected to cost around \$200 million for a 500 bed facility, and it would take 5-8 years to build.<sup>[73] [74]</sup> Put another way, a new jail would cost \$400,000 per inmate bed. The Santa Cruz Sentinel published an editorial in 2021 entitled "Santa Cruz County must start planning for a new jail."<sup>[75]</sup>

### ***Crime Rates in Santa Cruz County***

The table in Figure 5 below from Open Justice shows the trend in the number of arrests over the period 2012-2021. Although the numbers for the last three years may have been affected by Covid, the overall decline in arrests for felonies and drug offenses is clear. The decline in drug arrests is likely due at least in part to changing criteria for making an arrest, plus successful efforts to divert low level drug offenders away from the criminal justice system. The decline in arrests for property crimes is likely due to the same causes. The increase in arrests for violent offenses is small compared to the decline in arrests for felonies.

The chart in Figure 5 is for arrests, not those who are actually booked into jail, but arrests for felonies are those most likely to require incarceration in a maximum security jail. However, the number has declined by a third over ten years, and likely explains why the jail is not as overcrowded now as it was a few years ago. It would be wonderful if this trend continues, but there is no guarantee of this. The declining number of felony arrests suggests a declining need for a new jail.

ARRESTS										
Counties: Santa Cruz County.										
Years: 2012 - 2021.										
Offenses: Felony. Ages: Adults. Gender: All. Ethnicities: All.										
SV PDF <span style="float: right;">Search within results:</span>										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>FELONY</b>	2,812	2,814	2,753	2,133	2,086	2,179	2,162	2,039	1,782	1,924
Violent Offenses	548	610	653	739	619	702	724	719	630	682
Property Offenses	598	570	497	402	490	497	517	427	372	359
Drug Offenses	1,110	965	940	378	260	244	169	172	155	179
Sex Offenses	44	56	48	39	38	36	34	34	27	33
Other Offenses	512	613	615	575	679	700	718	687	598	671

Figure 5. Record of arrests in Santa Cruz County for the ten years 2012 - 2021. <sup>[76]</sup>

### Alternatives to a New Jail

Building a new jail will not solve the chronic Correctional Officer staffing problem, although a more pleasant working environment might help with CO retention. The Blaine Street women’s jail and one unit of Rountree are currently closed for lack of staffing. During the tours, the Grand Jury was told that reopening Blaine Street was a priority, and with sufficient staffing, will happen mid May 2023. Over the last few years, turning Blaine Street into a men’s facility, using part of Rountree for women and expanding Rountree have all been suggested to maximize the utility of our local jail system. <sup>[77] [78] [79]</sup>

The primary mission of our criminal justice system is public safety. Could more inmates be moved from the Main Jail to Rountree while meeting that mission? The Grand Jury is not equipped to answer this question. Over the last year, the occupancy rates stated in the Background section of this report indicate Rountree is only about 23 percent full; Re-entry and Rehabilitation is more fully utilized at 78 percent. There is room for about

60 more inmates at Rountree if both units were open. If these people could be moved from the Main Jail, that would relieve pressure on the at-capacity facility. Re-opening Blaine Street would also make more room in the Main Jail. Rountree might also be expanded at far less cost than the expected \$200 Million for a new jail. Given the security needs of the inmate population, what is the optimum use for the Main Jail, Rountree/R&R and Blaine Street? Could moderate expansion of Rountree plus some renovation of the Main Jail suffice to keep us all safe? The Grand Jury believes there is good reason to study this before a complete new Main Jail is proposed.

Reducing recidivism is the main alternative to building a whole new 500 bed jail.<sup>[80] [81] [82]</sup> As noted previously in this report, recidivism remains stubbornly high at around 60 percent. Once a person goes to jail, there is a 60 percent chance they will go back to jail some time in the future, hugely contributing to the need for a new jail. Step-down or continuing care for released inmates is inadequate, contributing to recidivism. Better funding for step-down programs, such as those described above and run by the Public Defender's Office and Behavioral Health is desperately needed. This could produce positive results much quicker, and at far less cost, than the estimated 5-8 years to build a new jail.

## Conclusion

In a perfect world, the Sheriff's Office would have sufficient funding to raise Correctional Officers' pay sufficient to hire all the officers they need, and build the new jail they want. But in that perfect world, there would also be sufficient resources to give all inmates the mental health care they need and to provide adequate continuing care after they are released, including supportive housing as appropriate. This report asks the question "In the real world, with the funding constraints in this County, what is the best solution to both the aging Main Jail and to the distressingly high recidivism rate?"

The Santa Cruz County Grand Jury believes that funding for the Sheriff's Office to hire and retain more Correctional Officers should be increased. Funding for the Public Defender's Office and County Behavioral Health should also be increased so their anti recidivism efforts can reduce the current horrifying 60 percent recidivism rate.

## Findings

- F1.** Permanent mandatory overtime for Corrections Officers has a negative effect on them that leads to high turnover, and the need to hire more COs and train them, which is inefficient and demoralizing for the Sheriff's Office.
- F2.** Overcrowding at the Main Jail would be alleviated if the Blaine Street Women's Jail and the second unit at Rountree could be reopened.
- F3.** Keeping women who do not need to be in a high security facility in the Main Jail is clearly detrimental to their mental health, and to their chances of staying out of jail once released.

- F4.** Reopening Blaine Street and the second unit at Rountree would give the Sheriff's Office much more scope to balance the jail population between the three facilities, and would allow some inmates from the Main Jail to move to Rountree and take advantage of the programming available there.
- F5.** Lack of programming at the Main Jail is bad for inmate welfare, both their mental health while on the inside, and their ability to stay out of the criminal justice system once released.
- F6.** Programs such as those run by the Public Defender's Office and CAFES that reduce recidivism are effective because they give former inmates the mental health and/or substance abuse treatments they need, as well as case management and supportive housing.
- F7.** Lack of continuing care for released inmates, most especially those with mental illness, SUD and/or who will be homeless after release, significantly contributes to recidivism, which then contributes to the need for a new jail.
- F8.** Some continuing care does exist, but is massively underfunded, especially for former inmates who need supportive housing.
- F9.** The Main Jail is old, has been overcrowded, and does not meet current requirements for incarceration.
- F10.** The Main Jail might be adequate for incarcerating inmates who need to be in a high security facility, providing it can be renovated to meet current incarceration requirements for a much reduced population.

## Recommendations

- R1.** In the next budget cycle the Board of Supervisors should allocate more funding to the Sheriff's Office to be used to increase Correctional Officer pay, and/or give out increased hiring or retention bonuses as the Sheriff's Office determines. (F1)
- R2.** The Blaine Street Women's Jail should be reopened as soon as practical, but definitely before the end of 2023. (The reopening is imminent and will occur mid May 2023) (F2 – F4)
- R3.** After Blaine Street, the second unit at Rountree should be reopened as soon as sufficient staffing is available, and preferably by the end of 2023. (F2, F4, F5)
- R4.** Programming at the Main Jail, both that intended to stimulate and entertain inmates, and that intended to provide them with skills for life on the outside, should be restarted as soon as practical and as Covid restrictions allow. (F6)
- R5.** The Public Defender's Office should receive funding in the next budget cycle to provide adequate anti recidivism programs. (F7 – F9)
- R6.** In the next budget cycle, County Behavioral Health should be funded to adequately treat released inmates with mental illness, including supportive housing where necessary. (F6 – F9)



- R7.** The Sheriff's Office should commission a study to determine the most effective use of the three jails and any modifications to existing facilities needed to house the expected jail population into the future. This study should be completed by the end of 2024. (F4, F9, F10)

## Commendations

- C1.** The Probation Office and the Public Defender's Office are doing an excellent job of diverting low level offenders away from the criminal justice system.
- C2.** The Probation Office is providing their Juvenile Hall youngsters a more physically and emotionally healthy environment that most of them ever had at home.

## Required Responses

<i>Respondent</i>	<i>Findings</i>	<i>Recommendations</i>	<i>Respond Within/ Respond By</i>
Santa Cruz County Board of Supervisors	F1 – F10	R1, R5 – R7	90 Days August 23, 2023
Santa Cruz County Sheriff	F1 – F10	R1 – R4, R7	60 Days July 24, 2023

## Invited Responses

<i>Respondent</i>	<i>Findings</i>	<i>Recommendations</i>	<i>Respond Within/ Respond By</i>
Santa Cruz County Public Defender	F6 – F8	R5	90 Days August 23, 2023
Santa Cruz County Administrative Officer	F1 – F10	R1, R5 – R7	90 Days August 23, 2023

## Definitions

**Adult:** Any person 18 years of age or older.

**CAFES:** Coordinated Access for Empowering Success (Prop 47)

**Correctional Officer:** All persons, regardless of rank, who are employees and who are selected and trained in accordance with state law as a corrections officer of the Santa Cruz County Sheriff's Office.

**FIT:** Focused Intervention Team, a collaboration between the Sheriff's Office and Santa Cruz Behavioral Health aimed at reducing recidivism among qualified, but more serious, repeat offenders who have demonstrated aggressive, threatening or assaultive behavior, and who are resistant to being helped.

**Juvenile:** Any person under the age of 18.

**Pretrial:** Is a hearing prior to trial, in which all parties involved in the trial attempt to determine the issues, laws, or facts matter, before the court trial.

**R&R:** Rehabilitation and Re-entry

**SUD:** Substance use disorder.

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### **Site Visits**

Main Jail, County of Santa Cruz

Rountree Medium Facility, County of Santa Cruz

Juvenile Hall, County of Santa Cruz

Sheriff's Office, County of Santa Cruz



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## Responses to the findings and recommendations in the 2022-2023 Grand Jury Report, "Envisioning the Future of our Jails....."

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Caitlin Smith <Caitlin.Smith@santacruzcounty.us>

Tue, Aug 8, 2023 at 4:35 PM

Good Afternoon,

Please see attached for the Board of Supervisors, the Public Defender, and Sheriff's responses to the findings and recommendations in the 2022-2023 Grand Jury Report, "Envisioning the Future of our Jails – We Continue to 'Kick The Can'."

Best,

Caitlin C. Smith

County Supervisors' Analyst

Santa Cruz County Board of Supervisors

701 Ocean Street, Room 500

Santa Cruz, CA 95060

831-454-2200 main

831-454-3516 direct

[caitlin.smith@santacruzcounty.us](mailto:caitlin.smith@santacruzcounty.us)

To email all five members of the Board of Supervisors at once,

please use: [BoardOfSupervisors@santacruzcounty.us](mailto:BoardOfSupervisors@santacruzcounty.us)

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### 4 attachments



**Future of our Jails response Cover letter.pdf**

37K



**Future of our Jails Report-Board of Supervisors response.pdf**

321K



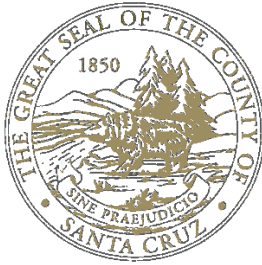
**Future of our Jails Report-Sheriff's response.pdf**

256K



**Future of our Jails Report-Public Defender Response.pdf**

212K



# County of Santa Cruz

## BOARD OF SUPERVISORS

701 OCEAN STREET, SUITE 500, SANTA CRUZ, CA 95060-4069  
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**BRUCE MCPHERSON**  
FIFTH DISTRICT

August 8, 2023

The Honorable Syda Cogliati  
Santa Cruz Courthouse  
701 Ocean Street  
Santa Cruz, CA 95060

**RE: Response to the 2022-2023 Grand Jury Report titled "Envisioning the Future of our Jails – We Continue to 'Kick The Can'"**

Dear Judge Cogliati:

The purpose of this letter is to formally transmit the responses of the Santa Cruz County Board of Supervisors, the Santa Cruz County Public Defender, and the Santa Cruz County Sheriff to the 2022-2023 Grand Jury Report titled "Envisioning the Future of our Jails – We Continue to 'Kick The Can'."

Sincerely,

ZACH FRIEND, Chair  
Board of Supervisors

ZF: cs  
Attachment

CC: Clerk of the Board  
Santa Cruz County Grand Jury





The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

**Santa Cruz County Board of Supervisors**

to Respond by August 23, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

**Envisioning the Future of our Jails**

*We Continue to “Kick The Can”*

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.



## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. **Please confirm the date on which you approved the assigned responses:**

We approved these responses in a regular public meeting as shown  
in our minutes dated August 8, 2023.

4. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

**If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).**

## Findings

- F1.** Permanent mandatory overtime for Corrections Officers has a negative effect on them that leads to high turnover, and the need to hire more COs and train them, which is inefficient and demoralizing for the Sheriff's Office.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F2.** Overcrowding at the Main Jail would be alleviated if the Blaine Street Women's Jail and the second unit at Rountree could be reopened.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Blaine Street Women's Jail was reopened on May 19, 2023. Opening the second unit at Rountree would help ease overcrowding but would not solve it entirely. Overcrowding is a result of many different factors including but not limited to our administratively separated population, different classifications of incarcerated persons, and factors such as mental illness and substance abuse.

- F3.** Keeping women who do not need to be in a high security facility in the Main Jail is clearly detrimental to their mental health, and to their chances of staying out of jail once released.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Board of Supervisors agrees with the Sheriff's assessment. The Blaine Street Women's Jail is more conducive to programming and a better overall environment. However, mental health and recidivism are more complex issues and cannot be reduced to merely the environment in which one is housed while in custody; nor is the security level of a custodial facility determinative to its effectiveness of future recidivism rates.

**F4.** Reopening Blaine Street and the second unit at Rountree would give the Sheriff's Office much more scope to balance the jail population between the three facilities and would allow some inmates from the Main Jail to move to Rountree and take advantage of the programming available there.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F5.** Lack of programming at the Main Jail is bad for inmate welfare, both their mental health while on the inside, and their ability to stay out of the criminal justice system once released.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Board of Supervisors agrees with the Sheriff's assessment. There is value in programming for incarcerated persons, and it can have a positive effect on their well-being, should they choose to participate. However, mental health and recidivism are much more complex than issues such as environment and access to programming.

**F6.** Programs such as those run by the Public Defender’s Office and CAFES that reduce recidivism are effective because they give former inmates the mental health and/or substance abuse treatments they need, as well as case management and supportive housing.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

- F7.** Lack of continuing care for released inmates, most especially those with mental illness, SUD and/or who will be homeless after release, significantly contributes to recidivism, which then contributes to the need for a new jail.

- AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):



**F8.** Some continuing care does exist, but is massively underfunded, especially for former inmates who need supportive housing.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

There is a need for additional continuing care in the community, particularly for those suffering from mental illness or substance use disorders. Supportive housing is especially critical for former inmates who are unhoused and struggling with these challenges. There is also a need to make continuing care that does exist less diffuse and difficult to access.

**F9.** The Main Jail is old, has been overcrowded, and does not meet current requirements for incarceration.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Main Jail is old, overcrowded and in need of replacement. The Main Jail is not conducive to modern Corrections practices and would not be built the same way under current practices, policies, and community expectations. However, the Main Jail has passed all Board of State and Community Corrections (BSCC) Inspections and does meet current requirements for use as a corrections facility.

**F10.** The Main Jail might be adequate for incarcerating inmates who need to be in a high security facility, providing it can be renovated to meet current incarceration requirements for a much reduced population.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The current Main Jail needs to be fully replaced. The building is old, resulting in continual and costly maintenance, and lacks the modern design and infrastructure needed to ensure efficient and secure operations.

A new jail facility can address these shortcomings by incorporating state-of-the-art systems, improved inmate management techniques, and enhanced facilities for staff and inmates alike, while prioritizing the rehabilitation and reintegration of offenders through better programming spaces, educational resources, and medical and mental health services. Additionally, a new facility can be designed with sustainability in mind, promoting energy efficiency while creating a safer and more effective environment for both staff and inmates that meets modern correctional standards.

Furthermore, continued operation of multiple facilities in different parts of the County is costly and not an efficient use of limited staffing resources. Consolidating facilities to a smaller geographic area would allow more efficient utilization of staffing.

## Recommendations

- R1.** In the next budget cycle the Board of Supervisors should allocate more funding to the Sheriff's Office to be used to increase Correctional Officer pay, and/or give out increased hiring or retention bonuses as the Sheriff's Office determines. (F1)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

On September 13, 2022, the Board of Supervisors approved a three-year agreement with the Santa Cruz Correctional Officers Association, resulting in an approximate 11% increase with additional incentives for Supervising Correctional Officers (4%) and a Longevity/Retention Bonus for all Correctional Officers with over eight years of service (3%). Contract provisions intentionally focused on recruitment and retention to address the historical difficulty in filling vacancies for Corrections Officer positions. The challenges faced by Santa Cruz County are not unique and are compounded by the need for extensive backgrounds, 24/7 operations, and the nature of the job.

In addition, the Board approved a recruiting and hiring incentive program in October 2021 that pays \$10,000 (subject to legally required taxes) to a new hire in the classification of Corrections Officer and/or lateral transfer upon completion of the new hire probationary period, which is one year or 2080 County service hours. These efforts have yielded 34 new hires since October 2021. County staff will continue working collaboratively on strategies to stabilize the Corrections workforce, which is critical to sustaining stable and experienced personnel in performing their essential work to ensure the safety and care of all individuals incarcerated.

**R5.** The Public Defender's Office should receive funding in the next budget cycle to provide adequate anti recidivism programs. (F7 – F9)

**HAS BEEN IMPLEMENTED** – summarize what has been done

**HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe

**REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)

**WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The FY 2023-24 budget provides the Public Defender's Office with funding to provide holistic representation to the people they represent. This holistic model of representation supports countywide efforts to reduce recidivism and connect people to meaningful, stabilizing services and support in the community. Funding allocations are determined annually as part of the budget cycle. The FY 2024-25 budget will be developed beginning in fall 2023 and ending in spring 2024 during which time staff will determine how much additional funding is available to support these programs.

**R6.** In the next budget cycle, County Behavioral Health should be funded to adequately treat released inmates with mental illness, including supportive housing where necessary. (F6 – F9)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The FY 2023-24 budget provides County Behavioral Health with funding to treat mental illness and provide supportive housing to those in need of these services, including released inmates. Funding allocations are determined annually as part of the budget cycle. The FY 2024-25 budget will be developed beginning in fall 2023 and ending in spring 2024 during which time staff will determine how much additional funding is available to support these programs.

**R7.** The Sheriff's Office should commission a study to determine the most effective use of the three jails and any modifications to existing facilities needed to house the expected jail population into the future. This study should be completed by the end of 2024. (F4, F9, F10)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Sheriff's Office and County Administrative Office have been exploring the best approach to conduct this study, known as a Facility Needs Assessment. In the next six months, they will determine whether to issue a Request for Proposals to identify a consultant for this assessment.



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

---

## Responses to the findings and recommendations in the 2022-2023 Grand Jury Report, "Envisioning the Future of our Jails....."

---

Caitlin Smith <Caitlin.Smith@santacruzcounty.us>

Tue, Aug 8, 2023 at 4:35 PM

Good Afternoon,

Please see attached for the Board of Supervisors, the Public Defender, and Sheriff's responses to the findings and recommendations in the 2022-2023 Grand Jury Report, "Envisioning the Future of our Jails – We Continue to 'Kick The Can'."

Best,

Caitlin C. Smith

County Supervisors' Analyst

Santa Cruz County Board of Supervisors

701 Ocean Street, Room 500

Santa Cruz, CA 95060

831-454-2200 main

831-454-3516 direct





[caitlin.smith@santacruzcounty.us](mailto:caitlin.smith@santacruzcounty.us)

To email all five members of the Board of Supervisors at once,

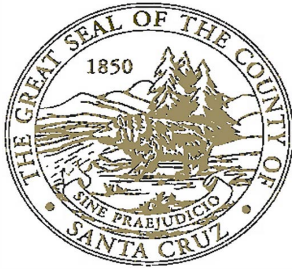
please use: [BoardOfSupervisors@santacruzcounty.us](mailto:BoardOfSupervisors@santacruzcounty.us)

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### 4 attachments

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# County of Santa Cruz

## BOARD OF SUPERVISORS

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SECOND DISTRICT

**JUSTIN CUMMINGS**  
THIRD DISTRICT

**FELIPE HERNANDEZ**  
FOURTH DISTRICT

**BRUCE MCPHERSON**  
FIFTH DISTRICT

August 8, 2023

The Honorable Syda Cogliati  
Santa Cruz Courthouse  
701 Ocean Street  
Santa Cruz, CA 95060

**RE: Response to the 2022-2023 Grand Jury Report titled "Envisioning the Future of our Jails – We Continue to 'Kick The Can'"**

Dear Judge Cogliati:

The purpose of this letter is to formally transmit the responses of the Santa Cruz County Board of Supervisors, the Santa Cruz County Public Defender, and the Santa Cruz County Sheriff to the 2022-2023 Grand Jury Report titled "Envisioning the Future of our Jails – We Continue to 'Kick The Can'."

Sincerely,

ZACH FRIEND, Chair  
Board of Supervisors

ZF: cs  
Attachment

CC: Clerk of the Board  
Santa Cruz County Grand Jury



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

## Santa Cruz County Sheriff

to Respond by July 24, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

## Envisioning the Future of our Jails

*We Continue to “Kick The Can”*

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

- 1. For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
  
- 2. For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
  
- 3. When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

***If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).***

## Findings

- F1.** Permanent mandatory overtime for Corrections Officers has a negative effect on them that leads to high turnover, and the need to hire more COs and train them, which is inefficient and demoralizing for the Sheriff's Office.

- AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F2.** Overcrowding at the Main Jail would be alleviated if the Blaine Street Women’s Jail and the second unit at Rountree could be reopened.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Blaine Street was reopened on 5/19/23. Opening the second unit at Rountree would help ease overcrowding but would not solve it entirely.

Overcrowding is a result of many different factors including but not limited to our administratively separated population, different classifications of incarcerated persons, and factors such as mental illness and substance abuse.

**F3.** Keeping women who do not need to be in a high security facility in the Main Jail is clearly detrimental to their mental health, and to their chances of staying out of jail once released.

- AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Blaine Street is more conducive to programming and a better overall environment. We disagree that the Main Jail is “clearly detrimental to their mental health, and to their chances of staying out of jail once released.” We believe mental health and recidivism are more complex issues and cannot be reduced to merely the environment in which one is housed while in custody; nor is the security level of a custodial facility determinative to its effectiveness of future recidivism rates.

**F4.** Reopening Blaine Street and the second unit at Rountree would give the Sheriff's Office much more scope to balance the jail population between the three facilities, and would allow some inmates from the Main Jail to move to Rountree and take advantage of the programming available there.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

- F5.** Lack of programming at the Main Jail is bad for inmate welfare, both their mental health while on the inside, and their ability to stay out of the criminal justice system once released.

- AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Sheriff's Office believes in the value of programming for incarcerated persons. We believe it can have a positive effect on their well-being, should they choose to participate. We believe mental health and recidivism are much more complex than issues such as environment and access to programming.



**F6.** Programs such as those run by the Public Defender’s Office and CAFES that reduce recidivism are effective because they give former inmates the mental health and/or substance abuse treatments they need, as well as case management and supportive housing.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F7.** Lack of continuing care for released inmates, most especially those with mental illness, SUD and/or who will be homeless after release, significantly contributes to recidivism, which then contributes to the need for a new jail.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F8.** Some continuing care does exist, but is massively underfunded, especially for former inmates who need supportive housing.

- AGREE
- PARTIALLY DISAGREE
- DISAGREE

**Response explanation** (required for a response other than **Agree**):

Funding for these programs is outside the purview of the Sheriff's Office. There is a need for additional continuing care in the community, particularly for those suffering from mental illness or substance abuse disorders.

**F9.** The Main Jail is old, has been overcrowded, and does not meet current requirements for incarceration.

- AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Main Jail is old, overcrowded and in need of replacement. The Main Jail is not conducive to modern Corrections practices and would not be built the same way under current practices, policies, and community expectations. However, the Main Jail has passed all Board of State and Community Corrections (BSCC) Inspections and does meet current requirements for use as a corrections facility.

**F10.** The Main Jail might be adequate for incarcerating inmates who need to be in a high security facility, providing it can be renovated to meet current incarceration requirements for a much reduced population.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The current Main Jail needs to be fully replaced. The building is old, resulting in continual and costly maintenance, and lacks the modern design and infrastructure needed to ensure efficient and secure operations.

A new jail facility can address these shortcomings by incorporating state-of-the-art systems, improved inmate management techniques, and enhanced facilities for staff and inmates alike, while prioritizing the rehabilitation and reintegration of offenders through better programming spaces, educational resources, and medical and mental health services. Additionally, a new facility can be designed with sustainability in mind, promoting energy efficiency while creating a safer and more effective environment for both staff and inmates that meets modern correctional standards.

Furthermore, continued operation of multiple facilities in different parts of the County is costly and not an efficient use of limited staffing resources. We believe consolidating facilities to a smaller geographic area would allow more efficient utilization of staffing.

## Recommendations

**R1.** In the next budget cycle the Board of Supervisors should allocate more funding to the Sheriff's Office to be used to increase Correctional Officer pay, and/or give out increased hiring or retention bonuses as the Sheriff's Office determines. (F1)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

The Santa Cruz Correctional Officers Association (COA) bargaining unit negotiates their contract directly with the County, not the Sheriff's Office. On September 13, 2022, the Board of Supervisors approved a three-year agreement resulting in an approximate 11% increase with additional incentives for Supervising Correctional Officers (4%) and a Longevity/Retention Bonus for all Correctional Officers with over eight-years of service (3%). In addition, the Board approved a recruiting and hiring incentive program in October 2021 that pays, \$10,000 to a new hire in the classification of Corrections Officer and/or lateral transfer upon completion of the new hire probationary period which is one year or 2080 County service hours.

The Sheriff's Office would support any additional increases in an effort to better recruit and retain Correctional Officers.

**R2.** The Blaine Street Women’s Jail should be reopened as soon as practical, but definitely before the end of 2023. (The reopening is imminent and will occur mid May 2023) (F2 – F4)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Blaine Street facility was reopened on 5/19/23.

**R3.** After Blaine Street, the second unit at Rountree should be reopened as soon as sufficient staffing is available, and preferably by the end of 2023. (F2, F4, F5)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Sheriff's Office will continue to recruit, hire, and retain Correctional Officers. When staffing permits, we plan to reopen the second housing unit at Rountree. We do not have a timetable for that at this time.



**R4.** Programming at the Main Jail, both that intended to stimulate and entertain inmates, and that intended to provide them with skills for life on the outside, should be restarted as soon as practical and as Covid restrictions allow. (F6)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Sheriff’s Office restarted in-person programming in May 2022. Contracted organizations must recruit and train staff to provide programs. We are continually evaluating new programs but are somewhat limited at the Main Jail by lack of classrooms and space to conduct group programs.

**R7.** The Sheriff's Office should commission a study to determine the most effective use of the three jails and any modifications to existing facilities needed to house the expected jail population into the future. This study should be completed by the end of 2024. (F4, F9, F10)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Sheriff's Office and County Administrative Office have been exploring the best approach to conduct this study, known as a Facility Needs Assessment. In the next six months, we will determine whether to issue a Request for Proposals to identify a consultant for this assessment.



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

---

## Responses to the findings and recommendations in the 2022-2023 Grand Jury Report, "Envisioning the Future of our Jails....."

---

Caitlin Smith <Caitlin.Smith@santacruzcounty.us>

Tue, Aug 8, 2023 at 4:35 PM

Good Afternoon,

Please see attached for the Board of Supervisors, the Public Defender, and Sheriff's responses to the findings and recommendations in the 2022-2023 Grand Jury Report, "Envisioning the Future of our Jails – We Continue to 'Kick The Can'."

Best,

Caitlin C. Smith

County Supervisors' Analyst

Santa Cruz County Board of Supervisors

701 Ocean Street, Room 500

Santa Cruz, CA 95060

831-454-2200 main

831-454-3516 direct





[caitlin.smith@santacruzcounty.us](mailto:caitlin.smith@santacruzcounty.us)

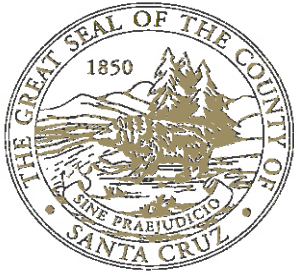
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# County of Santa Cruz

## BOARD OF SUPERVISORS

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**ZACH FRIEND**  
 SECOND DISTRICT

**JUSTIN CUMMINGS**  
 THIRD DISTRICT

**FELIPE HERNANDEZ**  
 FOURTH DISTRICT

**BRUCE MCPHERSON**  
 FIFTH DISTRICT

August 8, 2023

The Honorable Syda Cogliati  
 Santa Cruz Courthouse  
 701 Ocean Street  
 Santa Cruz, CA 95060

**RE: Response to the 2022-2023 Grand Jury Report titled "Envisioning the Future of our Jails – We Continue to 'Kick The Can'"**

Dear Judge Cogliati:

The purpose of this letter is to formally transmit the responses of the Santa Cruz County Board of Supervisors, the Santa Cruz County Public Defender, and the Santa Cruz County Sheriff to the 2022-2023 Grand Jury Report titled "Envisioning the Future of our Jails – We Continue to 'Kick The Can'."

Sincerely,

ZACH FRIEND, Chair  
 Board of Supervisors

ZF: cs  
 Attachment

CC: Clerk of the Board  
 Santa Cruz County Grand Jury



The 2022–2023 Santa Cruz County Civil Grand Jury  
Invites the

**Santa Cruz County Public Defender**

to Respond by August 23, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

**Envisioning the Future of our Jails**

*We Continue to “Kick The Can”*

Responses are **invited** from appointed agency and department heads, appointed committees, and non-profit agencies contracted to the county which are investigated by the grand jury. You are not required to respond by the California Penal Code [\(PC\) §933\(c\)](#); if you do, [PC §933\(c\)](#) requires you to make your response available to the public.

If you choose to respond, your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in the report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. ***For the Findings, mark one of the following responses with an “X” and provide the required additional information:***
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
  
2. ***For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:***
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
  
3. ***When your responses are complete, please email your completed Response Packet as a PDF file attachment to both***

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

***If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).***

## Findings

- F6.** Programs such as those run by the Public Defender's Office and CAFES that reduce recidivism are effective because they give former inmates the mental health and/or substance abuse treatments they need, as well as case management and supportive housing.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Santa Cruz County Office of the Public Defender (PDO) strongly agrees with this finding. The holistic model employed by PDO, which provides social workers and client advocates as part of the confidential legal team, provides for earlier identification of mental health and substance use disorders and seamless connection to supportive services.

- F7.** Lack of continuing care for released inmates, most especially those with mental illness, SUD and/or who will be homeless after release, significantly contributes to recidivism, which then contributes to the need for a new jail.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

PDO agrees that the inaccessibility of continuing care and housing resources for people exiting custody contributes to cascading consequences. Too often, people are released to the streets with no housing and no ability to access treatment upon release and end up back in custody in short order. An investment in intensive case management and supportive or transitional housing resources for those exiting custody would likely lead to a reduction in recidivism.



**F8.** Some continuing care does exist, but is massively underfunded, especially for former inmates who need supportive housing.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

There is a need for additional continuing care in the community, particularly for those suffering from mental illness or substance use disorders. Supportive housing is especially critical for former inmates who are unhoused and struggling with these challenges. There is also a need to make continuing care that does exist less diffuse and difficult to access.

## Recommendations

**R5.** The Public Defender's Office should receive funding in the next budget cycle to provide adequate anti recidivism programs. (F7 – F9)

—

**HAS BEEN IMPLEMENTED** – summarize what has been done

—

**HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe

**REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)

—

**WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

The FY 2023-24 budget provides PDO with funding to provide holistic representation to the people we represent. This holistic model of representation supports county-wide efforts to reduce recidivism and connect people to meaningful, stabilizing services and support in the community. PDO will continue to request funding to support this important work during the next budget cycle, which begins in fall 2023 and ends in spring 2024.



**SANTA CRUZ COUNTY**  
Civil Grand Jury

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## Housing Our Workers

### Essential Workers Need Affordable Housing!

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#### Summary

The cost of housing has risen dramatically, especially in the past five years, not just in Santa Cruz County but all over the state of California. There were some clear issues, the 2008 recession, the COVID crisis, the rise of Airbnb, but the biggest reason is that municipalities stopped building new housing. The numbers of unhoused people increased, and employers found it harder and harder to find and keep employees. The reason that prospective employees most often gave for not coming to work here was the scarcity and cost of housing. Over the past several years, California has enacted several laws to encourage, and even require, all municipalities to build more housing, especially more affordable housing for essential workers..

The four cities, Capitola, Santa Cruz, Scotts Valley and Watsonville, as well as the County of Santa Cruz, have all begun identifying suitable properties and have begun making zoning changes to build more housing. The five municipalities (the county and the four cities) are at various stages in this process and now face even higher affordable housing goals in the Sixth Cycle Housing Element, which is due to the State at the end of December.

The Santa Cruz County Civil Grand Jury's overall findings and recommendations encompass the following:

- How well each of the five municipalities have met current housing goals
- How well the public understands the need for more workforce housing
- How well each municipality is positioned to meet future housing goals
- How each municipality can use housing laws, grants and partnerships to make housing more affordable

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## Background

Over the past few years we have heard a lot about essential workers, those who keep our community running. We depend on these workers to educate our children, take care of our medical and dental needs, keep our communities safe, maintain our food supply, provide public transportation, and keep our streets clean. These workers are being squeezed out of the housing and rental markets in Santa Cruz County. Almost daily there are news reports of teacher and bus driver shortages, police departments that can't find enough qualified officers, stores and restaurants that have to reduce hours because they can't find enough workers.

The Santa Cruz area was recently designated the second most expensive place to live in the country with the average home price of \$1.5 million and the average rent for an apartment at over \$3,000/month.<sup>[1][2]</sup> Watsonville is somewhat less expensive at an \$800,000 average price for a home and an average rent of \$2,000.<sup>[1][2]</sup> These prices are beyond the reach of many of our essential middle income workers. In order to buy the average home in the Santa Cruz area, a worker with \$50,000 down payment would have to make \$400,000/year and the monthly payments would be \$8,830/month.<sup>[2]</sup> In Watsonville, a worker would need to make \$200,000/year to afford to buy the average house with monthly payments of \$4,345.<sup>[2]</sup>

Although salaries have gone up in many areas, the average annual teacher salary is only about \$70,000.<sup>[3]</sup> The average full time firefighter makes less than \$60,000 and a school custodian makes about \$50,000.<sup>[3]</sup> The average registered nurse makes \$100,000.<sup>[4]</sup> According to the Transparent California website, the average Santa Cruz Metro driver makes about \$68,000 in salary and another \$60,000 in overtime, still not enough to buy the average house in Watsonville! In a recent survey from the California Association of Realtors, just one in five residents in the Bay Area can afford to buy a home at current prices.<sup>[5]</sup>

While our communities have programs to help low income residents, (individuals who make less than \$35,000/year), there is little to help essential middle income workers who can't afford the rent or housing prices, yet have jobs in our community.

*The report calculates a "housing wage" for Santa Cruz County of \$60.35 an hour.... At \$3,138 per month for a two-bedroom rental, tenants would need to work four full-time minimum-wage jobs, at \$15 an hour, to afford rent....<sup>[6][7]</sup>*

Figure 1 below shows that in Santa Cruz County many workers are spending nearly 50% of their income on mortgage.

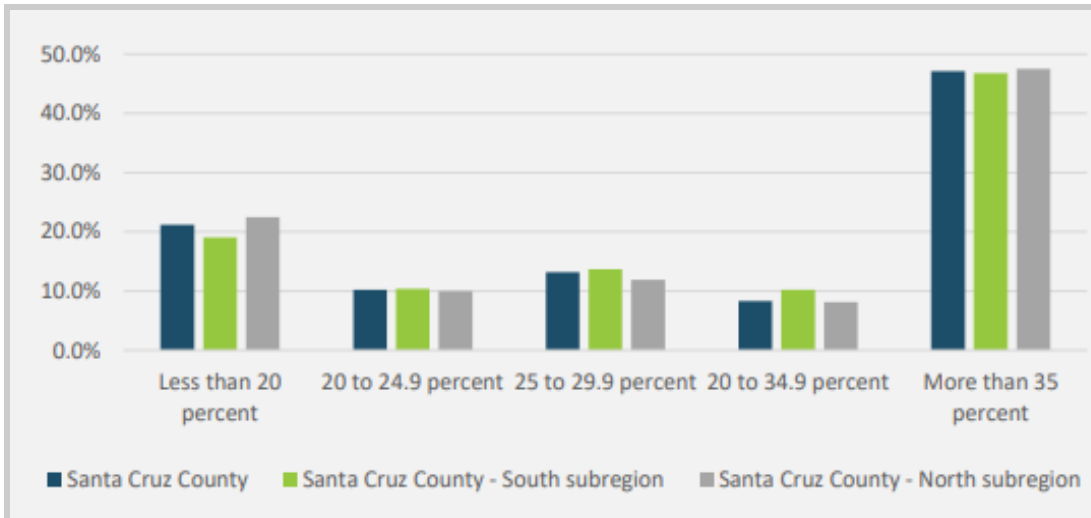


Figure 1. Percentage of income spent on mortgage.<sup>[8]</sup>

Many local employers are reporting difficulty attracting and keeping workers.<sup>[9]</sup> Cabrillo College reports that 11% of workers commute from outside Santa Cruz County <sup>[10]</sup>, and Pajaro Valley Unified School District reports that over the last two and a half years, 9.24% of those resigning from the district left to move out of state and 11.65% of those resigning left to accept jobs with better salary and housing options outside of the County.<sup>[11]</sup> Salary schedules from the City of Santa Cruz show that neither police officers nor firefighters make a salary high enough to comfortably afford housing in this County.<sup>[12] [13]</sup>

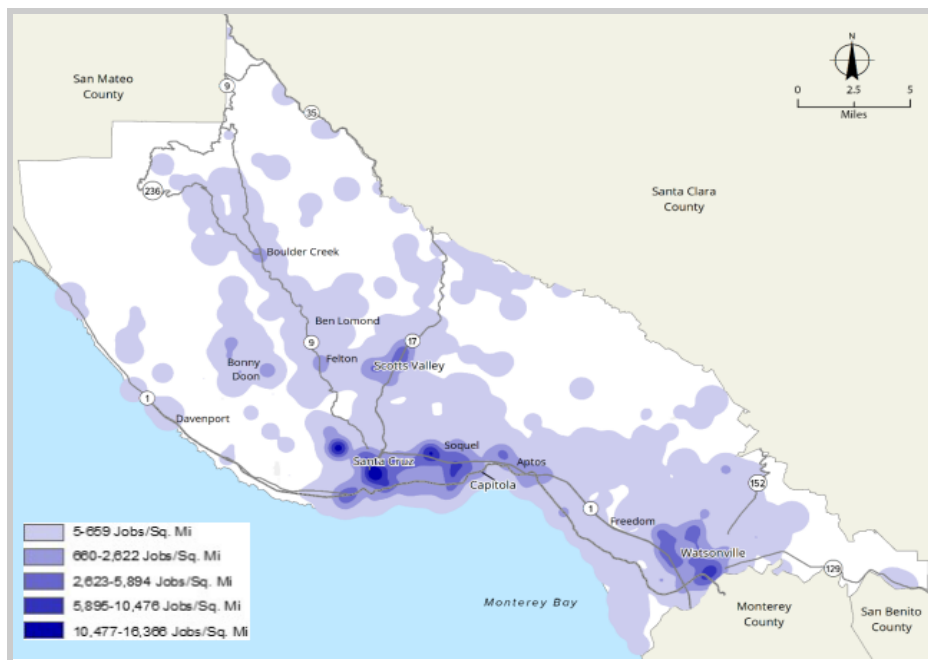


Figure 2. Where people work in Santa Cruz County.<sup>[14]</sup>

As Figure 2 above shows, much of our workforce is commuting from south county to jobs primarily located in the central part of the county. Many essential workers make less than the Santa Cruz County housing wage of \$60.35/hour. No wonder Hwy 1 is clogged with traffic driving to and from Watsonville and points south and east of here where it is cheaper to live.<sup>[15] [16]</sup>

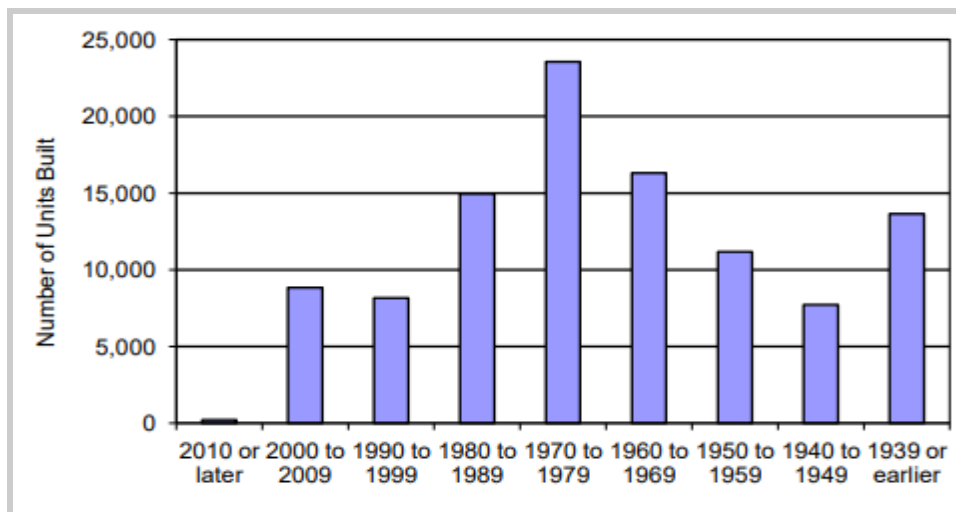
The cost of housing in coastal California has outpaced increases in wages and salaries over the same period of time while the supply of affordable housing has decreased relative to the increasing population. According to the Santa Cruz County Planning Department:

*The difficulty is not just the cost of housing, but specifically the cost of housing in relationship to local incomes.*<sup>[17]</sup>

How did we get in this predicament? There are many reasons for the lack of housing overall in Santa Cruz County. The 2022 state publication, “A Home for Every Californian”<sup>[18]</sup> lists several reasons:

- High costs of land, materials and labor
- Insufficient land zoned and available for housing
- Financial support constraints
- Opposition to neighborhood change
- Numerous, varied and opaque regulatory hurdles
- Social pressure to limit population growth
- Lack of federal support and expiring subsidies for affordable homes

In addition, after the growth following the construction of the University of California at Santa Cruz (UCSC) and the fight over preserving the north coast and Lighthouse Field, a no-growth mentality was pervasive in Santa Cruz County.<sup>[19]</sup> We just stopped building enough houses. Figure 3 below shows construction of housing peaked in the 1970s and then fell sharply in the next three decades.



**Figure 3.** Housing construction in Santa Cruz County by decade built.<sup>[20]</sup>

The population of UCSC and Santa Cruz County in general continued to grow despite the slow pace of housing construction. The cost of housing continued to rise making it difficult first for low income workers and, eventually, for middle income workers to afford to live in Santa Cruz County municipalities.<sup>[8]</sup>

What can be done to address housing availability and cost in Santa Cruz County municipalities?

## Scope and Methodology

In this investigation the Santa Cruz County Civil Grand Jury examined key elements in providing affordable housing for middle class workers in Santa Cruz County, those that earn more than \$35,000/year but less than \$100,000/year. It focused on answering the following questions:

- What affordable housing options are available in Santa Cruz County to support middle class workers?
- Are employers offering housing support to their employees?
- What can local city and county planning departments do to provide more housing for these workers.?
- What changes are needed in the planning and permit process to make it easier to build more workforce housing in our cities and unincorporated areas?
- How can local jurisdictions leverage recent State of California bills and initiatives to encourage more housing here?
- How can local agencies work together to help support housing for local workers?
- What changes are needed to plan for the future housing needs of our workforce?
- What is UCSC doing to help house its students, faculty and staff?

During this investigation the Jury interviewed county planners from each of the four cities, Capitola, Santa Cruz, Scotts Valley and Watsonville, and the County of Santa Cruz. It also interviewed community members who were housing advocates as well as those who were housing skeptics. It collected information from Civil Grand Jury investigations in Santa Clara County, Marin County and Santa Barbara County. It asked some employers for information regarding employee hiring and retention. It examined the new state housing laws and the 2015 Housing Elements for each of the 5 municipalities in the county. Members attended municipal planning meetings and community meetings regarding proposed housing developments and read numerous articles regarding housing from a variety of local news sources.



## Investigation

### ***Examination and Summary of New California Housing Laws***

The Santa Cruz County Civil Grand Jury began its investigation by examining the new California housing laws that have been passed during the last few years in an effort to galvanize cities and counties into building more housing. California passed a series of laws to boost housing production beginning in 2017 in an effort to:

- Streamline the building of new homes
- Break down barriers to build more affordable housing
- Address systematic bias by elevating fair housing principles
- Hold governments more accountable to approve housing construction

The more well-known laws include:

- Senate Bill 9 (SB9) signed in 2022 which allows ministerial approval to convert homes into duplexes and split lots to allow up to 4 units on a lot.
- SB10 which allows “up to 10 dwelling units on any parcel within a transit-rich area or an urban infill site.”
- SB290 which ‘grants bonuses, concessions, waivers and parking reductions to projects with qualifying affordable housing.’<sup>[21]</sup> Usually market rate allows for only 20% affordable units. A builder can qualify for more than 20% affordable units (density bonus) by meeting some of the criteria for SB290.
- Nonprofit Housing Organizations can qualify for increased density bonuses when purchasing a property under SB728.<sup>[21]</sup>
- Other laws that make it easier to construct Accessory Dwelling Units (ADUs).

The laws that much of the public has already heard about are the laws that permit zoning changes to allow up to 10 units per residential lot (SB10) and the laws that permit cities to ease the process for building ADUs.<sup>[22]</sup> The streamlined process for building ADUs has been popular, and many cities, particularly Capitola with less buildable land, have encouraged the construction of ADUs.<sup>[23]</sup> The City has even provided building code approved plans for construction.<sup>[24]</sup> While the Capitola guidelines state that ADUs cannot be used as vacation rentals, it is unknown whether or not those guidelines are enforced.<sup>[24]</sup>

One of the most important laws that was passed was SB330 in 2019, later extended by SB8, that limits the ability of local municipalities to prolong the housing application process through repeated hearings and shifting requirements. Many people may have seen the term “objective standards.” SB35 passed in 2017 and clarified by AB1174 in 2021, allows for streamlined approval of a housing project that meets a set of objective standards for zoning, subdivision and design review.<sup>[21]</sup>

**See [Appendix B](#) for more detailed information about relevant Housing Laws**

### Housing Elements, AMI and RHNA ... What Does That Mean?

Not only have there been dozens of new state laws designed to increase housing production, but California has also required that every municipality (cities and counties) meet specific housing goals.<sup>[25]</sup> Every eight years since 1969, California has required cities and counties to submit detailed Housing Element plans that show how they would accommodate the building of a number of homes across a range of affordability levels. For years, most communities, including many of those in Santa Cruz County have paid very little attention to the Housing Element.<sup>[26] [27]</sup>

That all changed with the passage of the new housing laws. Beginning with the 2015-2022 Housing Element, municipalities were required to build a specific amount of housing for each income level calculated as a percentage of the Area Median Income (AMI). Figure 4 below shows the calculated income level for each category in Santa Cruz County.

SANTA CRUZ COUNTY INCOME LIMITS FOR STATE PROGRAMS					
Effective Date:		April 26, 2021			
Area Median:		\$111,900			
Number of Persons in Family	Extremely Low 30% of Median	Very Low 50% of Median	Low 80% of Median	100% of Median	120% of Median (Moderate)
1	29200	48650	78050	78350	94000
2	33400	55600	89200	89500	107450
3	37550	62550	100350	100700	120850
4	41700	69500	111500	111900	134300
5	45050	75100	120450	120850	145050
6	48400	80650	129350	129800	155800
7	51750	86200	138300	138750	166550
8	55050	91750	147200	147700	177300
9	58400	97300	156100	156650	188050
10	61700	102850	165050	165600	198800
11	65050	108450	173950	174550	209550
12	68400	114000	182900	183500	220300

**Figure 4.** Calculated income category levels for 2021 in Santa Cruz County.<sup>[28]</sup>

Based upon this chart from 2021, a family of four would be considered moderate income if they earned \$134,300/year, median income if they earned \$111,900/year, low income if they earned \$111,500/year, very low income if they earned \$69,500/year and extremely low income if they earned \$41,700/year.

The Regional Housing Needs Assessment (RHNA) is determined by the California Department of Housing and Community Development (HCD) for each major metropolitan area based upon the AMI for the area and the projections for population growth and additional housing that would be needed over each 8 year period. Santa

Cruz County is part of the Association of Monterey Bay Area Governments (AMBAG). Our area is in the final year of the 5th Housing Element Cycle, and area municipalities are beginning to work on the 6th Housing Element Cycle due December 31, 2023.

So...how are we doing? The Jury's interviews with the different planning directors and housing advocates in our community show some clear signs of progress, and a lot of room for improvement. In the 5th Housing Element Cycle, AMBAG cities in Santa Cruz and Monterey Counties were expected to permit roughly 10,430 housing units from January 2014 to December 2023. The snapshot from September 3, 2021 below shows the progress of Santa Cruz, Watsonville, unincorporated Santa Cruz County, Capitola and Scotts Valley towards that goal.<sup>[29]</sup>

### See [Appendix A](#) for more information on 5th Housing Cycle progress

As of last year, only the City of Santa Cruz<sup>[30]</sup> is on track to meet the RHNA goals for housing during the 5th Housing Element Cycle, and the City of Watsonville<sup>[31]</sup> will come close.<sup>[32][33]</sup> Scotts Valley and Capitola made almost no attempt to build housing for low income or extremely low income workers. Santa Cruz County has approved zoning changes to support construction of mixed use projects along Portola Drive.<sup>[34]</sup>

Last spring, the state of California set the housing goals for each region. AMBAG, our region, set the 6th Housing Element construction goals for each local municipality. Those goals have **quadrupled** from the previous 5th Cycle goals, which most municipalities did not meet as of May, 2022.<sup>[35]</sup>

The draft goals for housing development from Dec. 31, 2023 to Dec. 15, 2031 are outlined below by jurisdiction followed by their progress towards the 5th Element goals as reported in May, 2022.<sup>[35]</sup>

#### City of Capitola

- 1,336 new homes are targeted to be built by 2031. More than half of the new homes would be required to be affordable for people with “low” or “very low” incomes. Income limits are set by the state. The new housing construction goal is more than nine times Capitola's current goal.
- The current goal—which the City has not met—calls for Capitola to permit 143 new homes between Dec. 31, 2015 and Dec. 31, 2023. The City has permitted 53 homes in that period. Planners have issued one of 34 required permits for “very low income” units and zero of 23 required permits for “low income” units.

#### City of Watsonville

- 2,053 new homes are targeted by the end of 2031, including 469 affordable units for people with “low” or “very low” incomes. That's nearly three times Watsonville's current goal, which the City has not met.
- Since Dec. 31, 2015, Watsonville has issued 302 of 700 permits required by the end of 2023. To meet the current goal, the City must permit 148 “very low income” units, 100 “low income” units, 113 “moderate income” units and 37 market-rate units by the end of 2023.

### City of Scotts Valley

- 1,220 new homes are targeted by the end of 2031, including 649 affordable homes for people with “low” or “very low” incomes. That goal is nearly nine times Scotts Valley’s current goal, which the City has not met. Since Dec. 31, 2015, Scotts Valley has issued 18 of 82 permits for “moderate,” “low” and “very low income” units required by the end of 2023. The City has exceeded the state’s goal for market-rate unit development.

### City of Santa Cruz

- 3,736 new homes are targeted by 2031, including about 1,400 affordable homes for people with “low” or “very low” incomes. That goal is five times Santa Cruz’s current goal.
- The City must still permit 123 of 180 required permits for “very low income” affordable units by Dec. 31, 2023 to meet its current RHNA goals. Santa Cruz has exceeded state development goals for market-rate and affordable units for other income categories.

### Unincorporated areas of Santa Cruz County

- 4,634 new homes are targeted by 2031, including 1,492 affordable units for people with “very low” incomes. unincorporated Santa Cruz County includes the San Lorenzo Valley, the North Coast, Live Oak, Aptos, La Selva Beach, Freedom and other areas. That goal is about three times the area’s current goal, which has not been met.
- The County of Santa Cruz must issue 335 permits for “very low” and “low income” units and 267 permits for market-rate units by the end of 2023 to meet the state’s goal.

The Santa Cruz County Civil Grand Jury’s research has found that all Santa Cruz County municipalities are aware of the new state housing laws as well as the new RHNA housing allocations, although there is some disagreement about feasibility. It found much agreement with the need to construct more housing as well as the desire to do so within the existing urban areas rather than expanding into existing green spaces. Urban areas are closer to jobs and transportation hubs and less costly to maintain roads and utilities compared to areas like the Santa Cruz Mountains.<sup>[27]</sup>

Most county municipalities have already identified properties along transportation and urban corridors and made the necessary zoning and building code changes to build more housing. Figure 5 below is hard to read, but it shows the areas in pink that the County of Santa Cruz has designated for more housing. Note that the County is only proposing housing (pink areas) in the center of the County, the area where many jobs are located.

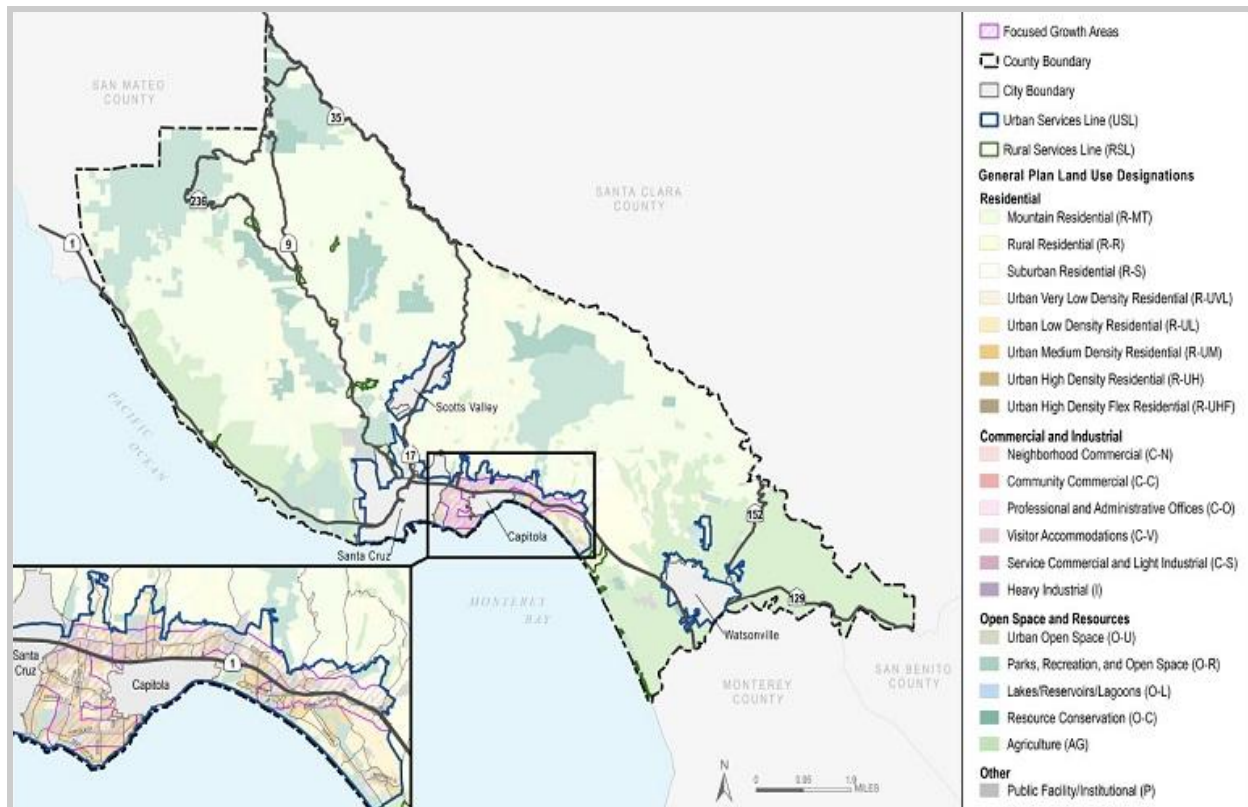


Figure 5. Santa Cruz County Focused Growth Areas 2020 – 2040.<sup>[36]</sup>

### ***How is Santa Cruz County Reacting to the New Laws?***

Nearly 8 years have passed since our local municipalities submitted their 5th Housing Element Cycles, and as we approach the submission of the 6th Housing Element Cycle, housing costs continue to rise steeply, pricing even more middle income workers out of the housing market.

School districts are actively looking for ways to house workers. By using district owned land, districts can reduce the cost of rent for their teachers and classified workers. Los Gatos Union School district has recently completed a housing complex.<sup>[37]</sup> Live Oak School District has proposed construction of teacher housing,<sup>[38]</sup> and the Santa Cruz City School District has successfully passed a bond measure to construct housing on one of its properties.<sup>[39]</sup> Figure 6 below is an artist's rendering of what the Santa Cruz City Schools housing might look like.





**Figure 6.** Renderings of 80 units of workforce housing for Santa Cruz City Schools, located on a parcel of land owned by the district off of Swift Street on the Westside, near the old Natural Bridges Elementary School campus. (via Santa Cruz City Schools<sup>[39]</sup>)

Pajaro Valley Unified School District is looking at a similar bond measure in south county to finance employee housing.<sup>[11]</sup> Peace United Church on the westside of Santa Cruz is proposing a 40 unit housing project on their land.<sup>[40]</sup>

County municipalities are responding as well:

- Santa Cruz County has rezoned part of Portola Drive near 41st Avenue for mixed use housing that combines ground floor businesses with apartments above.
- There is more housing construction in Aptos Village.<sup>[36]</sup>
- Watsonville has continued to build housing in recent years, pursuing joint housing projects with the county planners and non-profits. The City has a rehabilitation program for existing houses.<sup>[32]</sup>
- Capitola has eased requirements for ADUs.<sup>[41]</sup>
- Scotts Valley just approved a mixed use housing development.<sup>[42]</sup>
- The City of Santa Cruz has taken a lead in housing production within the City's urban core, beginning the construction of multi-story apartment complexes.<sup>[43]</sup>
- Santa Cruz City has passed a measure to construct a mixed use project that includes a new library, low income housing, a day care center and parking.<sup>[44]</sup>



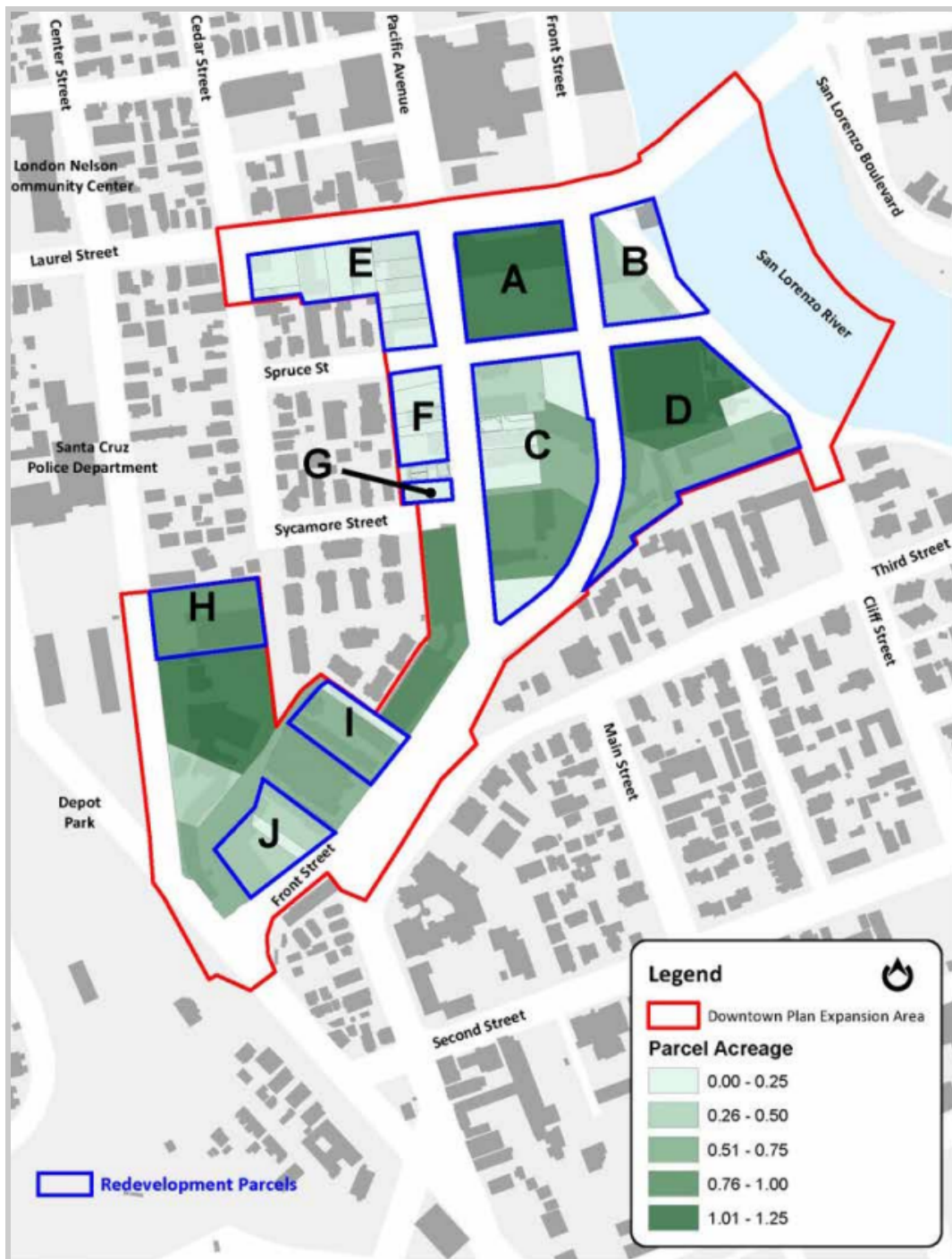


Figure 8. Areas that the City of Santa Cruz has designated for multi-use zoning, including multi-story housing.<sup>[49]</sup>



## **Housing Laws: Opposition and Support**

### **NIMBY and CEQA in Santa Cruz**

Santa Cruz has had a no-growth mindset for over 40 years.<sup>[19]</sup> That mindset, “Not in My Back Yard,” often referred to as NIMBY, still exists, and it is hard for members of the community to envision housing as anything other than neighborhoods of single family homes. Many homeowners rely on rising property values to build wealth, and resist new developments which might impact them. Changing zoning to allow duplexes and apartments within a single family home neighborhood is a rude awakening, but so is the construction of high rise apartments in downtown Santa Cruz. Removing existing buildings will displace tenants for years while new housing is built.<sup>[50]</sup> Citizens and local organizations in Santa Cruz have tried to use elements of the California Environmental Quality Act (CEQA) to fight housing developments. The most recent example is a lawsuit filed against UCSC by a group called Habitat and Watershed Caretakers to try to stop the construction of additional student housing on campus. A judge recently ruled in favor of the university, but the lawsuits have held up the construction approval process for two years.<sup>[51] [52]</sup>

### **California Cities Ignore RHNA Allocations at Their Own Peril**

For California communities that have ignored the need to build more housing for years, the newest RHNA allocations have come as a shock. Some have ignored the mandate or continued to place roadblocks in the way of builders.

- The town of Woodside tried to have their entire town designated as a mountain lion habitat to avoid building duplexes (SB9) prompting a swift response from California Attorney General Rob Bonta.<sup>[53]</sup>
- The City of Orinda tried to designate unbuildable slivers of land as the sites for affordable housing.<sup>[54]</sup>
- Santa Monica, which approved the construction of only 1,600 homes in the last eight years, is the first City to be subjected to “builders remedy” based on a 1990 law called the Housing Accountabilities Act (HAA).

Santa Monica failed to adopt a Housing Element and under the HAA residential zoning was suspended, freeing builders to design any housing project they wanted without needing City approval. Within one week developers officially filed plans for 4,797 homes.<sup>[55]</sup> The same thing could happen in Palo Alto.<sup>[56]</sup> Several Bay Area cities did not file their 6th Housing Element Cycles and RHNA allocation plans by the January 31, 2023 deadline,<sup>[57]</sup> and three pro-housing groups have already filed lawsuits against eleven cities for failing to take significant steps to prepare for more housing.<sup>[58]</sup>

### **Support for Housing Laws and YIMBY in Santa Cruz**

There is no question that the new RHNA housing allocations for the 6th Housing Element Cycle are daunting. As Figure 9 below shows, the amount of housing that Santa Cruz municipalities will need to construct in the next 6-7 years is much higher than in the previous cycle.

Region	Income Group Totals				RHNA
	Very Low	Low	Mod.	Above Mod.	Total
Santa Cruz County	7,868	5,146	6,167	14,093	33,274
Capitola	430	282	169	455	1,336
Santa Cruz	859	562	709	1,606	3,736
Scotts Valley	392	257	154	417	1,220
Watsonville	283	186	521	1,063	2,053
Unincorporated Santa Cruz	1,492	976	586	1,580	4,634

**Figure 9.** Number of housing units for each income group needed to be built by each Santa Cruz municipality, extracted from the tables in the AMBAG RHNA Plan.<sup>[59]</sup>

It is especially difficult to construct Low Income and Extremely Low Income housing in this community due to the price of land and cost of construction. Builders claim that it is not financially profitable to include more than 20% affordable units in normal market-rate construction<sup>[60]</sup>, and the majority of middle class workers cannot afford market rate housing. The housing market is actually upside down...only about 20% of the population can afford market rate housing, and 80% of the population needs more affordable units.<sup>[2]</sup> All cities and the County of Santa Cruz need to find ways to increase the number of affordable housing units in new construction.

The University of California at Santa Cruz (UCSC) is a large contributor to the need for more affordable housing.<sup>[61]</sup> The university is already a large contributor to the scarcity and cost of housing, as it only houses about 9,300 students or 50% of the student population, and the campus is expected to grow to a total of 28,000 students in coming years.<sup>[62]</sup> The local preference guidelines considered by many Santa Cruz County cities, would also benefit UCSC students who would be competing with the local workforce for less expensive housing. Cabrillo College and UCSC have embarked on their first ever collaboration to construct student housing on the Cabrillo campus.<sup>[63]</sup> They are applying jointly for a California grant to cover the cost.<sup>[64] [65]</sup> More collaborations between the university and local agencies would be beneficial in constructing housing that will benefit all.

The cities of Santa Cruz and Watsonville have taken steps to build higher density, more affordable housing in their downtown areas.<sup>[66]</sup> Pro-housing groups such as Housing Santa Cruz County, and Yes In My Backyard (YIMBY) have organized in Santa Cruz County municipalities to advocate and provide more vocal support for affordable housing<sup>[67]</sup>. Opposition to housing growth still exists, but reactions to housing proposals are more constructive.<sup>[68]</sup> Public comments to projects show an understanding of the need for more housing, especially low income housing, in our community.<sup>[69] [70]</sup> There is support for mixed use housing along urban corridors, and while residents are

somewhat daunted by multi-story buildings above 4 stories, there is acknowledgement that urban downtown areas are a better place to build than expanding into the coastal zone, hillsides or green spaces.<sup>[27] [71]</sup> including the Santa Cruz mountains. Santa Cruz municipalities recognized this during the 5th Housing Element as their maps show, making zoning changes and identifying housing sites only in the urban areas.<sup>[29] [36] [49] [72]</sup>



**Figure 10.** BDE Architecture's revised rendering of the proposed five-story 351-unit housing complex on the 900 block of Ocean Street.<sup>[73]</sup>

As Figure 10 shows, the proposed 351-unit apartment building for the 900 block of Ocean Street is large and multi-story. It is also a good illustration of the public perception and concerns about the size of housing needed to meet the demand in Santa Cruz. It is huge, beginning next to Marianne's Ice Cream and continuing all the way to Togo's. Public comments at a recent meeting included concerns about the height and size, a desire for the architecture to fit into the small town look of Santa Cruz and relief that a much nicer looking building would replace the vacant lots and dilapidated houses that make up that block.<sup>[74]</sup> The public offered constructive criticism instead of automatic opposition. More multi-unit projects are moving through the planning process in Santa Cruz.

## Conclusion

There is no doubt that the small, charming coastal City of Santa Cruz and the surrounding county municipalities are going to have to change. We can no longer ignore the fact that our highways and city streets have become gridlocked; rents and housing prices are beyond the reach of most; and many businesses are unable to find and keep the employees that they need. School enrollment is dropping as families move away to

find more affordable places to live, and businesses are moving to other locations. Perhaps the state laws and high housing goals are unattainable, but living in an area that only the wealthiest can afford is untenable without access to the businesses and services that all communities expect. It is too early to tell if it is possible to build all of the housing that the state demands, but it is undeniable that more housing, especially more affordable housing, needs to be built for the essential workers in Santa Cruz County. If that affordable housing is built near jobs and along transportation corridors, it will also alleviate traffic gridlock.

## Findings

- F1.** While all city and county planning departments have demonstrated a good understanding of the new State housing laws and the need to facilitate more housing, the failure to do so in a timely manner has served to further decrease the availability of housing and further increase the need and cost of more housing.
- F2.** With the planned growth of UCSC to 28,000 students, the potential demand for off campus housing for students, faculty and staff has the potential to make the affordable housing problem even worse.
- F3.** The County of Santa Cruz has identified several sites for higher density housing, identified sites along transportation corridors for housing and changed zoning laws to allow more mixed use developments, however in the past several years, few low income homes have been built or approved.
- F4.** Capitola has made little progress towards achieving housing goals, particularly for low income housing. Although the City identified sites for mixed use developments, they have made little progress towards developing those sites.
- F5.** Capitola has focused primarily on streamlining the construction of ADUs as a means to increase housing. However, there is little evidence that ADUs are prioritized for rental to local workers, and there is little chance that ADUs alone can meet the housing needs for the 6th Cycle Housing Element.
- F6.** Capitola and the County of Santa Cruz need to work together to facilitate significant housing in the mid-county area where a large percentage of jobs are located.
- F7.** The City of Capitola has made little progress towards facilitating the development of the Capitola Mall as a mixed use project which could accommodate both business and housing.
- F8.** The City of Capitola claims to have significantly fewer resources to attract housing planners and builders than do the bigger municipalities of Santa Cruz, Watsonville and the County of Santa Cruz, but that does not mean the City should be exempt from the need to construct housing for local low income workers.
- F9.** The City of Scotts Valley has facilitated the building of market rate housing in recent years, but has made little effort to develop housing for low income workers.

- F10.** The City of Scotts Valley has made little progress towards developing the Town Square project which could accommodate both business and housing.
- F11.** The City of Scotts Valley claims to have significantly fewer resources to attract housing planners and builders than do the bigger municipalities of Santa Cruz, Watsonville and the County of Santa Cruz, but that does not mean the City should be exempt from the need to construct housing for local low income workers.
- F12.** While all local municipalities have voiced support for prioritizing housing for local workers, only some of them have clear local preference guidelines that give some priority to local workers. Without clear guidelines and incentives, new housing is more likely to be purchased by those who do not live and work here.
- F13.** All municipalities are trying to identify and facilitate the building of housing projects, but most of that is done independently of the other municipalities or with outside partners. Since workforce housing and transportation gridlock is a county-wide problem, all county municipalities need to work more closely together and with property owners to develop housing solutions.

## Recommendations

### ***City of Capitola:***

- R1.** By the end of 2023 the City of Capitola should identify enough parcels of land, zoned appropriately, to meet the new RHNA housing allocations for **all** income levels, especially low income housing. (F4 – F6, F8)
- R2.** By the end of 2023 the City of Capitola should show significant progress towards planning and facilitating the construction of mixed use businesses and housing on identified parcels of land in the City. (F4, F6 – F8)
- R3.** By the end of 2023, the City of Capitola should demonstrate a plan to work with the County of Santa Cruz as well as other for profit and non-profit agencies to develop housing close to transportation corridors along Hwy 1 and 41st Avenue. (F6, F7, F13)
- R4.** By the end of 2023 the City of Capitola should develop clear, measureable guidelines to ensure that local preference is given to local workers in the construction of ADUs as well as low income housing. (F12)
- R5.** By the end of 2023 the City of Capitola should demonstrate that they have reestablished regular meetings of a workgroup or entity that would allow planners from all 5 county jurisdictions to share ideas on housing development and develop joint projects. (F13)

### ***City of Scotts Valley:***

- R6.** By the end of 2023 the City of Scotts Valley should identify enough parcels of land, zoned appropriately, to meet the new RHNA housing allocations for **all** income levels, especially low income housing. (F9)



- R7. By the end of 2023, the City of Scotts Valley should show significant progress towards planning and facilitating the construction of mixed use businesses and housing on identified parcels of land in the City. (F10)
- R8. By the end of 2023, the City of Scotts Valley should demonstrate a plan to work with other county municipalities as well as other for profit and non-profit agencies to develop low income housing for workers in the City. (F9 – F11)
- R9. By the end of 2023 the City of Scotts Valley should develop clear, measureable guidelines to ensure that local preference is given to local workers in the construction of low income housing. (F12)
- R10. By the end of 2023 the City of Scotts Valley should demonstrate that they have reestablished regular meetings of a workgroup or other entity that would allow planners from all 5 county jurisdictions to share ideas on housing development and develop joint projects. (F13)

### **County of Santa Cruz:**

- R11. By the end of 2023 the County of Santa Cruz should demonstrate progress towards identifying sites and planning for increased housing along the transportation corridors in mid-county. (F6)
- R12. By the end of 2023 the County of Santa Cruz should develop clear, measureable guidelines to ensure that local preference is given to local workers in the construction of low income housing. (F12)
- R13. By the end of 2023, the County of Santa Cruz should demonstrate a plan to work with other county municipalities as well as other for profit and non-profit agencies to develop low income housing for workers in the county, (particularly on properties such as the old drive-in theater acreage which is adjacent to transportation corridors. (F3, F6)
- R14. By the end of 2023, the County of Santa Cruz should demonstrate progress in working collaboratively with UCSC to develop housing sites that are affordable for UCSC students and essential workers. (F2)
- R15. By the end of 2023 the County of Santa Cruz should demonstrate that they have reestablished regular meetings of a workgroup or other entity that would allow planners from all 5 county jurisdictions to share ideas on housing development and develop joint projects. (F13)

### **City of Santa Cruz**

- R16. By the end of 2023 the City of Santa Cruz should demonstrate that they have reestablished regular meetings of a workgroup or other entity that would allow planners from all 5 county jurisdictions to share ideas on housing development and develop joint projects. (F13)
- R17. By the end of 2023, the City of Santa Cruz should develop clear, measureable guidelines to ensure that preference is given to local workers in the construction of low income housing. (F12)

- R18.** By the end of 2023, the City of Santa Cruz should demonstrate progress in working collaboratively with UCSC to develop housing sites that are affordable for UCSC students and essential workers. (F2)

**City of Watsonville:**

- R19.** By the end of 2023 the City of Watsonville should demonstrate that they have reestablished regular meetings of a workgroup or other entity that would allow planners from all 5 county jurisdictions to share ideas on housing development and develop joint projects. (F13)
- R20.** By the end of 2023, the City of Watsonville should develop clear, measureable guidelines to ensure that local preference is given to local workers in the construction of low income housing. (F12)

**Commendations**

- C1.** By acquiring and using City owned property, and seeking State grants and other outside funding, Santa Cruz is developing projects that are more affordable for tenants. With projects already underway and in the pipeline, Santa Cruz is on track to meet its 5th Cycle Housing goals, though the 6th cycle will present a larger challenge.
- C2.** The City of Watsonville has continued to build housing during the years when other municipalities were not. They have collaborated well with non-profits and Santa Cruz County to build housing at all affordability levels.
- C3.** All county municipalities have made a concerted effort to identify housing sites in the urban corridors in order to preserve the local coastal zones, mountains and green spaces in the rest of the County.
- C4.** County school districts, Peace United Church, Cabrillo College and UCSC are working collaboratively to design and build affordable housing for teachers, staff and students.

## Required Responses

<i>Respondent</i>	<i>Findings</i>	<i>Recommendations</i>	<i>Respond Within/ Respond By</i>
Santa Cruz County Board of Supervisors	F1, F3, F6, F12, F13	R11 – R15	90 Days August 31, 2023
Capitola City Council	F1, F4 – F8, F12, F13	R1 – R5	90 Days August 31, 2023
Santa Cruz City Council	F1, F2, F12, F13	R16 – R18	90 Days August 31, 2023
Scotts Valley City Council	F1, F9 – F13	R6 – R10	90 Days August 31, 2023
Watsonville City Council	F1, F12, F13	R19, R20	90 Days August 31, 2023

## Invited Responses

<i>Respondent</i>	<i>Findings</i>	<i>Recommendations</i>	<i>Respond Within/ Respond By</i>
Assistant Director, Santa Cruz County Community Development	F1, F3, F6, F12, F13	R11 – R15	90 Days August 31, 2023
Director, Capitola Community Development	F1, F4 – F8, F12, F13	R1 – R5	90 Days August 31, 2023
Director, Santa Cruz Community Development	F1, F2, F12, F13	R16 – R18	90 Days August 31, 2023
Director, Santa Cruz Economic Development	F13	R17	90 Days August 31, 2023
Director, Scotts Valley Community Development	F1, F9 – F13	R6 – R10	90 Days August 31, 2023
Director, Watsonville Community Development	F1, F12, F13	R19, R20	90 Days August 31, 2023

## Definitions

**Accessory Dwelling Unit:** Accessory dwelling units (ADUs) are also known as “in-laws” or “granny-flats.” The legislature greatly expanded homeowners' ability to add ADUs in a series of laws from 2016-2019, and now 1 in 5 new homes built in California are ADUs.

**Affordable Housing:** When used by city staff and consultants, the term “affordable



housing" refers to housing that is available at rents and prices below the market rate, usually defined relative to the income level of residents. This form of housing typically receives some form of government subsidy to keep rents low and residents must qualify to rent or buy the units based on their household income.

**Affirmatively Furthering Fair Housing (AFFH):** State and local governments must not only outlaw housing discrimination, they must also proactively work to eliminate discriminatory practices and reduce segregation. All Housing Element revisions adopted after 1/1/21 must include an AFFH analysis: addressing significant disparities in housing needs and in access to opportunity, including more investments in higher income areas.

**Affordability density bonus:** A density bonus provides an increase in allowed dwelling units per acre (DU/A), Floor Area Ratio (FAR) or height which generally means that more housing units can be built on any given site. Typically programs allow increases of **between 10 percent and 20 percent over baseline permitted density** in exchange for the provision of affordable housing.

**AMBAG:** As the Council of Governments for Santa Cruz County and Monterey County, AMBAG holds responsibility for regional housing needs allocation (RHNA) for our region.

**Area Median Income(AMI):** A value determined on an annual basis by the US Department of Housing and Urban Development that represents the household income for the median household in a specified region.

**Builders Remedy:** The builder's remedy requires cities without a compliant housing plan to approve any housing project that meets affordability requirements of reserving 20% of homes for low-income households or 100% for moderate-income households. Specifically, if a California city does not have a "substantially compliant" housing element, the California Housing Accountability Act indicates that the jurisdiction cannot use its zoning or general plan standards to disapprove any housing project that meets the affordability requirements.

**CEQA:** California Environmental Quality Act (CEQA), intended to preserve the environment, has been blamed for worsening the state's housing crisis. The lengthy and costly environmental review process required under CEQA, even for housing that complies with local General Plans and zoning codes and the hundreds of applicable environmental, health, safety, and labor laws and regulations, can derail projects. Even after new housing is finally approved, any party can file a CEQA lawsuit seeking to block the housing for "environmental" reasons, resulting in costly, multi-year delays. Recent State legislation seeks to exempt certain affordable housing projects from CEQA review.

**Density Bonus:** For more than forty years, California's Density Bonus Law has been a mechanism to encourage developers to incorporate affordable units within a residential project in exchange for density bonuses and relief from other base development standards (e.g. setback rules, parking spaces). Under the Density Bonus Law, developers are entitled to a density bonus corresponding to specified percentages of units set aside for very low income, low-income, or

moderate-income households.

**General Plan:** A General Plan is a broad, long-range policy document that guides future development, transportation, and conservation. It is a comprehensive collection of goals and policies related to a multitude of aspects of community life. In California, cities and counties are required by State law to have a General Plan. It is the local government's long-term blueprint for future development. Pursuant to State law, the General Plan must accommodate the required amount of projected population growth the State of California estimates for each city.

**Essential Workers:** Those workers who are necessary to ensure continuity of functions critical to public health, safety and well being as well as economic security.

**Fair Housing Act:** Part of the Civil Rights Act of 1968, it guarantees the right to housing and prohibits discrimination in housing.

**HCD:** California Department of Housing and Community Development (HCD) that develops housing policy and building codes and administers community development programs.

**Housing Element:** A Housing Element is a local plan, adopted by a city, town or county that includes the goals, policies and programs that direct decision-making around housing. Local jurisdictions look at housing trends, zoning and market constraints, and evaluate various approaches to meeting housing needs across income levels. Every eight years, every city and county must update their Housing Element and have it certified by the California Department of Housing and Community Development. All jurisdictions in Santa Cruz County must update their Housing Element for the 2023-2031 planning period.

**HUD:** U.S. Department of Housing and Urban Development

**Income Limits:** are one of the determining factors in determining eligibility for housing assistance. Definitions are set for Very Low, Low, and Moderate income and are determined by the gross household income and household size.

**Inclusionary Zoning (IZ):** also known as inclusionary housing, is a policy that requires a share of new housing development to be affordable to low- or moderate-income households. By including affordable housing in a market-rate housing development, inclusionary housing policies promote mixed-income development projects.

**Local Preference:** The right or opportunity to select a person from an identified target group that is considered more desirable than another in a constituency, city, urban area or county.

**Market-rate housing:** Residential units that are rented and sold at market rates, not subjected to sales or rental restrictions, and not typically benefiting from any public subsidy intended to change rental rates or sale prices.

**Ministerial approval:** A streamlined permit process for development approval involving little or no personal judgment by the public official. As opposed to "Discretionary review process" that allows for public hearings which brings a lot of

uncertainty and months or years long approval process, Ministerial approval is as short as 90 days.

**Municipalities:** Municipalities is used in this document to refer to the 4 cities, Capitola, Santa Cruz, Scotts Valley and Watsonville and the County of Santa Cruz together. Santa Cruz County is unique in that a large proportion of the population (above 40%) lives in unincorporated areas under Santa Cruz County jurisdiction.

**NIMBY:** Not in My Backyard, a term for people who have a no-growth mindset regarding high density housing in their neighborhoods.

**Objective Standards:** State law defines objective standards as those that “involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant and public official prior to submittal.” The State of California has adopted legislation requiring cities to approve certain housing proposals through ministerial processes based on objective standards. The result of these laws is to encourage localities to create quicker, more accessible pathways for housing to be built.

**Regional Housing Needs Analysis (RHNA):** Housing-element law requires a quantification of each jurisdiction’s share of the regional housing need as established in the RHNA-Plan prepared by the jurisdiction’s council of governments. The RHNA is a minimum projection of additional housing units needed to accommodate projected household growth of all income levels by the end of the housing-element’s statutory planning period. Each locality’s RHNA allotment must be segmented into four income categories.

**Workforce housing:** also known as middle-income or moderate-income housing, is housing for residents typically earning less than 120 percent of the area’s median income. This category often includes first responders, teachers, and government employees, as well as healthcare, construction, and retail workers.

**YIMBY:** Yes in My Backyard, a term for housing advocates who seek to increase the supply of housing, particularly infill and multifamily affordable housing developments.

**Zoning:** Zoning is the system of rules that local jurisdictions use to determine how land is used within their boundaries. Land use policy establishes the basic type and intensity of uses permitted under a city’s General Plan for each land use category, such as maximum density for residential development and maximum intensity for commercial or industrial uses. Effective land use policy uses zoning to adapt to changing environmental, social and economic conditions.

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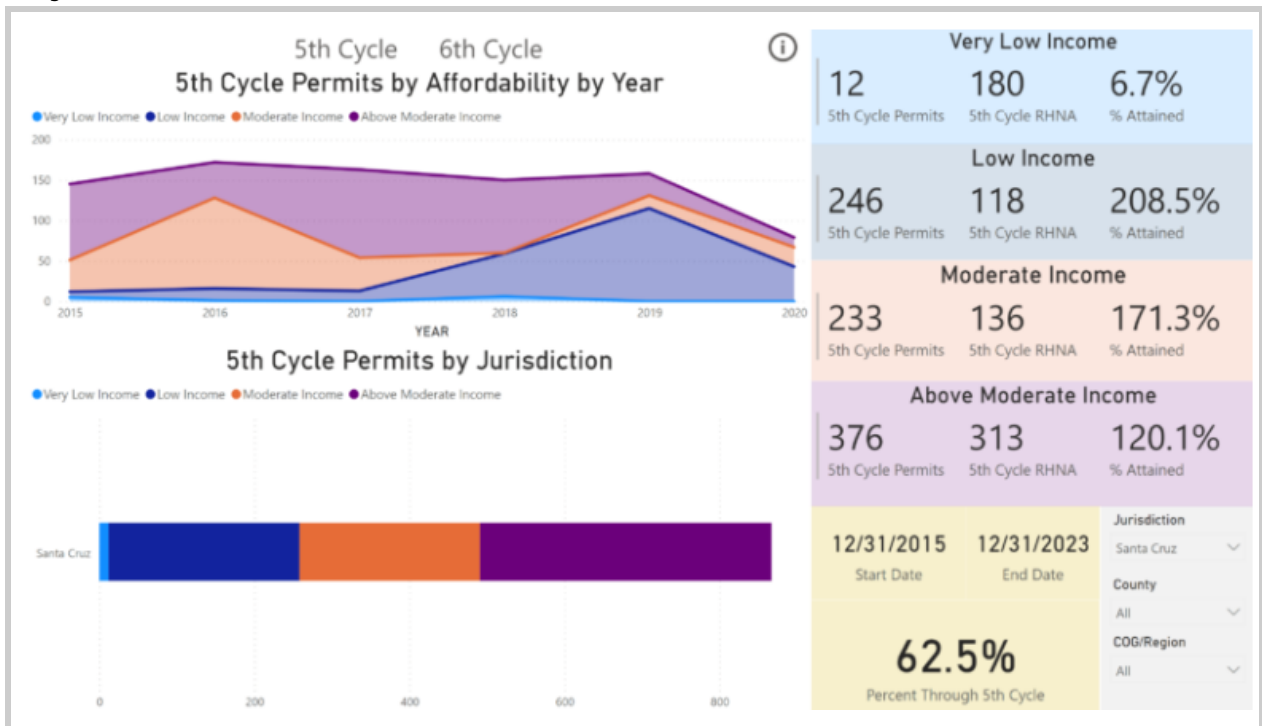
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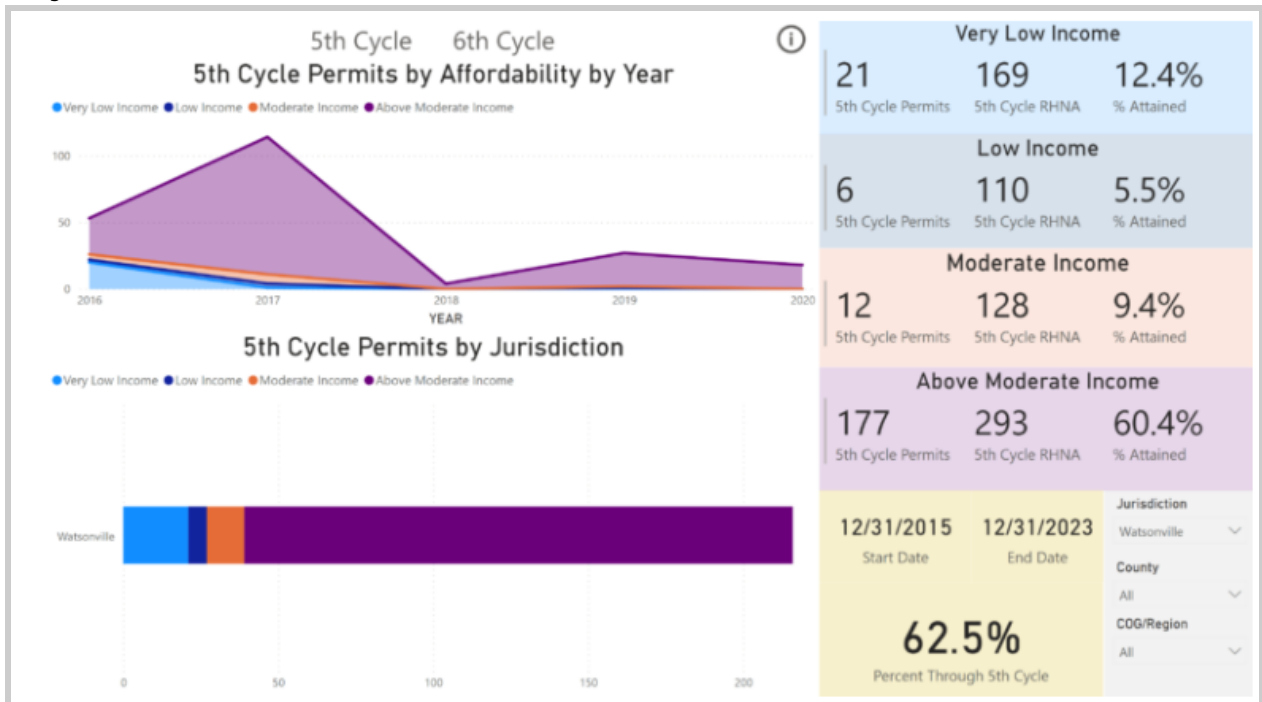
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## Appendix A – Progress on 5th Housing Cycle<sup>[29]</sup>

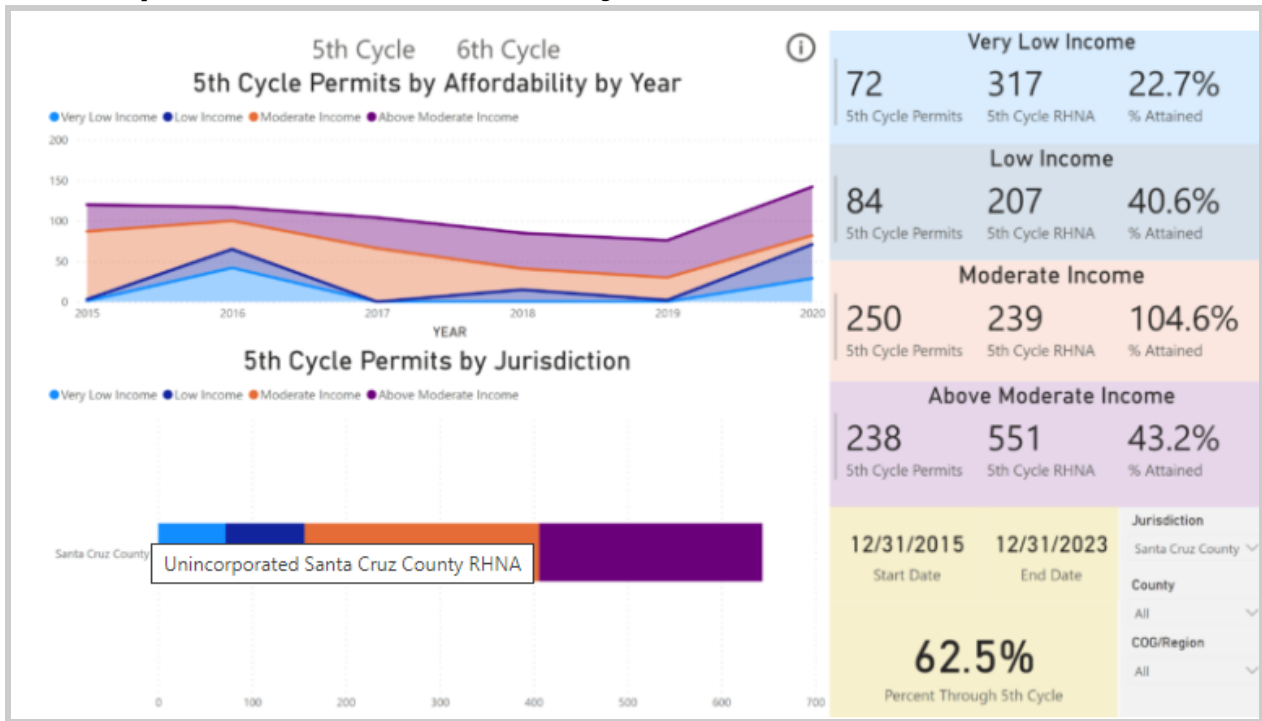
### City of Santa Cruz



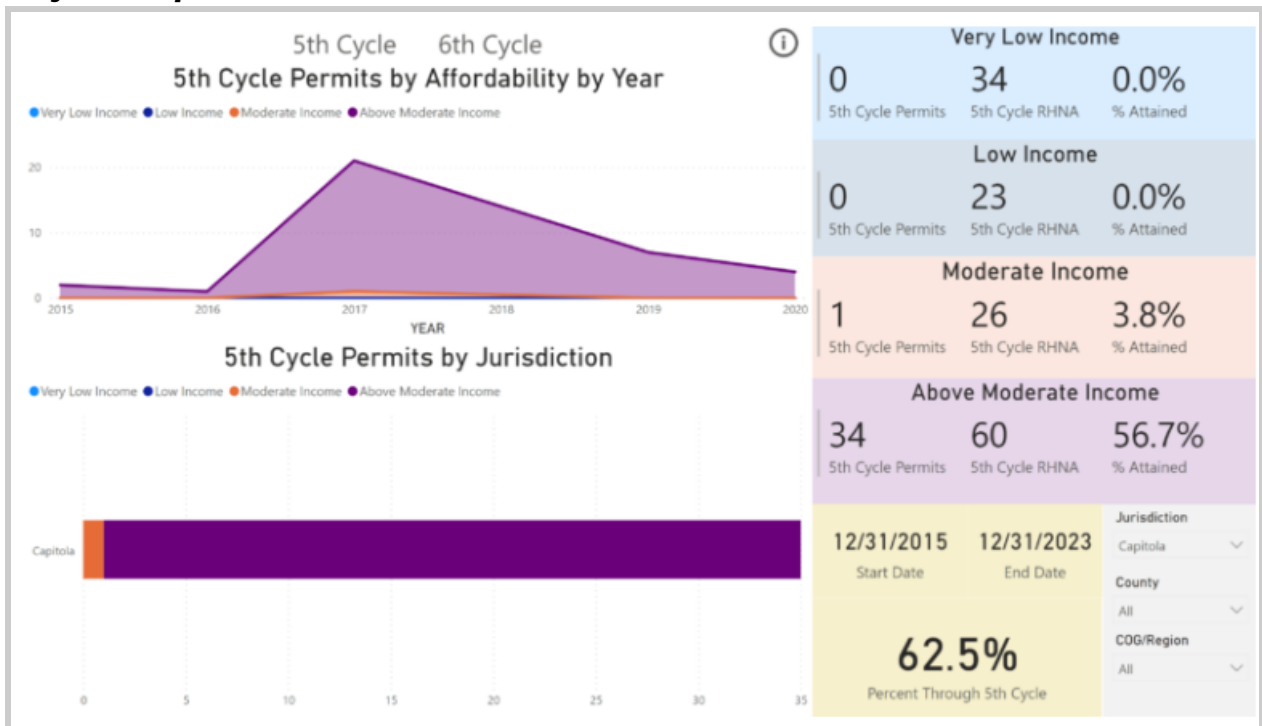
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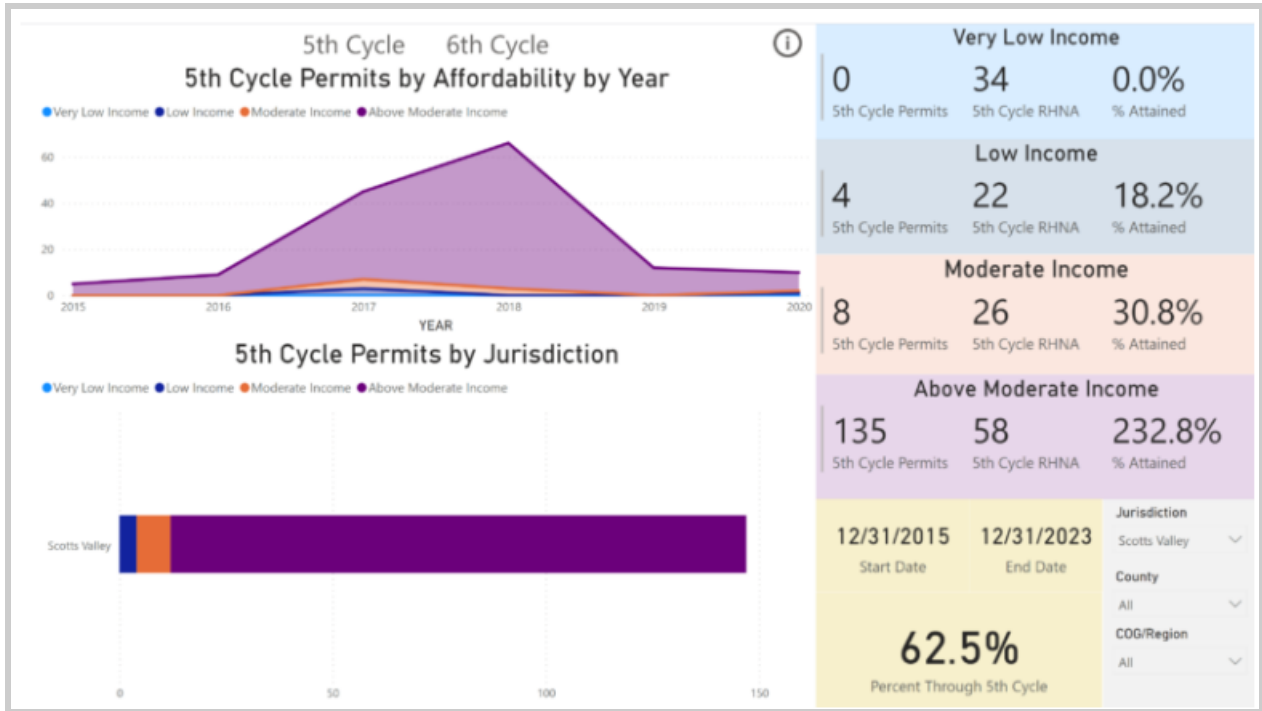
### Unincorporated Santa Cruz County



### City of Capitola



**City of Scotts Valley**





## Appendix B – Summary of State Housing Laws

The descriptions given below paraphrase the legal definitions found on the California Legislative Information website.<sup>[75]</sup> Search for Prop 13 under the “California Law” tab and the rest under the “Bill Information” tab.

Law	Description
<b>PROP 13 (1978)</b>	Under Proposition 13, property tax assessments can increase by no more than 2% each year, and property tax rates are limited to 1% of the assessed value (plus additional voter-approved taxes). After Proposition 13, all California properties—even vacant ones—are taxed based on the original purchase price, not their current value.
<b>SB 35 (2017)</b>	In 2017, Governor Brown signed into law Senate Bill (SB) 35 as part of a package of bills created to address California's housing shortage. This law provides a streamlined review process for eligible multifamily projects in cities and counties that have not built their share of housing to accommodate the region's population growth.
<b>AB 1771 (2018)</b>	AB 1771 revises statutory objectives of RHNA plan to include an AFFH requirement, to address disparities in housing needs and access to opportunity. Also requires improved regional jobs-housing relationship, and allocates lower proportion of housing need to jurisdictions already disproportionately high in any income category.
<b>SB 330 (2019)</b>	SB 330 allows accessory dwelling units and further accelerates the permitting process. Only five public hearings may be called for a housing project. Cities cannot raise fees or change permit requirements if the applicant has submitted all necessary documents. Building standards cannot be changed after submittal, nor can projects be downzoned.
<b>SB 8 (2021)</b>	SB 8 is a follow-up SB 330, which extended the streamlined review process. SB 330 was set to expire in 2025. SB 8 now extends that sunset to 2030. SB 8 also clarifies language in SB 330 to further streamline the creation of housing and protect low-income tenants against displacement.
<b>SB 10 (2021)</b>	SB 10 allows cities to rezone a parcel for smaller developments of up to 10 units and streamline government permitting in urban infill or areas near transit. By enabling cities to increase the density of these lots up to 10 units without triggering an environmental review, this bill makes it easier to build housing.
<b>AB 215 (2021)</b>	AB 215 requires the state to check in with cities and come up with a game plan if they are not on track to meet their RHNA numbers.

Law	Description
<b>AB 2345 (2021)</b>	Amends the Density Bonus Law to expand and enhance development incentives for projects with affordable and senior housing components. Under the Density Bonus Law, developers are entitled to a density bonus corresponding to specified percentages of units set aside for very low income, low-income, or moderate-income households. AB 2345 amends the Density Bonus Law to increase the maximum density bonus from thirty-five percent (35%) to fifty percent (50%).
<b>SB 6 (2022)</b>	SB 6 allows housing to be built in underutilized commercial sites currently zoned for retail, office, and parking uses. SB 6 gives local governments the option for an expedited development process to avoid the property remaining vacant.
<b>SB 9 (9/2022)</b>	SB 9 allows lot splits and/or the development of duplexes on single-family-zoned parcels to be approved ministerially (i.e., without discretionary approval or hearings) if certain requirements are met. Consequently, such projects bypass the California Environmental Quality Act (CEQA) process. Theoretically, this allows for up to four residences where there was historically only one (if an applicant receives ministerial approval for both a lot split and the development of duplexes on each parcel).
<b>AB 2011 (2022)</b>	This legislation allows for ministerial, by-right approval for affordable housing to be built in infill areas currently zoned for office, retail, and parking uses. Also allows such approvals for mixed-income housing along commercial corridors, as long as the projects meet specified affordability, labor, and environmental criteria.





SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## Board of Supervisors' Response to 2022-2023 Grand Jury Report--"Housing Our Workers"

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Caitlin Smith <Caitlin.Smith@santacruzcounty.us>

Mon, Aug 28, 2023 at 4:18 PM

Good Afternoon,

Please see attached for the Board of Supervisors' response to the findings and recommendations in the 2022-2023 Grand Jury Report, "Housing our Workers—Essential Workers Need Affordable Housing."

Best,

Caitlin C. Smith

County Supervisors' Analyst

Santa Cruz County Board of Supervisors

701 Ocean Street, Room 500

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831-454-3516 direct

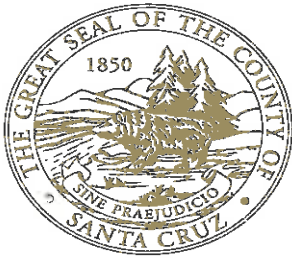
[caitlin.smith@santacruzcounty.us](mailto:caitlin.smith@santacruzcounty.us)

To email all five members of the Board of Supervisors at once,

please use: [BoardOfSupervisors@santacruzcounty.us](mailto:BoardOfSupervisors@santacruzcounty.us)



Board of Supervisors Response--Housing Our Workers.pdf  
338K



# County of Santa Cruz

## BOARD OF SUPERVISORS

701 OCEAN STREET, SUITE 500, SANTA CRUZ, CA 95060-4069  
 (831) 454-2200 • FAX: (831) 454-3262 TDD/TTY - Call 711

**MANU KOENIG**  
FIRST DISTRICT

**ZACH FRIEND**  
SECOND DISTRICT

**JUSTIN CUMMINGS**  
THIRD DISTRICT

**FELIPE HERNANDEZ**  
FOURTH DISTRICT

**BRUCE MCPHERSON**  
FIFTH DISTRICT

August 25, 2023

The Honorable Syda Cogliati  
 Santa Cruz Courthouse  
 701 Ocean Street  
 Santa Cruz, CA 95060

**RE: Response to the 2022-2023 Grand Jury Report “Housing Our Workers—Essential Workers Need Affordable Housing”**

Dear Judge Cogliati:

The purpose of this letter is to formally transmit the response of the Santa Cruz County Board of Supervisors to the 2022-2023 Grand Jury Report “Housing Our Workers—Essential Workers Need Affordable Housing.”

Sincerely,

ZACH FRIEND, Chair  
 Board of Supervisors

ZF: cs  
 Attachment

CC: Clerk of the Board  
 Santa Cruz County Grand Jury



**The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the**

**Santa Cruz County Board of Supervisors**

**to Respond by August 31, 2023**

**to the Findings and Recommendations listed below  
which were assigned to them in the report titled**

**Housing Our Workers**

**Essential Workers Need Affordable Housing!**

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. ***For the Findings, mark one of the following responses with an “X” and provide the required additional information:***
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
2. ***For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:***
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. ***Please confirm the date on which you approved the assigned responses:***

We approved these responses in a regular public meeting as shown  
in our minutes dated           August 22, 2023          .

4. ***When your responses are complete, please email your completed Response Packet as a PDF file attachment to both***

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

***If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).***

## Findings

**F1.** While all city and county planning departments have demonstrated a good understanding of the new State housing laws and the need to facilitate more housing, the failure to do so in a timely manner has served to further decrease the availability of housing and further increase the need and cost of more housing.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

### Response explanation (required for a response other than **Agree**):

The pace of State law changes related to housing typically does not give the California Department of Housing and Community Development (HCD) adequate time to develop guidance before laws go into effect. It is up to jurisdictions to analyze laws, without the benefit of State guidance, and determine how to incorporate into and balance new laws with other existing local and State code requirements. The County has worked diligently to update policies and codes related to new laws, where necessary, and to issue guidance and application materials for use by the public. Further, implementation of laws is often “clarified” by case law after the fact, requiring further adjustment of materials.

The County’s role is to ensure the availability of appropriately zoned land to ensure capacity for units, and to ensure that policies, regulations, permitting and related procedures do not thwart development, while also complying with the General Plan, local codes, and State laws that regulate housing and protect the environment. Therefore, jurisdictions including the County are dependent upon private-sector, non-profit and for-profit housing developers to build new housing of all types.

There are many other forces that influence housing development volumes and locations, including national and State economic trends, real estate-related market forces, interest rates, costs of construction labor and materials, land costs, disasters, and their resulting impacts on availability of labor and materials, in some cases neighborhood opposition and/or the input of other local regulatory agencies, and the demand for luxury and/or second homes in coastal areas. All of these forces affect the pace and volume of housing development, and therefore the supply and cost of local housing over the decades.

The County has been very proactive in the areas of both Accessory Dwelling Units (ADUs) and Density Bonus law. For ADUs, the County has developed online tools, guidebooks, fee reductions, and a new ADU Technical Assistance program, to encourage the development of ADUs. The County's 2018 density bonus code updates exceeded the State's density bonus law minimum requirements in place at the time and has been implemented with multiple projects since its adoption. In 2019, the County also updated its codes for farmworker housing on agriculturally zoned parcels and updated its codes to allow affordable rental and school employee housing in public facility zone districts to make "workforce housing" more feasible and possible on more acreage within the unincorporated area. However, many factors impact a property owner's ability to develop, including economic conditions, neighborhood opposition, legal challenges to CEQA determinations, etc.

**F3.** The County of Santa Cruz has identified several sites for higher density housing, identified sites along transportation corridors for housing and changed zoning laws to allow more mixed-use developments, however in the past several years, few low income homes have been built or approved.

**AGREE**

**PARTIALLY DISAGREE**

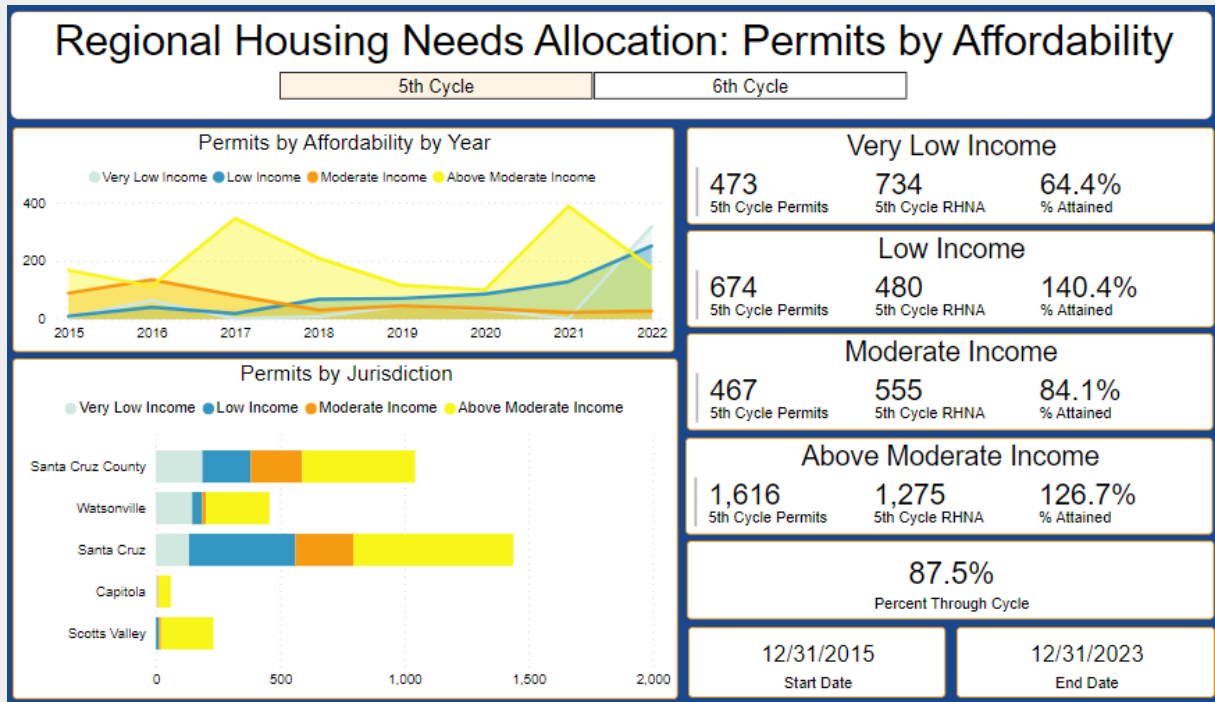
**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Grand Jury's report does not include the latest 5th Cycle Regional Housing Needs Allocation (RHNA) status submitted to the State in April 2023. The updated status, which added the units permitted in calendar year 2022 to the prior years of this cycle, shows a total of 1,043 units were permitted, or 79% of the County's RHNA assignment. Of those units permitted, 381 were in the low and very low categories, for approximately 72% of the required lower-income units.

In addition, the County has approved additional housing projects that include lower-income units, which either have not yet applied for building permits due to changing economic conditions or are still in the process of preparing their building plans, and/or pulled permits during calendar year 2023, and therefore are not yet included in the prior year's annual reports. Many local housing projects have been delayed and/or been negatively impacted by economic factors related to the multiple disasters affecting the County during the 5th cycle, including the three-year COVID-19 pandemic, 2020 CZU fires, and 2023 atmospheric river storms. The most recent permitting data for all jurisdictions is available through the online State dashboard at: <https://www.hcd.ca.gov/planning-and-community-development/housing-open-data-tools/housing-element-implementation-and-apr-dashboard>.

As shown below, on the chart provided on page 11 of that dashboard (filtered to Santa Cruz County jurisdictions), the County permitted more Very Low-Income Units in the 5th cycle (through December 2022) than any of the local cities, and more Low- and Moderate-Income units than any city except the City of Santa Cruz.



To make infill housing development more feasible and more environmentally sustainable, the Board of Supervisors adopted the Sustainability Policy and Regulatory Update (Sustainability Update) in December 2022. This project, comprised of comprehensive General Plan and County Code amendments and rezonings, incorporates many policy and regulatory improvements to encourage the development of more housing on urban infill parcels within the County’s established Urban Services Line, where infrastructure is available or can be made available more efficiently than in rural areas. Changes include establishment of a new high-density zoning district called Residential Flex (22-24 units/acre) and County Code adjustments to urban residential standards, including increased height and story allowances that could make projects more economically feasible, reduced setbacks, and increased allowances for residential square footage in mixed-use development. The rezoning of parcels along Portola Drive, which were included in the project, allow for Urban High Residential development at an increased density range of 11 to 30 dwelling units per acre.

The effect of these policy and mapping changes have yet to be fully realized, as the amendments are currently under consideration at the California Coastal Commission. However, the changes are anticipated to greatly improve the potential for housing units to be built along transportation corridors. The County is optimistic that the Coastal Commission will approve these updates so that much-needed housing can be built for local essential workers and others in need.



**F6.** Capitola and the County of Santa Cruz need to work together to facilitate significant housing in the mid-county area where a large percentage of jobs are located.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Board of Supervisors agrees that housing located near job centers and transportation corridors is key to future sustainable urban development. Coordination among the various local jurisdictions and regional agencies within the county is important to making progress on the housing crisis.

The planning directors meet quarterly, and further informal communications frequently occur. Coordination also occurs in the regular bi-monthly meetings of the Planning Directors Forum hosted by the Association of Monterey Bay Area Governments (AMBAG), as well as in the local Continuum of Care, known as the Housing for Health Partnership, which includes representatives from all local jurisdictions.

In addition to coordination among directors, other planning, and public works staff in various divisions (including housing and development review) are familiar with, and frequently reach out to their colleagues in neighboring jurisdictions when needed to coordinate on developments and other projects that require such cross-jurisdictional coordination, such as those located close to city limits, and regional infrastructure and planning efforts.

Several recent examples of this include the Pippin I (built in 2018) and Pippin II (currently under construction) affordable housing development projects. Each of these projects included one parcel on unincorporated County land and one parcel in the City of Watsonville. Extensive coordination occurred between City and County staff at various stages of their development in order to get these projects funded and completed.

**F12.** While all local municipalities have voiced support for prioritizing housing for local workers, only some of them have clear local preference guidelines that give some priority to local workers. Without clear guidelines and incentives, new housing is more likely to be purchased by those who do not live and work here.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Many California jurisdictions including the County that fund affordable housing projects or administer affordable housing programs, such as inclusionary or “below market-rate” programs, provide general preferences to prospective applicants who live and/or work in their locality. State and federal fair housing laws, as well as conditions attached to State and federal subsidies, limit the extent to which these preferences can be very narrowly tailored to provide priority preferences to local workers only, as opposed to those who may live locally but work elsewhere, and/or to those who work versus those who may be retired, unemployed, or unable to work due to disabilities or other reasons. The reasons are that such preferences could create a “disparate impact” on certain protected groups who may be less likely to be in the group receiving the preference, and thus the preference limits their access to fair housing, which would violate the law.

Most local jurisdictions including the County generally provide legally allowable preferences in their local affordable housing projects and programs for those who live or work in the County. This sometimes include priorities for additional special needs groups, such as for those displaced by recent disasters, or for those who are homeless, households with a disability, seniors, homeless families, or other special needs group.

Furthermore, if a project is being built by an employer specifically for its employees, then it does not violate fair housing law to limit those units to the specified group of employees. Examples include housing for farmworkers, or local school districts building housing for their employees. The County’s inclusionary housing program (also known as a below-market rate housing program), established through the 1978 voter initiative called “Measure J”, does generally limit the eligibility to access these affordable housing units entirely to applicants who live or work within the county.

The County owns many parcels throughout the unincorporated area and is actively studying the potential for public-sector employee housing on several of its properties. Employers of various types may also develop housing for their employees on any other types of property they own that allows housing development, which includes residential zones and commercial mixed-use zones (C1, C2, PA, and/or RF).

**F13.** All municipalities are trying to identify and facilitate the building of housing projects, but most of that is done independently of the other municipalities or with outside partners. Since workforce housing and transportation gridlock is a county-wide problem, all county municipalities need to work more closely together and with property owners to develop housing solutions.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Please see response to F6. In addition, the County has forged strong partnerships with various non-profit affordable housing developers and other public agencies, including local cities in some cases, and/or the countywide Housing Authority, resulting in the construction of many affordable housing developments over the past 40 or more years. Some of the more recently built projects include Pippin Orchards Phases I and II in the Watsonville area, Aptos Blue and Canterbury Park in Aptos, and St. Stephens, 1520 Capitola Road (Bienestar Plaza), and Rodeo Creek Court in Live Oak. Where possible, the County has pursued partnerships including with local cities. However, housing is inherently a local land use issue and thus makes cross-jurisdictional coordination unfeasible in many cases.

There are several regional agencies, such as the Regional Transportation Commission, that handle regional planning issues including transportation and groundwater. These agencies include representatives from each of the local jurisdictions, and staff of each of the local jurisdictions closely follow and participate in planning efforts of those regional agencies. Other regional entities that many local staff participate in, which help staff keep informed and share information on regional issues affecting housing development and housing needs, include AMBAG, the Monterey Bay Economic Partnership, the Housing for Health Partnership, and Housing Santa Cruz County.

## Recommendations

**R11.** By the end of 2023 the County of Santa Cruz should demonstrate progress towards identifying sites and planning for increased housing along the transportation corridors in mid-county. (F6)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

Like all AMBAG jurisdictions, the County of Santa Cruz is developing its 6th Cycle Housing Element, which is due to the State by the end of 2023. As a part of the Housing Element update, the County must analyze its capacity to accommodate the number of housing units dictated by the State under RHNA.

Where the supply of land is deficient, jurisdictions must also identify parcels for rezoning to make up the total number of units (4,634 for the County in the 6th Cycle). Together, the parcels identified for potential housing units are considered the “Housing Inventory.” On June 12, 2023, the County released its draft Housing Element and Housing Inventory for public review, thereby beginning the process of review and adoption of the Housing Element in 2023. The Housing Element (as well as the Built Environment Element of the General Plan) contain policies and programs that give clear preference for locating housing in infill areas within the existing Urban Services Line and along transportation corridors. The location of properties in the Housing Inventory focuses on potential development in these areas as well.

**R12.** By the end of 2023 the County of Santa Cruz should develop clear, measurable guidelines to ensure that local preference is given to local workers in the construction of low-income housing. (F12)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Please see response to F12 above.

**R13.** By the end of 2023, the County of Santa Cruz should demonstrate a plan to work with other county municipalities as well as other for profit and non-profit agencies to develop low-income housing for workers in the County, (particularly on properties such as the old drive-in theater acreage which is adjacent to transportation corridors. (F3, F6)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

County staff regularly meet with property owners, interested developers, employers, other public agencies, and non-profit housing providers to provide information on zoning, procedures, regulations, affordable housing programs, and funding opportunities that pertain to new development within the unincorporated areas. This is a typical service and is likely provided in all county jurisdictions as well. As noted in F13, the County also has strong relationships with non-profit affordable housing developers, regional housing, and infrastructure-related agencies, and supports projects with funding when available.

**R14.** By the end of 2023, the County of Santa Cruz should demonstrate progress in working collaboratively with UCSC to develop housing sites that are affordable for UCSC students and essential workers. (F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

To the extent that UCSC has projects within the County's unincorporated areas requiring the County's participation through its permitting or land use regulatory roles, the County will work with UCSC as it would any other applicant. For example, there is a proposed 624-bed housing complex being jointly developed by UCSC and Cabrillo College on Cabrillo's Aptos campus, and the County would be happy to assist those partners through the regulatory process should the proposal move forward.

Given the disparate impacts of the ongoing housing crisis on lower-income families, any future funding the County might have for affordable housing would be applied consistent with the County's Strategic Plan and equity goals.

**R15.** By the end of 2023 the County of Santa Cruz should demonstrate that they have reestablished regular meetings of a workgroup or other entity that would allow planners from all 5 county jurisdictions to share ideas on housing development and develop joint projects. (F13)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Planning directors throughout the county meet quarterly to discuss and share ideas on housing and other related issues. Planning staff from the various jurisdictions also collaborate through the regular AMBAG meetings and meetings of other regional bodies, as noted above in the response to F6, F13, and several of the recommendations above.





SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## City of Capitola Response to Report Titled "Housing Our Workers"

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Moss, Julia <jmoss@ci.capitola.ca.us>

Fri, Jul 28, 2023 at 12:01 PM

To: "Syda.Cogliati@santacruzcourt.org" <Syda.Cogliati@santacruzcourt.org>

Cc: "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>

Good Morning,

Please find attached the City of Capitola's response to the 2022-2023 Santa Cruz County Civil Grand Jury report titled **Housing Our Workers**. This response was approved by the Capitola City Council on July 27<sup>th</sup>, 2023, as can be seen in the attached draft minutes from that meeting.

Please respond to confirm receipt of this email. Thank you,

**Julia Moss**

City Clerk - City of Capitola

831.475.7300 x228

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### 2 attachments

 **Housing Grand Jury Response.pdf**  
401K

 **Housing - Minutes from July 27th.pdf**  
609K

# City of Capitola

## City Council Meeting Minutes

### Thursday, July 27, 2023 – 6:00 PM



City Council Chambers  
420 Capitola Avenue, Capitola, CA 95010

**Mayor:** Margaux Keiser

**Vice Mayor:** Kristen Brown

**Council Members:** Yvette Brooks, Joe Clarke, Alexander Pedersen

#### Closed Session – 5 PM

- i. CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code § 54957.6)  
Negotiator: Chloé Woodmansee, Assistant to the City of Manager  
Employee Organizations: Association of Capitola Employees, Police Officers Association, Mid-Management Employees, Confidential Employees, Police Captains, and Management
- ii. CONFERENCE WITH LEGAL COUNSEL—LIABILITY CLAIMS (Gov. Code § 54956.95)  
1) Graciela Cardiel  
Claim against the City of Capitola
- iii. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Gov. Code § 54956.9)  
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: one case

#### Regular Meeting of the Capitola City Council – 6 PM

### 1. Roll Call and Pledge of Allegiance

*The meeting was called to order at 6:00 PM. In attendance: Council Members Brooks, Clarke, Pedersen, and Mayor Keiser. Absent: Vice Mayor Brown*

### 2. Additions and Deletions to the Agenda - None

### 3. Report on Closed Session – *The City Council met and discussed three items on the Closed Session Agenda. No reportable action was taken.*

### 4. Additional Materials

- A. Updated Attachments for Item 7F
- B. Correspondence Received - Item 8C (2 emails)
- C. Correspondence Received - Item 8E (3 emails)
- D. Correspondence Received - Item 8F (3 emails)

### 5. Oral Communications by Members of the Public - None

### 6. Staff / City Council Comments

- *Police Chief Dally reminded the public of National Night Out on August 1<sup>st</sup> from 5-7 PM.*
- *Council Member Clarke commended the Random Acts of Capitola Kindness group for their efforts on the Depot Hill fence repair.*

### 7. Consent Items

- A. City Council Meeting Minutes

- Recommended Action: Approve the June 22, 2023, City Council meeting minutes.
- B. City Check Registers  
Recommended Action: Approve check registers dated June 23, 2023, and July 7, 2023.
- C. Liability Claim of Graciela Cardiel  
Recommended Action: Reject liability claim.
- D. Grand Jury Response – Cyber Security  
Recommended Action: Approve the responses to the Grand Jury Report and direct the City Clerk to submit the completed response packet pursuant to California Penal Code Section 933.05.
- E. Grand Jury Response – Housing our Workers  
Recommended Action: Approve the responses to the Grand Jury Report and direct the City Clerk to submit the completed response packet pursuant to California Penal Code Section 933.05.
- F. Jade Street Park Universally Accessible Playground Fundraising Partnership  
Recommended Action: 1) Authorize the City Manager to execute a Memorandum of Understanding with the Friends of Santa Cruz County Parks for a fundraising campaign and administration of donations for the Jade Street Park Universally Accessible Playground Project; and 2) approve an administrative policy regarding the Universally Accessible Playground at Jade Street Park Donor Recognition.
- G. Plein Air Public Art Prize Amount  
Recommended Action: Approve the Art & Cultural Commission recommendation to increase the Plein Air Public Art Festival Competition prize amount from \$1,500 to \$1,800 for first place and from \$800 to \$1,000 for second place.

***Motion to adopt the Consent Calendar: Council Member Clarke***

***Seconded: Council Member Brooks***

***Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser***

***Absent: Vice Mayor Brown***

## 8. General Government / Public Hearings

- A. State Budget Update from Senator John Laird  
***Senator John Laird provided a presentation on the State of California Budget.***
- B. Children and Youth Bill of Rights  
Recommended Action: Adopt a resolution adopting the City of Capitola Children and Youth Bill of Rights.

***Deputy City Clerk Westly presented the staff report.***

***Council Member discussion included an overview of the partnership between the City and the Children's Network and Youth Action Network.***

***Motion to adopt the resolution adopting the Capitola Children and Youth Bill of Rights with direction to staff to research the addition of a \$2,000 stipend for youth participation on City advisory boards: Council Member Brooks***

***Seconded: Council Member Clarke***

***Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser***

***Absent: Vice Mayor Brown***

City Council Meeting Minutes – July 27, 2023

C. Jade Street Park UA Playground Project

Recommended Action: Approve the Final Conceptual Design for the Jade Street Park Universally Accessible (UA) Playground Project.

**Public Works Director Kahn and Todd from Verde Design presented the staff report.**

**Public Comments:**

- **Brenda, community member, spoke in support of the UA Playground Project.**
- **Dan Hastley, County Park Friends, spoke in support of the UA Playground Project.**
- **Lisa Duran, Capitola Aptos Rotary Member, spoke in support of the UA Playground Project.**

**Council Member discussion included thanks for the Santa Cruz County Park Friends for their fundraising efforts, and encouragement to the community to donate to the fundraiser.**

**Motion to approve the Final Conceptual Design: Council Member Brooks**

**Seconded: Council Member Pedersen**

**Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser**

**Absent: Vice Mayor Brown**

D. Community Center Renovation Project – Budget Update

Recommended Action: 1) Receive update on external funding sources for the Community Center Renovation Project; and 2) authorize Amendment 1 to the Professional Services Agreement with Boone Low Ratliff Architects in the amount of \$374,000 for final design documents, bidding support, and construction administration for the Community Center Renovation Project.

**Public Works Director Kahn presented the staff report.**

**Council Member discussion included clarification on funding sources and timelines.**

**Motion to authorize Amendment 1 to the Agreement with Boone Low Ratliff Architects:**

**Council Member Pedersen**

**Seconded: Council Member Clarke**

**Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser**

**Absent: Vice Mayor Brown**

E. Capitola Wharf Enhancement Project Preliminary Conceptual Design

Recommended Action: Direct staff to prepare a final concept plan, for consideration by the City Council on August 24, 2023, for the Capitola Wharf Enhancement Project (CWEP).

**Public Works Director Kahn presented the staff report.**

**Public Comments:**

- **Community member requested clarification on the conceptual design.**
- **Gerry Jensen, CWET, thanked City staff and Wharf to Wharf staff for their collaboration efforts.**
- **Skip Allen, community member, voiced concerns about enhanced lighting in the conceptual design.**

City Council Meeting Minutes – July 27, 2023

**Council Members expressed thanks to CWET for their efforts, an interest in the addition of a kiosk element, and additional outreach for volunteer opportunities.**

**Direction provided to staff to prepare a Final Conceptual Design with the addition of a kiosk: Council Member Brooks**

**Seconded: Council Member Clarke**

**Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser**

**Absent: Vice Mayor Brown**

F. Capitola Road Pavement Rehabilitation Project

Recommended Action: Approve the plans, specifications, and construction budget of \$1,700,000 for the Capitola Road Pavement Rehabilitation Project; adopt a resolution amending the FY 2023-24 budget; and authorize the Department of Public Works to advertise for construction bids.

**Public Works Director Kahn presented the staff report.**

**The City Council requested that staff provide an update on the ADA recommendations for this project and associated electrical improvements.**

**Public Comments:**

- **Marianne Mahern, resident, requested further consideration of ADA accommodations in the pavement plan.**

**Motion to approve the plans, specifications, and budget for the Road Pavement Rehabilitation Project and adopt the resolution: Council Member Brooks**

**Seconded: Council Member Clarke**

**Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser**

**Absent: Vice Mayor Brown**

G. City Council Appointments to City Advisory Bodies

Recommended Action: Appoint members of the public to the City of Capitola Arts and Cultural Commission and Historical Museum Board.

**City Clerk Moss presented the staff report.**

**Motion to appoint Jennifer Major to the Arts and Cultural Commission to a term expiring 12/31/2024 and Brian Legakis to the Historical Museum Board to a term expiring 6/30/2024: Council Member Clarke**

**Seconded: Council Member Pedersen**

**Voting Yea: Council Members Brooks, Clarke, Pedersen and Mayor Keiser**

**Absent: Vice Mayor Brown**

**9. Adjournment – The meeting was adjourned at 7:36 PM to the next regularly scheduled meeting on August 24, 2023, at 6:00 PM.**

**ATTEST:**

\_\_\_\_\_  
Margaux Keiser, Mayor

\_\_\_\_\_  
Julia Moss, City Clerk



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

## Capitola City Council

to Respond by August 31, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

## Housing Our Workers

Essential Workers Need Affordable Housing!

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. **Please confirm the date on which you approved the assigned responses:**

We approved these responses in a regular public meeting as shown

in our minutes dated July 27, 2023.

4. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

**If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).**



## Findings

- F1.** While all city and county planning departments have demonstrated a good understanding of the new State housing laws and the need to facilitate more housing, the failure to do so in a timely manner has served to further decrease the availability of housing and further increase the need and cost of more housing.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The City of Capitola has consistently updated the Capitola Municipal Code to comply with state housing law in a timely manner. With the many annual housing bills, cities and developers alike must be diligent in understanding the latest legislative changes. Even in doing so, the state Housing and Community Development Department and case law provide new interpretations and precedents.

The pace of entitlements and construction of ADUs in Capitola has increased in recent years, partly due to the changes in state legislation and the City's rapid incorporation of those changes into the daily narrative and development entitlement decisions. For example, for new ADU laws that came into effect on Jan 1, 2020, Capitola updated the ordinance by March of 2020. Capitola updated the ordinance again in 2022 due to additional modifications in ADU law.

The City's up-to-date understanding of housing legislation does and will continue to facilitate housing production. The City will continue to remain diligent in staying knowledgeable about the latest legislative changes, interpretations, and case law.



- F4.** Capitola has made little progress towards achieving housing goals, particularly for low income housing. Although the City identified sites for mixed use developments, they have made little progress towards developing those sites.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Capitola has made great progress towards achieving housing goals, but has made little progress in developing low-income sites in the current housing cycle.

In terms of housing goals, Capitola had made great progress to enable more housing development citywide. Completed planning projects include:

1. Complete overhaul of Zoning Code to remove barriers to housing and ensure housing could be accommodated. (2014-2020)
2. Updated the ADU ordinance (2020 and 2022)
3. Created ADU guidance document (2022)
4. Created building permit ready ADU prototype designs (2022)
5. Completed a nexus study for affordable housing (2020/2021)
6. Completed feasibility analysis for affordable housing fees (2020)
7. Updated Chapter 18.02 Inclusionary Housing Ordinance (2020/2021)
8. Added Chapter 18.05 for Inclusionary Housing Impact Fees (2020/2021)
9. Added Chapter 17.82 establishing Objective Standards for Multifamily and Mixed-Use Developments (2022)

The City is not responsible for developing sites as the City is not a developer. Capitola is responsible for ensuring there are adequate sites to develop housing within the City and removing barriers. However, the City recently approved a 36 unit 100% affordable development at 4401 Capitola Road. The City will continue efforts to proactively reach out to affordable housing developers to increase interest in Capitola sites.

- F5.** Capitola has focused primarily on streamlining the construction of ADUs as a means to increase housing. However, there is little evidence that ADUs are prioritized for rental to local workers, and there is little chance that ADUs alone can meet the housing needs for the 6th Cycle Housing Element.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

ADUs are only a small portion of the work the City had done to meet housing needs. Of the nine tasks listed below toward housing, ADUs were the focus of three. The City agrees that ADUs alone cannot meet the housing needs for the 6<sup>th</sup> cycle.

Completed housing projects:

1. Complete overhaul of Zoning Code to remove barriers to housing and ensure housing could be accommodated. (2014-2020)
2. Updated the ADU ordinance (2020 and 2022)
3. Created ADU guidance document (2022)
4. Created building permit ready ADU prototype designs (2022)
5. Completed a nexus study for affordable housing (2020/2021)
6. Completed feasibility analysis for affordable housing fees (2020)
7. Updated Chapter 18.02 Inclusionary Housing Ordinance (2020/2021)
8. Added Chapter 18.05 for Inclusionary Housing Impact Fees (2020/2021)
9. Added Chapter 17.82 establishing Objective Standards for Multifamily and Mixed-Use Developments (2022)

The City agrees there is little evidence that ADUs are prioritized for rental to local workers. However, the City recently approved a 36 unit 100% affordable development at 4401 Capitola Road and included a condition of approval for local worker preference.

- F6.** Capitola and the County of Santa Cruz need to work together to facilitate significant housing in the mid-county area where a large percentage of jobs are located.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

All jurisdictions in the County regularly collaborate during the Association of Monterey Bay Area Government (AMBAG) regularly scheduled meetings. Senate Bill 375 set forth consistency requirements between transportation planning processes and housing planning processes. More specifically, the regional housing needs allocation (RHNA) must be consistent with the Sustainable Communities Strategy (SCS) development pattern. For the Monterey Bay region, these requirements necessitate extensive coordination between three regional transportation planning agencies, two major transit agencies, 21 local jurisdictions, two councils of government and AMBAG, the region's metropolitan planning organization. The RHNA process considered the job/housing ratio of jurisdictions and assigned more units to areas with more jobs, including Capitola and the County of Santa Cruz. The increase allocation based on jobs will result in increased housing in the mid-county area where a large percentage of jobs are located.

Also, Planning Directors from throughout the County meet regularly to collaborate on housing and other related issues. The Planning Department staff from the countywide jurisdictions also collaborate through AMBAG meetings, trainings, discussions of state legislation, joint presentations, and various other communications.

- F7.** The City of Capitola has made little progress towards facilitating the development of the Capitola Mall as a mixed-use project which could accommodate both business and housing.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

In the recent Zoning Code update, Chapter 17.88: Incentives for Community Benefits was added providing incentives of additional height and floor area ratio on the mall site. In 2019, the mall owner submitted an application for a mixed-use development which would accommodate 637 new residential units along with commercial uses. During the conceptual review, the applicant received favorable feedback from Planning Commission and City Council. Ultimately, the applicant withdrew the application in the summer of 2020 due to the pandemic. Capitola made progress with the adoption of the new Incentives for Community Benefits Zoning as there are now incentives in place for increased height and floor area, combined with underlying zoning that has no density limit.

However, the Capitola Mall is comprised of multiple parcels, owned by seven different entities. These seven property owners must all agree on any significant development on the Mall site. Unanimous agreement among these property owners has been a challenge for decades.

While the City has created incentives to facilitate development, and helped facilitate discussions among those property owners, the City is not able to compel private property owners to redevelop Capitola Mall.

**F8.** The City of Capitola claims to have significantly fewer resources to attract housing planners and builders than do the bigger municipalities of Santa Cruz, Watsonville and the County of Santa Cruz, but that does not mean the City should be exempt from the need to construct housing for local low income workers.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The City agrees it should not be exempt from the need to construct housing for local low-income workers. However, it is a fact that Capitola has significantly less housing staff and financial resources than the City of Santa Cruz, City of Watsonville, and the County of Santa Cruz, which can make it more challenging to partner with housing developers toward construction of projects.

Two new housing fund sources recently became available through the payoff of a large housing loan and the recent award from the state of PLHA funds. Capitola intends to utilize the new funding source to assist MidPen Housing with plans for a 52-unit 100% affordable project at 1098 38<sup>th</sup> Avenue.

**F12.** While all local municipalities have voiced support for prioritizing housing for local workers, only some of them have clear local preference guidelines that give some priority to local workers. Without clear guidelines and incentives, new housing is more likely to be purchased by those who do not live and work here.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Capitola's inclusionary housing ordinance (IHO) gives preference to local residents and workers. Within Capitola Municipal Code Section 18.02.080, the City's inclusionary ordinance gives preferences for ownership inclusionary units to households who live or work in Capitola.

Beyond the IHO, Capitola does not have requirements for prioritizing housing for local workers. However, during the review of a recent 36-unit, 100 percent affordable housing development project at 4401 Capitola Road, the project was conditioned to require local worker preference.

Prior to adopting a standard for local worker preference, the City would have to do more research on applicable laws and fair housing practices.

**F13.** All municipalities are trying to identify and facilitate the building of housing projects, but most of that is done independently of the other municipalities or with outside partners. Since workforce housing and transportation gridlock is a county-wide problem, all county municipalities need to work more closely together and with property owners to develop housing solutions.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

While representatives from the different jurisdictions can and do regularly learn from one another and collaborate on the best ways to grow across the region, particularly when it comes to planning for and requiring increased densities in areas close to transit and other daily needs, individual projects are typically best handled by the jurisdiction in which they are located.

All jurisdictions in the County regularly collaborate during the Association of Monterey Bay Area Government (AMBAG) meetings. Senate Bill 375 set forth consistency requirements between transportation planning processes and housing planning processes. More specifically, the regional housing needs allocation (RHNA) must be consistent with the Sustainable Communities Strategy (SCS) development pattern. For the Monterey Bay Area, these requirements necessitate extensive coordination between three regional transportation planning agencies, two major transit agencies, 21 local jurisdictions, two councils of government and AMBAG, the region's metropolitan planning organization. The RHNA process assigned more units to Capitola and the County of Santa Cruz due to the number of jobs in mid-county to facilitate significant housing in the mid-county area where a large percentage of jobs are located.

Also, Planning Directors from throughout the County meet regularly to collaborate on housing and other related issues. The Planning Department staff from the countywide jurisdictions also collaborate through AMBAG meetings, trainings, discussions of state legislation, joint presentations, and various other communications.

## Recommendations

- R1.** By the end of 2023 the City of Capitola should identify enough parcels of land, zoned appropriately, to meet the new RHNA housing allocations for all income levels, especially low income housing. (F4 – F6, F8)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

The 6<sup>th</sup> cycle draft housing element, as submitted to HCD, identifies more than the required parcels of land, zoned appropriately, to meet the new RHNA housing allocations for all income levels, including low-income housing.



**R2.** By the end of 2023 the City of Capitola should show significant progress towards planning and facilitating the construction of mixed use businesses and housing on identified parcels of land in the City. (F4, F6 – F8)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City updated the Zoning Code to allow mixed-use in all commercial zones (2014-2020); updated Chapter 18.02 Inclusionary Housing Ordinance (2020/2021); added Chapter 18.05 for Inclusionary Housing Impact Fees (2020/2021); and added Chapter 17.82 establishing Objective Standards for Multifamily and Mixed-Use Developments (2022). The draft 6<sup>th</sup> cycle housing element includes many properties within Capitola's mixed-use zoning district. These accomplishments create significant progress towards planning and facilitating the construction of mixed-use businesses and housing citywide.

- R3.** By the end of 2023, the City of Capitola should demonstrate a plan to work with the County of Santa Cruz as well as other for profit and non-profit agencies to develop housing close to transportation corridors along Hwy 1 and 41st Avenue. (F6, F7, F13)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Planning Directors from throughout the County meet regularly to collaborate on housing and other related issues. The Planning Department staff from the countywide jurisdictions also collaborate through AMBAG meetings, trainings, discussions of state legislation, joint presentations, and various other communication streams. Specific development projects typically are handled by the specific jurisdiction where they are located.

In terms of regional planning, all jurisdictions in the County regularly collaborate during the Association of Monterey Bay Area Government (AMBAG) meetings. Senate Bill 375 set forth consistency requirements between transportation planning processes and housing planning processes. More specifically, the regional housing needs allocation (RHNA) must be consistent with the Sustainable Communities Strategy (SCS) development pattern. For the Monterey Bay Area, these requirements necessitate extensive coordination between three regional transportation planning agencies, two major transit agencies, 21 local jurisdictions, two councils of government and AMBAG, the region's metropolitan planning organization. The regional coordination encourages housing development near transportation corridors along Hwy 1 and 41st Avenue. Also, Capitola's Draft 6<sup>th</sup> Cycle Housing Element includes numerous sites along 41<sup>st</sup> Avenue due to existing transit and jobs.

**R4.** By the end of 2023 the City of Capitola should develop clear, measureable guidelines to ensure that local preference is given to local workers in the construction of ADUs as well as low income housing. (F12)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City cannot legally require private homeowners to hire local workers for construction of ADUs. Further, this requirement would be an impediment to housing development due to limited construction workers at the local level, and increased development costs which would make development of new housing less feasible.

**R5.** By the end of 2023 the City of Capitola should demonstrate that they have reestablished regular meetings of a workgroup or entity that would allow planners from all 5 county jurisdictions to share ideas on housing development and develop joint projects. (F13)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

As stated in R3, Planning Directors from throughout the County meet regularly to collaborate on housing and other related issues. The Planning Department staff from the countywide jurisdictions also collaborate through AMBAG meetings, trainings, discussions of state legislation, joint presentations, and various other communication streams. Specific development projects typically are handled by the specific jurisdiction where they are located.



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## ATTN: Civil Grand Jury Response (Housing Our Workers)

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**Emeline Nguyen** <enguyen@santacruzca.gov>

Thu, Sep 7, 2023 at 12:46 PM

To: "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>

Cc: Laura Schmidt <LSchmidt@santacruzca.gov>, Matt Huffaker <mhuffaker@santacruzca.gov>

Good afternoon Honorable Judge Cogliati and Santa Cruz County Grand Jury,

We received an email that the Grand Jury report is past due. Please see the attached report that was submitted on August 15<sup>th</sup>. Feel free to reach out if you have any questions.

Thank you,

Emeline

[Quoted text hidden]

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 **20230816\_Civil Grand Jury\_Housing Our Workers\_V2.pdf** 225K



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

## Santa Cruz City Council

to Respond by August 31, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

## Housing Our Workers

Essential Workers Need Affordable Housing!

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. **Please confirm the date on which you approved the assigned responses:**

We approved these responses in a regular public meeting as shown in our minutes dated August 8, 2023.

4. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

**If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).**

## Findings

- F1.** While all city and county planning departments have demonstrated a good understanding of the new State housing laws and the need to facilitate more housing, the failure to do so in a timely manner has served to further decrease the availability of housing and further increase the need and cost of more housing.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The City of Santa Cruz was recently designated as a Prohousing community by the California Department of Housing and Community Development (HCD), one of only 30 communities in the state to receive this designation. As a Prohousing community, the City of Santa Cruz will receive priority consideration for funding programs administered by HCD, the primary state provider of affordable housing funding. This partnership with HCD is a testament to our unwavering commitment to creating accessible housing opportunities and underscores the effectiveness of our initiatives to support affordable housing development in our community.

The City of Santa Cruz provides an annual update to the Council on housing legislation changes. With the many annual housing bills, cities and developers alike must be diligent in understanding the latest legislative changes. Even in doing so, the state Housing and Community Development Department and case law provide new interpretations and precedents.

The pace of entitlements and construction in Santa Cruz has increased in recent years, partly due to the changes in state legislation and the City's rapid incorporation of those changes into the daily narrative and development entitlement decisions. While the City has taken advantage of regulatory changes to facilitate housing production on properties it owns, the City is also dependent on the private sector to initiate housing production on private properties. The City's up-to-date understanding of housing legislation does and will continue to facilitate housing production. The City will continue to remain diligent in staying knowledgeable about the latest legislative changes, interpretations, and case law.



**F2.** With the planned growth of UCSC to 28,000 students, the potential demand for off campus housing for students, faculty and staff has the potential to make the affordable housing problem even worse.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Thus, it is critical for UCSC to provide on-campus housing for its growing student body and accompanying faculty and staff.

**F12.** While all local municipalities have voiced support for prioritizing housing for local workers, only some of them have clear local preference guidelines that give some priority to local workers. Without clear guidelines and incentives, new housing is more likely to be purchased by those who do not live and work here.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

While new housing can be purchased (or rented) by those who do not currently live and work in the County, it is the City's experience in projects where the City is involved that the majority of housing does get purchased (or rented) by individuals already living or working in the area.

That said, the City's inclusionary housing ordinance gives preference to local residents, consistent with state and federal law. (Santa Cruz Municipal Code ("SCMC") 24.16.045(6).) The City's Zoning Code requires that local preferences for rental inclusionary units shall be given in the following priority order:

- a. Residents of the City of Santa Cruz for at least one year.
- b. Those employed in the City of Santa Cruz.
- c. Residents of the County of Santa Cruz for at least one year.
- d. Those employed in the County of Santa Cruz.

(SCMC 24.16.045(7).)

As consistent with state and federal law, the City's inclusionary ordinance also gives preferences for ownership inclusionary units in the following priority order:

- a. Those who live or work in the City of Santa Cruz.
- b. Those who live or work in the County of Santa Cruz.

(SCMC 24.16.045(7).)

When it comes to market-rate residences that are not subject to the City's affordability restrictions, the City cannot dictate to whom those residences are sold or rented. However, as noted above, the City's local regulations set forth a clear preference for in-County workers and residents in the inclusionary units that are part of private developments. The City also requires the aforementioned local preferences in the housing projects to which the City provides financial support, as a condition of the City providing said support.

**F13.** All municipalities are trying to identify and facilitate the building of housing projects, but most of that is done independently of the other municipalities or with outside partners. Since workforce housing and transportation gridlock is a county-wide problem, all county municipalities need to work more closely together and with property owners to develop housing solutions.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

While representatives from the different jurisdictions can and do regularly learn from one another and collaborate on the best ways to grow across the region, particularly when it comes to planning for and requiring increased densities in areas close to transit and other daily needs, individual projects are typically best handled by the jurisdiction in which they are located.

Although most specific housing projects are developed without the involvement of outside jurisdictions, there is coordination and communication between the jurisdictions when a city's or the county's land ownership occurs in another jurisdiction and with regards to transportation issues that cross jurisdictional boundaries. For example, the City regularly coordinates with the County to facilitate housing development, including affordable housing, on County-owned properties within the City, and the City coordinates with Scotts Valley regarding land the City owns in that jurisdiction. And the Regional Transportation Commission, Santa Cruz Metropolitan Transit, and Association of Monterey Bay Area Governments all work on regional transportation planning and implementation, and those organizations are all governed by local government officials.

Planning Directors throughout the County also meet at least five times per year to collaborate on housing and other related issues. The Planning Department staff from countywide jurisdictions also collaborate through AMBAG meetings, trainings, discussions of state legislation, joint presentations, and various other communication streams.

## Recommendations

**R16.** By the end of 2023 the City of Santa Cruz should demonstrate that they have reestablished regular meetings of a workgroup or other entity that would allow planners from all 5 county jurisdictions to share ideas on housing development and develop joint projects. (F13)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

Planning Directors throughout the County meet at least five times per year to collaborate on housing and other related issues. The Planning Department staff from countywide jurisdictions also collaborate through AMBAG meetings, trainings, discussions of state legislation, joint presentations, and various other communication streams. As previously noted in the response to F13, specific development projects typically are handled by the specific jurisdiction where they are located.

**R17.** By the end of 2023, the City of Santa Cruz should develop clear, measureable guidelines to ensure that preference is given to local workers in the construction of low income housing. (F12)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City does have a Local Business Preference Ordinance (SCMC 3.11), which applies when the City itself is evaluating bids in a competitive process “for goods, supplies, equipment, materials, services or professional services”[.] (SCMC 3.11.012.) Similarly, Chapter 3.10 of the Municipal Code is entitled “Local Hiring – Public Works Contractors” and provides that:

“all city contracts for public works or improvements of estimated value of greater than the formal bid limit shall contain provisions pursuant to which the contractor promises to make a good-faith effort, with the assistance of local labor union hiring halls or community organizations designated by the city to employ qualified individuals who are, and have been for one year prior to the effective date of the contract, residents of the county of Santa Cruz in sufficient numbers so that no less than fifty percent of the contractor’s total construction work force, including any subcontractor work force, measured in labor work hours, is comprised of Santa Cruz County residents.”

(SCMC 3.10.010(1).)

However, it is not typical for these Ordinances to apply to the construction of low-income housing, given that the City is not the party that directly seeks or reviews bids for construction services. Instead, while the City certainly helps to facilitate the development of low-income housing, the project itself is executed by a housing developer. Given that the City itself does not have a direct role in contracting for construction services for housing projects, it is not clear that the City has a lawful regulatory path forward to be able to enact the recommended local preferences.

Additionally, the City would note that the available local construction workforce is very limited for many reasons (e.g., housing availability, general cost of living, an overall lack of enough workers currently trained in this sector). Thus, even assuming for the sake of argument that the recommended local preferences could be enacted in a lawful way (which is a major assumption), if the City were to add additional local preference requirements for contractors who build housing (affordable or not), the result would be a

smaller bidding pool and rising costs for the work. Enacting more difficult-to-achieve barriers for those building housing is counterproductive to the goal of producing more affordable housing.

Note that the wording of this recommendation was a bit confusing. If this recommendation was intended to convey the idea that local workers should be preferred when it comes to their ability to buy or rent low-income housing, the City has already incorporated that concept into its Municipal Code and, when applicable, conditions of providing financial support. (See City's Response to F12 above.)

**R18.** By the end of 2023, the City of Santa Cruz should demonstrate progress in working collaboratively with UCSC to develop housing sites that are affordable for UCSC students and essential workers. (F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Santa Cruz and UCSC meet regularly, including City representatives from Planning and Community Development, City Manager’s Office, Public Works, Water, Mayor, and City Council, and others coordinating with UCSC representatives from their Planning, Chancellor’s Office, Government and Community Relations, and other relevant counterparts. Santa Cruz encourages UCSC to develop on-campus housing to meet its expanding student enrollment. The City has filed a lawsuit that, in part, seeks to obligate UCSC to link student enrollment to the provision of on-campus housing. UCSC has ample property on campus to develop housing, and the City continues to encourage UCSC to expand housing options on their campus, where students have close access to academics and extracurricular activities.



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## Scotts Valley Response - Housing Our Workers

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'Cathie Simonovich' via Santa Cruz Grand Jury <grandjury@scgrandjury.org>

Tue, Aug 29, 2023 at 2:04  
PM

Reply-To: Cathie Simonovich <csimonovich@scottsvalley.gov>

To: "Syda.Cogliati@santacruzcourt.org" <Syda.Cogliati@santacruzcourt.org>, Santa Cruz Grand Jury  
<grandjury@scgrandjury.org>

Cc: Mali LaGoe <mlagoe@scottsvalley.gov>, Taylor Bateman <tbateman@scottsvalley.gov>

Dear Honorable Judge Cogliati and Members of the Santa Cruz County Grand Jury,

We have attached the completed response packet for the report titled *Housing Our Workers - Essential Workers Need Affordable Housing!* This report was approved by the Scotts Valley City Council at the regular public meeting held on August 16, 2023.

Please confirm receipt of the report.

Best regards,

**Cathie Simonovich**  
City Clerk



City of Scotts Valley  
1 Civic Center Drive  
Scotts Valley, CA 95066  
[csimonovich@scottsvalley.gov](mailto:csimonovich@scottsvalley.gov)  
Phone: 831-440-5608

**NOTE: My regular work schedule is Tuesday through Friday from 7:00 AM to 5:30 PM.**



2023-4dR\_Housing\_ScottsValleyCC\_Packet.pdf  
222K





The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

## Scotts Valley City Council

to Respond by August 31, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

## Housing Our Workers

Essential Workers Need Affordable Housing!

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. ***For the Findings, mark one of the following responses with an “X” and provide the required additional information:***
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
  
2. ***For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:***
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
  
3. ***Please confirm the date on which you approved the assigned responses:***

**We approved these responses in a regular public meeting as shown in our minutes dated August 16, 2023.**

4. ***When your responses are complete, please email your completed Response Packet as a PDF file attachment to both***

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

***If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).***

## Findings

- F1.** While all city and county planning departments have demonstrated a good understanding of the new State housing laws and the need to facilitate more housing, the failure to do so in a timely manner has served to further decrease the availability of housing and further increase the need and cost of more housing.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

With respect to Scotts Valley, the City follows all new State housing laws and will continue to facilitate housing production under such laws. With the many annual housing bills, cities and developers alike must be diligent in understanding the latest legislative changes. The City will continue to stay knowledgeable about the latest legislative changes, interpretations, and case law. It is unclear in the wording of this finding what the “failure to do so” refers to. The City has not taken action to “decrease the availability of housing” and the “need and cost of more housing” are primarily driven by market forces, not City actions.

- F9.** The City of Scotts Valley has facilitated the building of market rate housing in recent years, but has made little effort to develop housing for low income workers.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Historically, the City had more tools to encourage and facilitate affordable housing but with the elimination of the Redevelopment Agency, those funds have been significantly reduced. The City works closely with housing developers to encourage more diversity in the City's overall housing inventory, including more rentals, multifamily, mixed use, and smaller units. Chapter 14 of the Scotts Valley Municipal Code (SVMC) outlines the City's inclusionary zoning requirements that apply to the production of both market rate and below market rate housing production. Residential developments of seven or more dwelling units are required to deed restrict 15 percent of the units for sale/rental to low-income households on- or off-site. Residential developments of six or fewer dwelling units are required to pay an in-lieu affordable housing fee. As such, new residential development projects of seven or greater units are required to provide affordable housing for low-income workers. The City's Affordable Housing Subcommittee reviews proposed housing projects and often advocates for even more low and very-low affordable units.

**F10.** The City of Scotts Valley has made little progress towards developing the Town Square project which could accommodate both business and housing.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The development of Town Center has faced a complex set of challenges, many of which are outside of the City's control. For the last two years, the City has been actively engaged in characterizing and removing environmental contamination from the site and has initiated a Town Center Specific Plan update to encourage the development of the Town Center. The site continues to be included in the City's Housing Element and in the most recent draft, the number of housing units is proposed to increased significantly which should improve the economic viability of the project.

**F11.** The City of Scotts Valley claims to have significantly fewer resources to attract housing planners and builders than do the bigger municipalities of Santa Cruz, Watsonville and the County of Santa Cruz, but that does not mean the City should be exempt from the need to construct housing for local low income workers.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The City agrees that smaller jurisdictions have fewer resources to attract affordable housing developers. Scotts Valley has never claimed to be exempt from the need for housing and continues to be committed to encouraging the construction of housing for local low income workers. However, the City does not construct housing nor can the City compel private property owners to develop properties. (Please see responses to F9 above F12 below)

**F12.** While all local municipalities have voiced support for prioritizing housing for local workers, only some of them have clear local preference guidelines that give some priority to local workers. Without clear guidelines and incentives, new housing is more likely to be purchased by those who do not live and work here.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The City agrees that clear local preference guidelines that give priority to local workers is important and thus has a preference system to ensure residents and workers are prioritized. Applicants are prioritized in the order listed below:

1. **Live and work in Scotts Valley:** A household which includes at least one adult whose primary work location is within the city limits of the City of Scotts Valley and they have been working in Scotts Valley for a minimum of six (6) months, and the household has resided in the City of Scotts Valley for a minimum of six (6) months prior to the date of application to purchase the unit.
2. **Live in Scotts Valley:** A household which has resided within the city limits of the City of Scotts Valley for a minimum of six (6) months prior to the date of application to purchase the unit.
3. **Work in Scotts Valley:** A household which includes at least one (1) adult who has worked within the city limits of the City of Scotts Valley for a minimum of one (1) year prior to the application to purchase the unit and at least one (1) adult shall be working in Scotts Valley at the time of occupancy of the unit.
4. **Live and work in Santa Cruz County:** A household which contains at least one (1) adult who works within the County of Santa Cruz and the household has resided in the County of Santa Cruz for a minimum of one (1) year prior to the date of application to purchase the unit.
5. **Live in Santa Cruz County:** A household which has resided in the County of Santa Cruz for a minimum of six (6) months prior to the date of application to purchase the unit.
6. **Work in Santa Cruz County:** A household which includes at least one (1) adult has worked in the County of Santa Cruz for a minimum of one (1) year prior to the date of application to rent the unit and at least one (1) adult shall be working in the county of Santa Cruz at the time of occupancy of the unit.
7. **All Others:** A household which does not meet any of the above listed Preference Criteria. Historically most affordable housing units are purchased or rented by persons in the top 3 ranking categories.

**F13.** All municipalities are trying to identify and facilitate the building of housing projects, but most of that is done independently of the other municipalities or with outside partners. Since workforce housing and transportation gridlock is a county-wide problem, all county municipalities need to work more closely together and with property owners to develop housing solutions.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Representatives from the different jurisdictions regularly learn from one another and collaborate on the best ways to grow across the region, particularly when it comes to planning for and requiring increased densities in areas close to transit and other daily needs. Individual projects are typically best handled by the jurisdiction in which they are located.

Planning Directors throughout the County also meet at least five times per year to collaborate on housing and other related issues. The Planning Department staff from countywide jurisdictions also collaborate through AMBAG meetings, trainings, discussions of state legislation, joint presentations, and various other communication streams.



## Recommendations

**R6.** By the end of 2023 the City of Scotts Valley should identify enough parcels of land, zoned appropriately, to meet the new RHNA housing allocations for all income levels, especially low income housing. (F9)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

The City has submitted a draft of the City's 6<sup>th</sup> Cycle Housing Element Update to the Department of Housing and Community Development (HCD) for review. The City plans to adopt the Housing Element by December 2023. The draft Housing Element includes a sites inventory/analysis and draft housing policy program which adequately plans for and accommodates its RHNA obligation. The policy program provides various strategies to assist the City in planning for additional low income housing units.

The draft sites inventory/analysis identifies enough parcels of land, zoned appropriately, for the City to meet its RHNA housing allocation of 1,220 housing units. The inventory includes adequate capacity to meet RHNA allocations at all income levels (very-low, low, moderate, and above moderate).

**R7.** By the end of 2023, the City of Scotts Valley should show significant progress towards planning and facilitating the construction of mixed use businesses and housing on identified parcels of land in the City. (F10)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City has recently approved mixed use projects and continues to be committed to processing mixed use development applications. The City has submitted a draft of the City's 6<sup>th</sup> Cycle Housing Element Update to the Department of Housing and Community Development (HCD) for review. The City plans to adopt the Housing Element by December 2023. The draft Housing Element includes a sites inventory analysis and housing policy program so that the City can adequately plan for and accommodate its RHNA obligation.

Some draft strategies include rezoning specific parcels along Scotts Valley Drive and Mount Hermon Road to allow mixed use residential development projects at higher residential densities.

**R8.** By the end of 2023, the City of Scotts Valley should demonstrate a plan to work with other county municipalities as well as other for profit and non-profit agencies to develop low income housing for workers in the City. (F9 – F11)

**HAS BEEN IMPLEMENTED** – summarize what has been done

**HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe

**REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)

**WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Planning Directors from throughout the County meet regularly to collaborate on housing and other related issues. The Planning Department staff from the countywide jurisdictions also collaborate through AMBAG meetings, trainings, discussions of state legislation, joint presentations, and various other communication streams. While the City has created incentives to facilitate development, and helped facilitate discussions among property owners, the City is not able to compel private property owners to develop properties. The City will continue to maintain relationships with for profit and non-profit agencies to develop low income housing for workers in the City.

**R9.** By the end of 2023 the City of Scotts Valley should develop clear, measureable guidelines to ensure that local preference is given to local workers in the construction of low income housing. (F12)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Note that the wording of this recommendation is a bit confusing. For purposes of this response, it has been interpreted to mean that local workers should be preferred when it comes to their ability to buy or rent low-income housing, the City has regulations in place to achieve that goal (Please see Response F12).

**R10.** By the end of 2023 the City of Scotts Valley should demonstrate that they have reestablished regular meetings of a workgroup or other entity that would allow planners from all 5 county jurisdictions to share ideas on housing development and develop joint projects. (F13)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Planning Directors throughout the County meet at least five times per year to collaborate on housing and other related issues. The Planning Department staff from countywide jurisdictions also collaborate through the AMBAG meetings, trainings, discussions of state legislation, joint presentations, and various other communication streams.



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## City of Watsonville Response to Grand Jury Report

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'Irwin Ortiz' via Santa Cruz Grand Jury <grandjury@scgrandjury.org>

Thu, Sep 7, 2023 at 12:16 PM

Reply-To: Irwin Ortiz <irwin.ortiz@watsonville.gov>

To: "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>, "syda.cogliati@santacruzcourt.org" <syda.cogliati@santacruzcourt.org>

Dear Grand Jury and Honorable Judge Cogliati,

I hope this email finds you in good health. At our August 29, 2023, City Council Meeting, the City Council unanimously approved the response packet to the Grand Jury Report received by the City. We thank you for your patience and your good work. Please see the response packet as approved by our City Council attached to this email.

If you have any questions, please feel free to contact me.



**Irwin I. Ortiz, CMC**  
City Clerk



Office: (831) 768-3040  
Direct: (831) 768-3048  
Fax: (831) 761-0736

275 Main St, Suite 400, Watsonville, CA 95076

Irwin I. Ortiz, City Clerk  
City Clerk's Office (831) 768-3048  
[275 Main Street, Suite 400, Watsonville, CA 95076](https://www.watsonville.gov)  
FAX: 831-761-0736  
E-mail: [irwin.ortiz@watsonville.gov](mailto:irwin.ortiz@watsonville.gov)  
Open Monday - Friday 8:00 AM to 5:00 PM

\*\*Public Records Requests (PRR) submitted via email, fax, USPS, or dropoff after 5:00 p.m. on a business day, Saturday, Sunday, holidays, will be processed as received on the next open business day. The 10-day response period begins when the PRR is received.

Please note: Our website domain and emails have changed on 4/17/23 to [watsonville.gov](https://www.watsonville.gov)

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**Item 9.b. Civil Grand Jury Housing & Cyber Response.pdf**  
1178K

## Agenda Report



**MEETING DATE:** Tuesday, August 29, 2023

**TO:** City Council

**FROM:** COMMUNITY DEVELOPMENT DIRECTOR MERRIAM  
INNOVATION & TECHNOLOGY DIRECTOR GILL

**THROUGH:** CITY MANAGER MENDEZ

**SUBJECT:** CITY RESPONSE TO THE SANTA CRUZ COUNTY CIVIL GRAND  
JURY'S INVESTIGATION OF HOUSING OUR WORKERS AND  
CYBER THREAT PREPAREDNESS

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### RECOMMENDED ACTION:

It is recommended that the City Council by Motion approve the response packets prepared for the 2022-2023 Santa Cruz County Grand Jury's Investigation on two specific topics: 1) Cyber Threat Preparedness: Phishing and Passwords and Ransomware, Oh My! and 2) Housing Our Workers: Essential Workers Need Affordable Housing!

### BACKGROUND:

Each year the Santa Cruz Civil Grand Jury (Grand Jury) issues reports and requires certain agencies and departments to respond. In many cases, the respondents are department heads and administrators. In other cases, the respondent is an agency itself. This year the Grand Jury is requiring a response to the reports on Cyber Threat Preparedness and Housing Our Workers from the Watsonville City Council.

### DISCUSSION:

The Santa Cruz County Civil Grand Jury prepared two reports addressing issues in the Watsonville community and requested that the Council prepare responses to several findings and recommendations in each report. The County and all four cities within the County received these reports and were compelled to respond.

The Grand Jury looks for contact information, budget data, policies, and procedures, etc. to conduct their investigation. The reports contain findings by the 2022-2023 Grand Jury and offer recommendations for consideration and ongoing improvement of operations.

Both Grand Jury reports are included as Attachments 1 through 4; below is a summary of the areas of interest for each issue reviewed and some highlights of the recommendations made by the Grand Jury:

**Cyber Threat Preparedness: Phishing and Passwords and Ransomware, Oh My!:**

This report sought to evaluate the overall level of preparedness for a cyber incident against the county or city networks. It performed research across federal and state resources, top cyber security sites, and reputable media sources to build an understanding of the current cyber landscape and a foundation for cyber preparedness. Based on interviews with subject matter experts and resources available from the Cybersecurity and Infrastructure Security Agency (CISA) at the Department of Homeland Security (DHS) and the National Institute of Standards and Technology (NIST) in the U.S. Department of Commerce, the jury delineated key elements of strong cyber hygiene, the security and health of the information systems, and best practices for local governments. They recommend that the cities and county hire staff that focus specifically on cybersecurity, develop a cybersecurity plan, and develop an incident response plan. With the resourcing of the IT department that began a couple of years ago, staff have been proactively working to make improvements system wide. One of the areas has been an increased focus on security to protect against cyber threats. For example, the City recently implemented a double authentication process and as is articulated in the report while some of the recommendations are not yet fully implemented, they are underway and many will be implemented over this current 2-year budget cycle.

**Housing Our Workers: Essential Workers Need Affordable Housing!**

This report investigated the reasons that housing scarcity and cost has increased over the last 5 years, and its impact on Santa Cruz County works that earn between \$35,000-\$99,999 per year. Specifically, the Grand Jury considered:

- What affordable housing options are available in Santa Cruz County to support middle class workers?
- Are employers offering housing support to their employees?
- What can local city and county planning departments do to provide more housing for these workers?
- What changes are needed in the planning and permit process to make it easier to build more workforce housing in our cities and unincorporated areas?
- How can local jurisdictions leverage recent state bills and initiatives to encourage more housing here?
- How can local agencies work together to help support housing for local workers?
- What changes are needed to plan for the future housing needs of our workforce?
- What is UCSC doing to help house its students, faculty, and staff?

The Grand Jury found that Watsonville should have been more proactive in implementing state regulatory changes, however Watsonville was also commended for being the jurisdiction that continued to build housing in years that other jurisdictions were not.

The Grand Jury found that local jurisdictions should implement local preference policies for both housing projects and construction. The City of Watsonville does have a local preference policy in for-sale ownership projects by way of a lottery system in which local residents or workers get additional entries into the lottery to purchase affordable units. We do not currently have a local preference policy for rental projects. Further, the City adopted



a local hiring procedure (WMC 7-15) in 2002 that requires contractors who enter into contracts for Public Works projects over \$600,000.

The Grand Jury recommended that the City of Watsonville reestablish regular meetings with planners from all agencies in the county to regularly meet to share ideas on housing development and develop joint projects. In addition, it was recommended that Watsonville give local preference to those contractors developing affordable housing.

The answers to these Findings and Recommendations are listed in Attachment 4.

**STRATEGIC PLAN:**

The response to the Grand Jury 2023 report aligns with Goal 7 of the 2023-2025 Strategic Plan: Efficient and High Performing Government.

**FINANCIAL IMPACT:**

There is no financial impact associated with filing responses to the Grand Jury report.

**ALTERNATIVE ACTION:**

The Council may choose not to approve the Response Packet, or to modify the responses, however the responses are due to the Grand Jury no later than August 31, 2023.

**ATTACHMENTS AND/OR REFERENCES (If any):**

1. Report: "Cyber Threat Preparedness: Phishing and Passwords and Ransomware, Oh My!"
2. Watsonville response to "Cyber Threat Preparedness: Phishing and Passwords and Ransomware, Oh My!"
3. Report: "Housing Our Workers: Essential Workers Need Affordable Housing!"
4. Watsonville response to "Housing Our Workers: Essential Workers Need Affordable Housing!"



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

## Watsonville City Council

to Respond by August 31, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

## Housing Our Workers

Essential Workers Need Affordable Housing!

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. **Please confirm the date on which you approved the assigned responses:**

We approved these responses in a regular public meeting as shown in our minutes dated August 29, 2023.

4. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

**If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).**

## Findings

- F1.** While all city and county planning departments have demonstrated a good understanding of the new State housing laws and the need to facilitate more housing, the failure to do so in a timely manner has served to further decrease the availability of housing and further increase the need and cost of more housing.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

With housing a priority at the state level, the state legislature has passed a slew of new housing regulations each year that require in-depth review and legal interpretation prior to local adoption. The City strives to adopt local ordinances that comply with state law as soon as possible, however we are cautious to wait to adopt regulations until we are confident that they follow the intent of state law.

This is partially why these state laws override local zoning control until such time that cities do adopt their own local ordinances in compliance with state regulations. For example, if a local jurisdiction has not updated their Density Bonus ordinance to comply with new state regulations, then a developer would simply utilize the state law rather than the local ordinance.

Finally, government does not build housing. The role of local government is to ensure that there is land available to build housing and to ensure that we have regulations that promote the development of quality housing for residents. We are dependent on private sector developers and property owners to build housing.

**F12.** While all local municipalities have voiced support for prioritizing housing for local workers, only some of them have clear local preference guidelines that give some priority to local workers. Without clear guidelines and incentives, new housing is more likely to be purchased by those who do not live and work here.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The City provides local preference in the purchase of below-market-for-sale housing developments in Watsonville, because these projects do not utilize state or federal funding that would prohibit the practice. The Affordable Housing Program requires the creation of a lottery for the affordable units in a new subdivision, whereby tickets are given to those that:

1. Live in the City of Watsonville (1 ticket)
2. Work in the City of Watsonville (1 ticket)
3. Live and work in the City of Watsonville (3 tickets)

The City also requires local and bilingual marketing efforts. To the extent allowed by applicable law, developers are required to make reasonable efforts to sell affordable units to buyers who live or work within the Watsonville City limits. To the extent necessary to ensure compliance with State and Federal fair housing laws, developers are required to employ bilingual staff to market the affordable units and prepare and use bilingual sales and marketing materials for the affordable units.

The City also provides greater financial assistance to assist eligible homebuyers to purchase homes in the City of Watsonville in accordance with the requirements of the City of Watsonville's Affordable Housing Ordinance. Applicants must provide valid evidence that they reside and/or are employed within the Watsonville City limits at the time of loan application, to be eligible for the higher loan limits.

In addition, the City has local preference requirements for rental projects; to wit, affordable rental units shall be marketed exclusively to existing City of Watsonville residents for two (2) weeks before any marketing to other persons (Watsonville Municipal Code, Chapter 14-46.140(g)(4)); and for projects requiring a five (5%) percent set aside for Section 8 vouchers, those Section 8 units must first be made available to the County of Santa Cruz Housing Authority for at least one-month period from the date of marketing for a new unit ((Watsonville Municipal Code, Chapter 14-46.040(a)(1)).

For 100% affordable rental housing projects, preferences are dictated by the funding sources for the project. For instance, the Joe Serna Fund is earmarked for the provision of units for farmworkers, whereas there are other funds for kids aging out of foster-care, or housing for homeless. However, even in these projects, local preference is not allowed to be used because it is considered a discriminatory practice.

**F13.** All municipalities are trying to identify and facilitate the building of housing projects, but most of that is done independently of the other municipalities or with outside partners. Since workforce housing and transportation gridlock is a county-wide problem, all county municipalities need to work more closely together and with property owners to develop housing solutions.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Planning staff have opportunities to regularly meet with planners from other jurisdictions through a variety of different agencies, including the Regional Transportation Commission (RTC), the Association of Monterey Bay Area Governments (AMBAG), the Housing for Health Partnership, and the Monterey Bay Economic Partnership (MBEP). AMBAG holds regular meetings for planning directors and senior planning staff. The Housing for Health Partnership is a county-wide collaboration of agencies focused on addressing homelessness. In addition, the planning directors from all Santa Cruz agencies meet several times a year to collaborate and share ideas. Ad-hoc collaboration occurs across agencies as well in an effort to share knowledge and best practices.

Santa Cruz County abuts the City of Watsonville, and there have been two affordable housing projects that the two agencies have coordinated to bring to fruition, known as Pippin 1 and Pippin 2. Pippin 1 was a 46-unit project that included 26 units in the County and 20 units in the City of Watsonville. Both jurisdictions had to coordinate permitting and inspection authority for the project, which the City annexed after completion. Pippin 2 is the 80-unit extension of this project built entirely within the County, however the City is expected to annex this project as well after completion. The project has been designed to meet City standards for streets, sidewalks, solid waste, etcetera, as the housing project will be ultimately serviced by the City.

## Recommendations

**R19.** By the end of 2023 the City of Watsonville should demonstrate that they have reestablished regular meetings of a workgroup or other entity that would allow planners from all 5 county jurisdictions to share ideas on housing development and develop joint projects. (F13)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

As stated in R13, planning directors and staff regularly collaborate in a variety of regular and one-off meetings, through AMBAG, RTC, MBEP, Housing for Health, and on projects that involve multi-jurisdiction coordination, such as Pippin 1 and 2. Additionally, the planning directors for every jurisdiction in the county meet at least 5 times a year to collaborate and share information.

Please note that state law requires that housing development applications be approved only by the jurisdiction in which they are located, and this prevents jurisdictions from developing joint projects outside of those described previously.



**R20.** By the end of 2023, the City of Watsonville should develop clear, measureable guidelines to ensure that local preference is given to local workers in the construction of low income housing. (F12)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

In 2002, the City of Watsonville adopted a local hiring ordinance (WMC Chapter 7-15) that requires contractors who receive City public works construction contracts in excess of \$600,000 to hire local residents. Under this regulation, at least 15% of each contractor's construction workforce, including subcontractors, shall live within the boundary of the Pajaro Valley Water Management Agency. Additionally, at least 50% of the workforce must live within the Tri-County area (Santa Cruz, Monterey, San Benito).



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

## ATTN: Civil Grand Jury Response (Housing Our Workers)

**Emeline Nguyen** <enguyen@santacruzca.gov>

Tue, Aug 15, 2023 at 5:09 PM

To: "syda.cogliati@santacruzcourt.org" <syda.cogliati@santacruzcourt.org>, "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>

Cc: Dean Kashino <dean.kashino@scgrandjury.org>, Fred Keeley <fkeeley@santacruzca.gov>, Matt Huffaker <mhuffaker@santacruzca.gov>, Laura Schmidt <LSchmidt@santacruzca.gov>, Lee Butler <lbutler@santacruzca.gov>, Bonnie Lipscomb <bblipscomb@santacruzca.gov>

Good afternoon Honorable Judge Cogliati and Santa Cruz County Grand Jury,

On behalf of the City, I've attached the Civil Grand Jury Response relating to Housing Our Workers from the August 8<sup>th</sup> Council meeting for your review. Please note that this is a joint report from the Santa Cruz Planning & Community Development and and Economic Development & Housing Department. Feel free to reach out if you have any questions.

Thank you,



**Emeline Nguyen**  
Principal Management Analyst  
City of Santa Cruz | City Manager's Office  
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The 2022–2023 Santa Cruz County Civil Grand Jury  
Invites the

**Director, Santa Cruz Planning & Community  
Development and Director, Santa Cruz Economic  
Development & Housing**

to Respond by August 31, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

**Housing Our Workers**

**Essential Workers Need Affordable Housing!**

Responses are **invited** from appointed agency and department heads, appointed committees, and non-profit agencies contracted to the county which are investigated by the grand jury. You are not required to respond by the California Penal Code [\(PC\) §933\(c\)](#); if you do, [PC §933\(c\)](#) requires you to make your response available to the public.

If you choose to respond, your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in the report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
  
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
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3. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

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**If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).**

## Findings

- F1.** While all city and county planning departments have demonstrated a good understanding of the new State housing laws and the need to facilitate more housing, the failure to do so in a timely manner has served to further decrease the availability of housing and further increase the need and cost of more housing.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The City of Santa Cruz was recently designated as a Prohousing community by the California Department of Housing and Community Development (HCD), one of only 30 communities in the state to receive this designation. As a Prohousing community, the City of Santa Cruz will receive priority consideration for funding programs administered by HCD, the primary state provider of affordable housing funding. This partnership with HCD is a testament to our unwavering commitment to creating accessible housing opportunities and underscores the effectiveness of our initiatives to support affordable housing development in our community.

The City of Santa Cruz provides an annual update to the Council on housing legislation changes. With the many annual housing bills, cities and developers alike must be diligent in understanding the latest legislative changes. Even in doing so, the state Housing and Community Development Department and case law provide new interpretations and precedents.

The pace of entitlements and construction in Santa Cruz has increased in recent years, partly due to the changes in state legislation and the City's rapid incorporation of those changes into the daily narrative and development entitlement decisions. While the City has taken advantage of regulatory changes to facilitate housing production on properties it owns, the City is also dependent on the private sector to initiate housing production on private properties. The City's up-to-date understanding of housing legislation does and will continue to facilitate housing production. The City will continue to remain diligent in staying knowledgeable about the latest legislative changes, interpretations, and case law.

- F2.** With the planned growth of UCSC to 28,000 students, the potential demand for off campus housing for students, faculty and staff has the potential to make the affordable housing problem even worse.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Thus, it is critical for UCSC to provide on-campus housing for its growing student body and accompanying faculty and staff.

- F12.** While all local municipalities have voiced support for prioritizing housing for local workers, only some of them have clear local preference guidelines that give some priority to local workers. Without clear guidelines and incentives, new housing is more likely to be purchased by those who do not live and work here.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

While new housing can be purchased (or rented) by those who do not currently live and work in the County, it is the City's experience in projects where the City is involved that the majority of housing does get purchased (or rented) by individuals already living or working in the area.

That said, the City's inclusionary housing ordinance gives preference to local residents, consistent with state and federal law. (Santa Cruz Municipal Code ("SCMC") 24.16.045(6).) The City's Zoning Code requires that local preferences for rental inclusionary units shall be given in the following priority order:

- a. Residents of the City of Santa Cruz for at least one year.
- b. Those employed in the City of Santa Cruz.
- c. Residents of the County of Santa Cruz for at least one year.
- d. Those employed in the County of Santa Cruz.

(SCMC 24.16.045(7).)

As consistent with state and federal law, the City's inclusionary ordinance also gives preferences for ownership inclusionary units in the following priority order:

- a. Those who live or work in the City of Santa Cruz.
- b. Those who live or work in the County of Santa Cruz.

(SCMC 24.16.045(7).)

When it comes to market-rate residences that are not subject to the City's affordability restrictions, the City cannot dictate to whom those residences are sold or rented. However, as noted above, the City's local regulations set forth a clear preference for in-County workers and residents in the inclusionary units that are part of private developments. The City also requires the aforementioned local preferences in the housing projects to which the City provides financial support, as a condition of the City providing said support.

**F13.** All municipalities are trying to identify and facilitate the building of housing projects, but most of that is done independently of the other municipalities or with outside partners. Since workforce housing and transportation gridlock is a county-wide problem, all county municipalities need to work more closely together and with property owners to develop housing solutions.

- AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

While representatives from the different jurisdictions can and do regularly learn from one another and collaborate on the best ways to grow across the region, particularly when it comes to planning for and requiring increased densities in areas close to transit and other daily needs, individual projects are typically best handled by the jurisdiction in which they are located.

Although most specific housing projects are developed without the involvement of outside jurisdictions, there is coordination and communication between the jurisdictions when a city's or the county's land ownership occurs in another jurisdiction and with regards to transportation issues that cross jurisdictional boundaries. For example, the City regularly coordinates with the County to facilitate housing development, including affordable housing, on County-owned properties within the City, and the City coordinates with Scotts Valley regarding land the City owns in that jurisdiction. And the Regional Transportation Commission, Santa Cruz Metropolitan Transit, and Association of Monterey Bay Area Governments all work on regional transportation planning and implementation, and those organizations are all governed by local government officials.

Planning Directors throughout the County also meet at least five times per year to collaborate on housing and other related issues. The Planning Department staff from countywide jurisdictions also collaborate through AMBAG meetings, trainings, discussions of state legislation, joint presentations, and various other communication streams.

**F17.** All municipalities are trying to identify and facilitate the building of housing projects, but most of that is done independently of the other municipalities or with outside partners. Since workforce housing and transportation gridlock is a county-wide problem, all county municipalities need to work more closely together and with property owners to develop housing solutions.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Please see response to F13 above.



## Recommendations

**R16.** By the end of 2023 the City of Santa Cruz should demonstrate that they have reestablished regular meetings of a workgroup or other entity that would allow planners from all 5 county jurisdictions to share ideas on housing development and develop joint projects. (F13)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Planning Directors throughout the County meet at least five times per year to collaborate on housing and other related issues. The Planning Department staff from countywide jurisdictions also collaborate through AMBAG meetings, trainings, discussions of state legislation, joint presentations, and various other communication streams. As previously noted in the response to F13, specific development projects typically are handled by the specific jurisdiction where they are located.

**R17.** By the end of 2023, the City of Santa Cruz should develop clear, measureable guidelines to ensure that preference is given to local workers in the construction of low income housing. (F12)

- HAS BEEN IMPLEMENTED** – summarize what has been done
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**Required response explanation, summary, and timeframe:**

The City does have a Local Business Preference Ordinance (SCMC 3.11), which applies when the City itself is evaluating bids in a competitive process “for goods, supplies, equipment, materials, services or professional services”[.] (SCMC 3.11.012.) Similarly, Chapter 3.10 of the Municipal Code is entitled “Local Hiring – Public Works Contractors” and provides that:

“all city contracts for public works or improvements of estimated value of greater than the formal bid limit shall contain provisions pursuant to which the contractor promises to make a good-faith effort, with the assistance of local labor union hiring halls or community organizations designated by the city to employ qualified individuals who are, and have been for one year prior to the effective date of the contract, residents of the county of Santa Cruz in sufficient numbers so that no less than fifty percent of the contractor’s total construction work force, including any subcontractor work force, measured in labor work hours, is comprised of Santa Cruz County residents.”

(SCMC 3.10.010(1).)

However, it is not typical for these Ordinances to apply to the construction of low-income housing, given that the City is not the party that directly seeks or reviews bids for construction services. Instead, while the City certainly helps to facilitate the development of low-income housing, the project itself is executed by a housing developer.

Given that the City itself does not have a direct role in contracting for construction services for housing projects, it is not clear that the City has a lawful regulatory path forward to be able to enact the recommended local preferences.

Additionally, the City would note that the available local construction workforce is very limited for many reasons (e.g., housing availability, general cost of living, an overall lack of enough workers currently trained in this sector). Thus, even assuming for the sake of argument that the recommended local preferences could be enacted in a lawful way (which is a major assumption), if the City were to add additional local preference requirements for contractors who build housing (affordable or not), the result would be a smaller bidding pool and rising costs for the work. Enacting more difficult-to-achieve barriers for those building housing is counterproductive to the goal of producing more affordable housing.

Note that the wording of this recommendation was a bit confusing. If this recommendation was intended to convey the idea that local workers should be preferred when it comes to their ability to buy or rent low-income housing, the City has already incorporated that concept into its Municipal Code and, when applicable, conditions of providing financial support. (See City’s Response to F12 above.)

**R18.** By the end of 2023, the City of Santa Cruz should demonstrate progress in working collaboratively with UCSC to develop housing sites that are affordable for UCSC students and essential workers. (F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Santa Cruz and UCSC meet regularly, including City representatives from Planning and Community Development, City Manager’s Office, Public Works, Water, Mayor, and City Council, and others coordinating with UCSC representatives from their Planning, Chancellor’s Office, Government and Community Relations, and other relevant counterparts. Santa Cruz encourages UCSC to develop on-campus housing to meet its expanding student enrollment. The City has filed a lawsuit that, in part, seeks to obligate UCSC to link student enrollment to the provision of on-campus housing. UCSC has ample property on campus to develop housing, and the City continues to encourage UCSC to expand housing options on their campus, where students have close access to academics and extracurricular activities.



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Tue, Aug 15, 2023 at 5:09 PM

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Thank you,



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**Director, Santa Cruz Planning & Community  
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## Findings

- F1.** While all city and county planning departments have demonstrated a good understanding of the new State housing laws and the need to facilitate more housing, the failure to do so in a timely manner has served to further decrease the availability of housing and further increase the need and cost of more housing.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

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- F2.** With the planned growth of UCSC to 28,000 students, the potential demand for off campus housing for students, faculty and staff has the potential to make the affordable housing problem even worse.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Thus, it is critical for UCSC to provide on-campus housing for its growing student body and accompanying faculty and staff.

- F12.** While all local municipalities have voiced support for prioritizing housing for local workers, only some of them have clear local preference guidelines that give some priority to local workers. Without clear guidelines and incentives, new housing is more likely to be purchased by those who do not live and work here.

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(SCMC 24.16.045(7).)

As consistent with state and federal law, the City's inclusionary ordinance also gives preferences for ownership inclusionary units in the following priority order:

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**F13.** All municipalities are trying to identify and facilitate the building of housing projects, but most of that is done independently of the other municipalities or with outside partners. Since workforce housing and transportation gridlock is a county-wide problem, all county municipalities need to work more closely together and with property owners to develop housing solutions.

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**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Please see response to F13 above.

## Recommendations

**R16.** By the end of 2023 the City of Santa Cruz should demonstrate that they have reestablished regular meetings of a workgroup or other entity that would allow planners from all 5 county jurisdictions to share ideas on housing development and develop joint projects. (F13)

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“all city contracts for public works or improvements of estimated value of greater than the formal bid limit shall contain provisions pursuant to which the contractor promises to make a good-faith effort, with the assistance of local labor union hiring halls or community organizations designated by the city to employ qualified individuals who are, and have been for one year prior to the effective date of the contract, residents of the county of Santa Cruz in sufficient numbers so that no less than fifty percent of the contractor’s total construction work force, including any subcontractor work force, measured in labor work hours, is comprised of Santa Cruz County residents.”

(SCMC 3.10.010(1).)

However, it is not typical for these Ordinances to apply to the construction of low-income housing, given that the City is not the party that directly seeks or reviews bids for construction services. Instead, while the City certainly helps to facilitate the development of low-income housing, the project itself is executed by a housing developer.

Given that the City itself does not have a direct role in contracting for construction services for housing projects, it is not clear that the City has a lawful regulatory path forward to be able to enact the recommended local preferences.

Additionally, the City would note that the available local construction workforce is very limited for many reasons (e.g., housing availability, general cost of living, an overall lack of enough workers currently trained in this sector). Thus, even assuming for the sake of argument that the recommended local preferences could be enacted in a lawful way (which is a major assumption), if the City were to add additional local preference requirements for contractors who build housing (affordable or not), the result would be a smaller bidding pool and rising costs for the work. Enacting more difficult-to-achieve barriers for those building housing is counterproductive to the goal of producing more affordable housing.

Note that the wording of this recommendation was a bit confusing. If this recommendation was intended to convey the idea that local workers should be preferred when it comes to their ability to buy or rent low-income housing, the City has already incorporated that concept into its Municipal Code and, when applicable, conditions of providing financial support. (See City’s Response to F12 above.)

**R18.** By the end of 2023, the City of Santa Cruz should demonstrate progress in working collaboratively with UCSC to develop housing sites that are affordable for UCSC students and essential workers. (F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Santa Cruz and UCSC meet regularly, including City representatives from Planning and Community Development, City Manager’s Office, Public Works, Water, Mayor, and City Council, and others coordinating with UCSC representatives from their Planning, Chancellor’s Office, Government and Community Relations, and other relevant counterparts. Santa Cruz encourages UCSC to develop on-campus housing to meet its expanding student enrollment. The City has filed a lawsuit that, in part, seeks to obligate UCSC to link student enrollment to the provision of on-campus housing. UCSC has ample property on campus to develop housing, and the City continues to encourage UCSC to expand housing options on their campus, where students have close access to academics and extracurricular activities.



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## City of Watsonville Grand Jury Response for Housing Our Workers

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'Suzi Merriam' via Santa Cruz Grand Jury <grandjury@scgrandjury.org>

Fri, Sep 1, 2023 at 1:48 PM

Reply-To: Suzi Merriam <suzi.merriam@watsonville.gov>

To: Grand Jury <grandjury@scgrandjury.org>, "Syda.Cogliati@santacruzcourt.org" <Syda.Cogliati@santacruzcourt.org>

Cc: "Denise S. Bazzano" <dbazzano@bwslaw.com>, "Samantha W. Zutler" <szutler@bwslaw.com>

To Whom It May Concern,

I want to extend our sincerest apologies for providing this past the August 31 due date. While this response was accepted by City Council on August 29, we failed to email it ahead of the deadline. Please let me know if you have any questions. Thank you.

Suzi

*Suzi Merriam*

CDD Director, City of Watsonville

831-768-3074



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 4) Housing our Workers - Watsonville Response.pdf  
214K



The 2022–2023 Santa Cruz County Civil Grand Jury  
Invites the  
**Director, Watsonville Community Development**  
to Respond by August 31, 2023  
to the Findings and Recommendations listed below  
which were assigned to them in the report titled  
**Housing Our Workers**  
Essential Workers Need Affordable Housing!

Responses are **invited** from appointed agency and department heads, appointed committees, and non-profit agencies contracted to the county which are investigated by the grand jury. You are not required to respond by the California Penal Code [\(PC\) §933\(c\)](#); if you do, [PC §933\(c\)](#) requires you to make your response available to the public.

If you choose to respond, your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in the report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
  
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
  
3. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

***If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).***



## Findings

- F1.** While all city and county planning departments have demonstrated a good understanding of the new State housing laws and the need to facilitate more housing, the failure to do so in a timely manner has served to further decrease the availability of housing and further increase the need and cost of more housing.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

With housing a priority at the state level, the state legislature has passed a slew of new housing regulations each year that require in-depth review and legal interpretation prior to local adoption. The City strives to adopt local ordinances that comply with state law as soon as possible, however we are cautious to wait to adopt regulations until we are confident that they follow the intent of state law.

This is partially why these state laws override local zoning control until such time that cities do adopt their own local ordinances in compliance with state regulations. For example, if a local jurisdiction has not updated their Density Bonus ordinance to comply with new state regulations, then a developer would simply utilize the state law rather than the local ordinance.

Finally, government does not build housing. The role of local government is to ensure that there is land available to build housing and to ensure that we have regulations that promote the development of quality housing for residents. We are dependent on private sector developers and property owners to build housing.

**F12.** While all local municipalities have voiced support for prioritizing housing for local workers, only some of them have clear local preference guidelines that give some priority to local workers. Without clear guidelines and incentives, new housing is more likely to be purchased by those who do not live and work here.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The City provides local preference in the purchase of below-market-for-sale housing developments in Watsonville, because these projects do not utilize state or federal funding that would prohibit the practice. The Affordable Housing Program requires the creation of a lottery for the affordable units in a new subdivision, whereby tickets are given to those that:

1. Live in the City of Watsonville (1 ticket)
2. Work in the City of Watsonville (1 ticket)
3. Live and work in the City of Watsonville (3 tickets)

The City also requires local and bilingual marketing efforts. To the extent allowed by applicable law, developers are required to make reasonable efforts to sell affordable units to buyers who live or work within the Watsonville City limits. To the extent necessary to ensure compliance with State and Federal fair housing laws, developers are required to employ bilingual staff to market the affordable units and prepare and use bilingual sales and marketing materials for the affordable units.

The City also provides greater financial assistance to assist eligible homebuyers to purchase homes in the City of Watsonville in accordance with the requirements of the City of Watsonville's Affordable Housing Ordinance. Applicants must provide valid evidence that they reside and/or are employed within the Watsonville City limits at the time of loan application, to be eligible for the higher loan limits.

In addition, the City has local preference requirements for rental projects; to wit, affordable rental units shall be marketed exclusively to existing City of Watsonville residents for two (2) weeks before any marketing to other persons (Watsonville Municipal Code, Chapter 14-46.140(g)(4)); and for projects requiring a five (5%) percent set aside for Section 8 vouchers, those Section 8 units must first be made available to the County of Santa Cruz Housing Authority for at least one-month period from the date of marketing for a new unit ((Watsonville Municipal Code, Chapter 14-46.040(a)(1)).

For 100% affordable rental housing projects, preferences are dictated by the funding sources for the project. For instance, the Joe Serna Fund is earmarked for the provision of units for farmworkers, whereas there are other funds for kids aging out of foster-care, or housing for homeless. However, even in these projects, local preference is not allowed to be used because it is considered a discriminatory practice.

**F13.** All municipalities are trying to identify and facilitate the building of housing projects, but most of that is done independently of the other municipalities or with outside partners. Since workforce housing and transportation gridlock is a county-wide problem, all county municipalities need to work more closely together and with property owners to develop housing solutions.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Planning staff have opportunities to regularly meet with planners from other jurisdictions through a variety of different agencies, including the Regional Transportation Commission (RTC), the Association of Monterey Bay Area Governments (AMBAG), the Housing for Health Partnership, and the Monterey Bay Economic Partnership (MBEP). AMBAG holds regular meetings for planning directors and senior planning staff. The Housing for Health Partnership is a county-wide collaboration of agencies focused on addressing homelessness. In addition, the planning directors from all Santa Cruz agencies meet several times a year to collaborate and share ideas. Ad-hoc collaboration occurs across agencies as well in an effort to share knowledge and best practices.

Santa Cruz County abuts the City of Watsonville, and there have been two affordable housing projects that the two agencies have coordinated to bring to fruition, known as Pippin 1 and Pippin 2. Pippin 1 was a 46-unit project that included 26 units in the County and 20 units in the City of Watsonville. Both jurisdictions had to coordinate permitting and inspection authority for the project, which the City annexed after completion. Pippin 2 is the 80-unit extension of this project built entirely within the County, however the City is expected to annex this project as well after completion. The project has been designed to meet City standards for streets, sidewalks, solid waste, etcetera, as the housing project will be ultimately serviced by the City.

## Recommendations

**R19.** By the end of 2023 the city of Watsonville should demonstrate that they have reestablished regular meetings of a workgroup or other entity that would allow planners from all 5 county jurisdictions to share ideas on housing development and develop joint projects. (F13)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

As stated in R13, planning directors and staff regularly collaborate in a variety of regular and one-off meetings, through AMBAG, RTC, MBEP, Housing for Health, and on projects that involve multi-jurisdiction coordination, such as Pippin 1 and 2. Additionally, the planning directors for every jurisdiction in the county meet at least 5 times a year to collaborate and share information.

Please note that state law requires that housing development applications be approved only by the jurisdiction in which they are located, and this prevents jurisdictions from developing joint projects outside of those described previously.

**R20.** By the end of 2023, the city of Watsonville should develop clear, measureable guidelines to ensure that local preference is given to local workers in the construction of low income housing. (F12)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

In 2002, the City of Watsonville adopted a local hiring ordinance (WMC Chapter 7-15) that requires contractors who receive City public works construction contracts in excess of \$600,000 to hire local residents. Under this regulation, at least 15% of each contractor's construction workforce, including subcontractors, shall live within the boundary of the Pajaro Valley Water Management Agency. Additionally, at least 50% of the workforce must live within the Tri-County area (Santa Cruz, Monterey, San Benito).



**SANTA CRUZ COUNTY**  
Civil Grand Jury

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## **Honoring Commitments to the Public**

### **County Agency Actions in Response to 2019–2020 Grand Jury Recommendations**

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#### **Summary**

The 2022–2023 Santa Cruz County Civil Grand Jury reviewed local government responses to five of the nine 2019–2020 Grand Jury reports to determine whether local government officials honored their commitments in compliance with California Penal Code 933.05. The reports reviewed were: *DeLaveaga Golf Course*; *Fail in the Jail*; *Homelessness: Big Problem, Little Progress*; *The Tangled Web*; and *Voter Data*. The Grand Jury evaluated whether the agencies followed through with the commitments made in these reports.

The Grand Jury also reviewed *Ready? Aim? Fire!*; however, follow-up responses to this 2019-2020 investigation were not pursued, since over the past three years there has been a major wildfire and three more fire-related Grand Jury investigations.

The value of the Grand Jury's reports is realized when government agencies apply the recommendations to improve transparency and efficiency for county residents.

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## Background

Each year the Santa Cruz County Civil Grand Jury (Grand Jury) investigates local government operations and issues reports with the goals of improving government efficiency and effectiveness, and promoting accountability and transparency. The Grand Jury reports make recommendations for improvements. When called for in the report, elected local government officials are required to respond to the Grand Jury's findings and recommendations.

Each investigated organization receives a copy of the Grand Jury's report and a response packet that includes the instructions shown in Appendix A. They send their responses to the presiding judge of the Superior Court with a copy to the Grand Jury. Elected officials must respond within 60 days and governing bodies are required to respond within 90 days.

Only governing bodies and "elected county officers or agency heads" are required to respond to Grand Jury reports.<sup>[1]</sup> There is no requirement that any individual other than an elected official respond. However, the Grand Jury may invite a response from other "responsible officers" such as the chief administrative officer of a government function.

Readers interested in a more comprehensive look at the Grand Jury reports and responses are encouraged to read the original reports and responses. All may be found on the County's Grand Jury web page in the Reports section.<sup>[2]</sup>

## Scope and Methodology

For this Honoring Commitments report, the 2022-2023 Grand Jury reviewed responses to the following five 2019-2020 reports:

- **DeLaveaga Golf Course**—How City Policies and Practices Have Affected the Bottom Line
- **Fail in the Jail**—No Lights, No Camera, No Action?
- **Homelessness: Big Problem, Little Progress**—It's Time To Think Outside The Box
- **The Tangled Web**—Oh, What a Mangled Web We Weave...
- **Voter Data—Registering Concerns**—Keeping a Closer Eye on the Distribution of County Voter Registration Data

The 2022-2023 Grand Jury has followed up with the responding agencies for some of the above reports. This report summarizes the government responses to each report's recommendations that fell under the categories "Has Not Been Implemented but Will Be Implemented in the Future" and "Requires Further Analysis." The Grand Jury wanted to know whether the agencies actually did implement recommendations that they said they would in the future, or that they did the further analysis and what its outcome was. Without follow-up, these are the most susceptible to falling by the wayside and dropping out of public view.

Each report section that follows covers the key findings and recommendations that we evaluated. Each section then describes the local agency commitments and actions taken to address those findings and recommendations.

## Investigations

The Key Findings and Key Recommendations sections within the below investigations provide context for the Response section. The Response section describes agency responses to the investigation report, including recent agency actions. Findings and recommendations where the agencies said they had already implemented, or declined to take action, or which do not seem to the Grand Jury to be critical to improving government functions at this time, are not included.

### 1. DeLaveaga Golf Course<sup>[3]</sup>

**Summary:** The 2019-2020 Santa Cruz Civil Grand Jury investigated the history, governance, use, costs and revenue related to the City of Santa Cruz's DeLaveaga Golf Course. The Grand Jury's intention was to provide insight and clarity on fiscal responsibility along with recommendations for improvements to City of Santa Cruz management of the DeLaveaga Golf Course.

#### Key 2020 Findings:

- F4. The City of Santa Cruz's failure to conduct thorough, regular on-site inspections of the DeLaveaga Golf Course's restaurant/lodge resulted in excessive renovation costs to the City of Santa Cruz. This contributed to more than doubling the original estimates to bring the building up to code.*
- F5. The new draft Operations Plan lacks the necessary robustness to communicate how major golf course operations will be managed at DeLaveaga Golf Course, including but not limited to facility inspections, water use policies, variable pricing policies, charitable policies, operations review, and basic roles, responsibilities, and authority.*

#### Key 2020 Recommendations:

- R5. The City of Santa Cruz City Manager should perform a lessons learned activity and then update the City's relevant policies and operating procedures to avoid a future repeat of the DeLaveaga Golf Course's restaurant/lodge shutdown and renovation no later than second quarter 2021. (F4)*
- R6. The City of Santa Cruz Parks and Recreation Department and the City of Santa Cruz City Manager should add a formal process to the Operation Plan by addressing needed capital improvements, maintenance schedules, facility inspections, water use, variable pricing, charitable policies, operations review, and basic stakeholder roles and responsibilities. Stakeholders include the Santa Cruz City Council, the City's Parks and Recreation Department, the City's Parks & Recreation Commission, the Operator, the DeLaveaga Golf*

*Course Superintendent, the City's Building Department and the City's Public Works Department. (F5)*

### **Requested 2020 Responses:**<sup>[4]</sup>

The City of Santa Cruz partially disagreed with Finding 4 as related to Recommendation 5, that there was a failure to conduct thorough, regular on-site inspections of the DeLaveaga Golf Course's restaurant/lodge, resulting in excessive renovation costs to the City of Santa Cruz. This contributed to more than doubling the original estimates to bring the building up to code. They stated that many of the issues discovered during the golf lodge renovation were interior to the building (e.g. electrical, plumbing, rotting wood, etc.). These issues were not evident in general facility inspections. The fundamental cause of the facility issues and exorbitant costs to renovate was a lack of ongoing capital improvement investment into the building over time. Due to limitations of City budgets, and to some degree, the local political will to invest in the golf course, funding was not sufficiently appropriated to maintain the golf lodge over time. Therefore, the result was a costly repair due to years of virtually no maintenance.

The City of Santa Cruz stated that this is an important lesson as other facilities at the golf course including the maintenance facility, golf cart barn, and driving range, among others, are in desperate need of investment. Otherwise they may face similarly expensive capital needs in the future. This is also true of many City-owned buildings such as the Civic Auditorium, Public Works Corp Yard and the Parks Yard, Market Street Senior Center, Harvey West Park facilities, and many more. Investment in an aging portfolio of City-owned assets is critical for the future.

Regarding Finding 5, as related to Recommendation 6, the City of Santa Cruz felt that they needed further analysis on whether or not the City Manager should perform a lessons learned activity and then update the City's relevant policies and operating procedures to avoid a future repeat of the DeLaveaga Golf Course's restaurant/lodge shutdown and renovation no later than second quarter 2021. The City of Santa Cruz stated that as of July 2020, there are no specific plans to do this, although it would be a helpful exercise and the Parks and Recreation Department would support it. The Parks and Recreation Department responded, indicating it would discuss with the City Manager's Office a plan to chart a course of action related to this recommendation before the end of calendar year 2020.

### **2022-2023 Update: Were Commitments Kept?**

In response to this jury's request for an update, the Parks and Recreation Department indicated budgeting, and the Santa Cruz City Council approved funding to assess facilities and develop a long-term Capital Investment Plan as outlined in Budget, Fiscal Years 2023-2027.<sup>[5]</sup> Additionally, the City Council appropriated funding for critical infrastructure and facility upgrades in FY 2023.<sup>[6]</sup> The Parks and Recreation Department will initiate these projects in 2023. The completion of the study is estimated to be in June 2023, and the improvements to the driving range and golf course assets are estimated to be in October 2023.<sup>[7]</sup>

## 2. Fail in the Jail<sup>[8]</sup>

**Summary:** On September 28, 2019 an unplanned power failure at the Santa Cruz County Main Jail resulted in the loss of critical capability to provide safe and secure operation of the jail. While the risks were known well in advance of the failure event, steps to manage and mitigate the risks were not taken. Established, comprehensive policies for management in a power failure emergency were in place, but those policies were not followed. Evidence of process improvement and risk management practice after the event was lacking.

### Key 2020 Findings:

- F3. While an emergency generator has been procured, adequate testing of methods of connection and operation has not been done yet.*
- F5. The County was non-compliant with policy regarding emergency power backup at the jail and remained non-compliant for months, including fueling, maintenance, testing, and emergency backup power generation.*

### Key 2020 Recommendations:

See below under “2022-2023 Update: Were Commitments Kept?”

### Requested 2020 Responses:<sup>[9]</sup>

The Santa Cruz County Sheriff/Coroner agreed with Finding 5. They had previously requested that this work be done by the Santa Cruz County’s General Services Department. The Santa Cruz County Board of Supervisors also agreed with Finding 5.

### 2022-2023 Update: Were Commitments Kept?

There was no specific recommendation to upgrade the existing generator system to power all of the areas critical to ensure safe and secure operation of the jail during an unexpected power outage, but it was confirmed during our 2022 jail tour that a new generator was purchased in 2020 with an estimate of 1 to 1 ½ years to have it installed and operational. However, due to component shortages resulting from COVID/supply chain issues, the new generator system will not be operational until May or June of 2023.<sup>[10]</sup> They stated that the old generator should have enough power to operate a good portion of the facility.<sup>[11]</sup> While it will not fully power the facility, certain functions have been prioritized to receive generator power to minimize any risk to both inmates and staff. For security reasons, they did not want to identify any specific vulnerabilities. The new generator will have much more capacity. They are in constant communication with the County and subcontractors to prioritize this project. Therefore, they are working toward keeping their commitment on improving their functionality during an unexpected power outage to provide safe and secure operation of the jail.

### 3. Homelessness: Big Problem, Little Progress<sup>[12]</sup>

**Summary:** The 2019-2020 Santa Cruz Civil Grand Jury investigated the County's response to homelessness. The report highlighted the considerable money, time and effort devoted to reducing the County's ever-growing number of homeless persons, and the lack of real progress towards solutions. Most of the recommendations in this report received the Response "Will Not Be Implemented". This year's Civil Grand Jury decided to examine two recommendations that received mostly "Requires Further Analysis" responses. It should be noted that since the 2019-2020 report was written, much has happened on the homelessness issue, including a \$14.5 million grant in 2021 to the City of Santa Cruz to improve and expand services to people experiencing homelessness. This changes the landscape and overtakes some of the report's recommendations. In several cases, the responses were not compliant. It is also clear the various agencies coordinated their responses, with several identical explanations provided.

#### Key 2020 Findings:

- F12. There are parcels of land throughout the county that appear to be unused or underutilized, and could possibly be used to build housing for the homeless.*
- F21. If underutilized parcels of land throughout Santa Cruz County were identified, such as the area near Coral Street in Santa Cruz and the parcel adjacent to the County Mental Health Building in Watsonville, these parcels could potentially be used to increase the number of beds and services to support the homeless.*

#### Key 2020 Recommendations:

- R6. The Santa Cruz County Administrative Officer (CAO) and the County's City Managers should identify parcels of land within their jurisdictions that could be utilized to supply homeless services and/or temporary or permanent housing, and report such sites to their governing bodies by December 31, 2020. (F12)*
- R9. By December 31, 2020, the City of Santa Cruz should evaluate whether closing Coral Street permanently to thru traffic, to make more space available for additional housing and services for the homeless, would be a viable option. (F13 was cited in the 2019-2020 Grand Jury report, but this probably should have been F12 and/or F21)*

#### Requested 2020 Responses:<sup>[13]</sup>

**F12.** The Board of Supervisors, the cities of Capitola, Santa Cruz, Scotts Valley and Watsonville, and the City Manager of Watsonville all agreed with Finding 12, that there are parcels of land throughout the County that could potentially be used to provide services to homeless people. The City Managers for Capitola, Santa Cruz and Scotts Valley responded that their responses were included in their unified response from the City Council.

**F21.** The Board of Supervisors, the Cities of Santa Cruz and Watsonville, the Santa Cruz County Administrative Officer and the Watsonville City Manager all agreed with Finding 21, that if underutilized parcels were identified, they could potentially be used to increase the number of beds and services to support homeless people. The Cities of Capitola and Scotts Valley partially disagreed, saying that zoning may not allow such use. Using identical text for their explanation for their responses, they both describe the partnership between the County, the City of Santa Cruz and Housing Matters to evaluate potential reconfiguration and expansion of the services for homeless people provided around Coral Street. The Human Services Agency and the planning Department responded that their input was included with the CAO response. The city managers of Santa Cruz, Capitola and Scotts Valley responded that their responses were included in their unified response from the City Council.

**R6.** The only required response to Recommendation 6 was from the Board of Supervisors. They responded that the recommendation required further analysis, questioning the feasibility of the approximate three month timeline to identify parcels of land suitable for temporary or permanent housing for homeless people.

Responses to Recommendation 6 were requested from the Santa Cruz County Administrative Officer, the Santa Cruz County Human Services Agency, and the city managers of the four Santa Cruz cities. Of these, the CAO provided the same response, using the same text as the BoS's required response described above. The HSA responded that their input was included with the CAO response. The city managers of Santa Cruz, Capitola and Scotts Valley responded that their responses were included in their unified response from the City Council. The Grand Jury noted that the City Councils were not assigned R6 and thus we do not have a response from these city managers. The Watsonville City Manager responded that R6 "Requires Further Analysis" and gave an explanation that they have 416 acres of land zoned for potential shelters or housing. They did not indicate any ongoing effort to provide shelters or housing for homeless people.

**R9.** Responses to Recommendation 9 were required from the Board of Supervisors, and the four City Councils. The BoS provided no response to Recommendation 9. The City of Santa Cruz responded that the recommendation requires further analysis, with the explanation that the City, County and Housing Matters are working collaboratively to evaluate increasing access to services and shelter on Coral Street and adjacent private property. The Cities of Capitola and Scotts Valley also responded that the recommendation requires further analysis, using the same text as the City of Santa Cruz to describe collaboration with Housing Matters. They further add they have no authority over Coral Street, which is within Santa Cruz City limits. Watsonville responded "Will not be Implemented" with the explanation that the recommendation is not within their jurisdiction.



## 2022-2023 Update: Were Commitments Kept?

**R6.** In March 2021, the Board of Supervisors adopted a “Three Year Strategic Plan to Address Homelessness” which includes consideration of using county-owned and unincorporated county areas for temporary housing for the homeless.<sup>[14]</sup> The plan calls for 600 emergency shelter and transitional housing beds, 120 of which would be in unincorporated county areas. Santa Cruz Local’s article on the plan refers to the Civil Grand Jury’s recommendation to identify suitable unincorporated parcels, but it is not clear if the Jury’s recommendation influenced creation or adoption of the plan.<sup>[15]</sup>

In March 2022, The Santa Cruz City Council unanimously approved the “Homelessness Action Plan” which aims to eliminate unsanctioned homeless camps and move people to managed shelters in the city and throughout the County.<sup>[16]</sup> The plan calls for collaboration with leaders from the County of Santa Cruz, and the Cities of Watsonville, Scotts Valley and Capitola to identify 20 new locations for shelters across the county.<sup>[17]</sup> Again, whether the Grand Jury’s recommendation influenced this is unknown.

**R9.** The City of Santa Cruz is currently working on a Master Plan for Coral Street including newly acquired property, the existing shelters and housing, and the planned “Harvey West Project” of 120 units of supportive housing.<sup>[18]</sup> In December 2022, the City held a “Community Design Charrette” to solicit input on the Coral Street Master Plan. This included a group discussion of limiting vehicle access to Coral Street, and a suggestion to build a pedestrian and bicycle overpass bridge over it.<sup>[19]</sup> The Grand Jury assumes that the Master Plan preempts any recommendation to close Coral Street, but hopes that suggestions such as limiting vehicle access or building a bridge be considered as part of the Master Plan.

## 4. Tangled Web<sup>[20]</sup>

**Summary:** The public relies on current, accurate information to conduct its business with government agencies and offices. When the 2019-2020 Grand Jury accessed county and city websites to gather data and contact government officials, they found that website information was sometimes inaccurate and out-of-date. In fulfilling our charter as an advocate for the public to improve government operations, they pointed out where these errors exist and directed those responsible to provide an up-to-date and accurate information platform to the public.

### Key 2020 Findings:

- F1. County and City website information is sometimes missing, out-of-date, and inaccurate; links may be broken. Thus, many city and county departments aren’t updating their websites often enough to keep citizens informed.*
- F2. County and City administrations lack a process to review content accuracy and currency and thereby assure timely correction and revision of content.*

- F3.** County and City goals for website redesign or quality improvement are not sufficiently “SMART”: Specific + Measurable + Attainable + Relevant + Time-Bound.
- F4.** The County does not have a notification system by which users can be alerted to updated web content. The County's website would be enhanced by the addition of a site-wide notification system.
- F5.** County and City website content providers do not provide an explanation in content for incorrect or out-of-date information, even though they appear to know the reasons.

### Key 2020 Recommendations:

- R1.** The County Administrative Officer and the City Managers should establish a formal process by December 31, 2020 for their departments to validate and verify the accuracy and currency of website information. (F1, F2, F5)
- R3.** The County Administrative Officer and the City Managers should establish ‘SMART’ goals for website quality assurance and manage these goals beginning in 2021. (F3, F4, F5)

### Requested 2020 Responses:<sup>[21]</sup>

#### **City of Capitola**

The City of Capitola partially disagreed with Findings 1, 2, and 3. They update information on a regular basis. There have been occasions when old data did not get removed after updated data was added. Stale and inaccurate data is corrected and replaced whenever found. The City is in the process of updating its website platform to make this task easier for departments. They also stated that SMART (Specific + Measurable + Attainable + Relevant + Time-Bound) is not a methodology that the City of Capitola has adopted.

The City of Capitola disagreed with Finding 5. They stated that If data is determined to be incorrect or out-of-date, they remove or correct the data. The City does not knowingly keep incorrect or out-of-date information on the City website.

The City of Capitola, addressing Recommendation 1, agreed to implement in the future a formal process by December 31, 2020, for their departments to validate and verify the accuracy and currency of website information.

Regarding Recommendation 3 the City of Capitola felt that establishing SMART goals for website quality assurance and managing these goals beginning in 2021 needed further analysis.

#### **City of Santa Cruz**

The City of Santa Cruz agreed with Findings 1, 2, and 5.<sup>[22]</sup>



The City of Santa Cruz addressing Recommendation 1 agreed to implement a formal process by December 31, 2020 for their departments to validate and verify the accuracy and currency of website information.<sup>[22]</sup>

### **City of Scotts Valley**

The City of Scotts Valley partially disagreed with Findings 1 and 2. The City of Scotts Valley responded in 2020 that they post all City Council, Committee and Commission agendas on the City website's Agenda Center. Some commissions/committees meet only as needed and a committee's last meeting may have been a year or more in the past. Thus, even though these agendas and minutes may appear out of date, the content is current. Similarly, the City maintains various plans and documents on its website and although they may be dated years in the past, the posted documents are still the most current. The City updates its website content regularly. They do not have the resources for a dedicated webmaster and staff manages the website on a departmental level. City staff reviews and updates City webpages on a regular, although not regimented, schedule.

The City of Scotts Valley partially disagreed with Finding 3. They implemented a major upgrade to their website in May 2018, moving from an antiquated website to the current, highly functional and easy-to-navigate site. The City of Scotts Valley has not adopted the formal goal paradigm of Specific + Measurable + Attainable + Relevant + Time-Bound. However, the City maintains the goal, as an operational prerequisite, to provide current, timely and useful information to the public.

The City of Scotts Valley disagreed with Finding 5. When the City identifies outdated or inaccurate information on its website, it is rectified as soon as is practically feasible. They view their website as an important communication and engagement tool with the community and do not allow erroneous information to persist on their website.

The City of Scotts Valley felt that they needed further analysis regarding Recommendation 1, the establishment of a formal process for their departments to validate and verify the accuracy and currency of website information. They routinely update information and maintain current agendas and notices.

The City of Scotts Valley also felt that they needed further analysis regarding Recommendation 3, the establishment of SMART goals for website quality assurance and manage these goals beginning in 2021.

### **2022-2023 Update: Were Commitments Kept?**

In response to this Grand Jury's request for information, the City of Capitola said they kept their commitment to complete a content clean-up and overall update of their website in 2021. The website is now more logically organized, provides users with easier access to information, and is easier to update than the prior website.<sup>[23]</sup> The City of Capitola also kept their commitment to analyze the creation of SMART goals for website quality assurance, but determined that they were not necessary at this time.<sup>[23]</sup>

In response to this Grand Jury's request for information, the City of Santa Cruz said they kept their commitment to clean up their website. In December 2020 the City of

Santa Cruz coordinated with departments to do a thorough departmental website review and to edit the contents. This included checking the accuracy of the content, repairing broken links, and archiving unused contents. They also updated the City's meeting agenda, minutes, video and audio recordings. This was completed by October 2021.<sup>[24]</sup> To maintain an updated Website, the City of Santa Cruz plans to implement a more automated way to audit the content to allow departments to edit more frequently and efficiently. It is estimated that this more automated system will be implemented in the calendar year 2023, depending on funding and staffing of their Information Technology Department. At the time of their response to our follow-up inquiry they had a 35% shortage of employees.<sup>[24]</sup>

In response to this Grand Jury's request for information, the City of Scotts Valley said they kept their commitment to analyze Recommendations 1 and 3. Regarding recommendation 1 the City decided to redesign their website to afford transparency, accessibility, and ease of use to all stakeholders. With the goal of having as many of the processes automated as practicable, the City will have much better tools available to track website usage and functionality. Due to the COVID pandemic and staffing issues the initiation of the new website project was delayed. An improved staffing level was achieved by June 2022 and the redesign of their website was started.<sup>[25]</sup> The City is fully committed to having this completed by the spring of 2023.<sup>[26]</sup> Regarding recommendation 3, when the City of Scotts Valley developed its 2021-22 Strategic Plan in the Spring of 2021, they had a discussion of the SMART goals paradigm. Due to the upcoming redesigned website it was felt that adopting SMART goals was not necessary at this time.<sup>[26]</sup>

## 5. Voter Data<sup>[27]</sup>

**Summary:** Data Security has become a major concern to our community. There are many articles which chronicle, in painful detail, the destruction of lives caused by the theft of millions of confidential records. The 2019-2020 Grand Jury discovered that California elections code requires county elections departments to share voter data, including a key piece of data that would assist hackers: an individual's complete date of birth. While date of birth has not been clearly defined as personally identifiable information in the California Elections Code, date of birth is often used in identity theft, as well as social engineering and phishing attacks. State law requires each county to provide access to data collected during the voter registration and election processes. This data contains Personally Identifiable Information (PII) as defined by the National Institute of Standards and Technology (NIST). There are reports of voter registration data being offered for sale on hacker websites. County election departments were recommended to examine their processes to make sure that best practices are being employed, and all precautions are being taken to ensure that voter registration data is secure.

**Key 2020 Findings:**

- F1. Risk of misuse of voter registration data acquired by ELEC\_2194 (1994) could be mitigated by stronger security measures at the County of Santa Cruz level.*
- F2. County applicants are not informed of recent amendments to ELEC\_2188 (1994), and thus may not be taking all reasonable precautions to protect voter registration data, avoid data breaches, and report breaches if they occur.*

**Key 2020 Recommendations:**

- R1. In Distributed Data that is provided to county recipients, the County Elections Department should replace voter full date of birth with year of birth only. This action should be implemented before the end of FY2021.*
- R4. The County Elections Department should incorporate amendments to ELEC 2188 (1994), as specified in AB 1678 and AB 1044, in the county application and website information, namely that county recipients must inform the Secretary of State of a data breach, and that County Applicants may be subject to data security training.*
- R5. The County Elections Department should provide county applicants with data security training, consistent with any guidance from the Secretary of State, with the goal of implementing best practices aimed at protecting voter registration data. This action should be implemented before the end of FY2021.*

**Requested 2020 Response:****County Elections Department**

The Santa Cruz County Elections Department agreed with Findings 1 and 2 in 2020.<sup>[28]</sup>

The Santa Cruz County Elections Department agreed to implement in the future Recommendation 1 about replacing the voter's full date of birth with year of birth only, Recommendation 4 regarding incorporating amendments to ELEC 2188 (1994), as specified in AB 1678 and AB 1044, in the County Application and website information, and Recommendation 5 regarding providing County Applicants with data security training, consistent with any guidance from the Secretary of State, with the goal of implementing best practices aimed at protecting voter registration data.<sup>[29]</sup>

**2022 Update: Were Commitments Kept?**

We sent multiple inquiries to the County Elections Department to verify that these recommendations were implemented. Unfortunately, no response was received.

Since we did not receive a response from the County Elections Department, we could not determine if the County honored the commitments made in their response to the 2019-2020 Grand Jury Report.

## Notable Missing Responses

Nearly all required responses to the 2019-20 investigative reports were submitted to the Grand Jury; the Board of Supervisors' required response on the Homelessness Investigation Recommendation 9 on evaluating closure of Coral Street was the lone exception. Far fewer invited responses were received. In many cases, the agency the response was invited from said their response was included with a required response. Thus some invited responses were missed because the agency providing the response was not invited to respond to each finding and recommendation. Additionally, there was evident coordination of responses from some agencies. This Grand Jury believes the public would be better served by the agencies providing their own responses to our recommendations rather than saying their response was given by others, or colluding to provide duplicates.

This Grand Jury made several attempts to ascertain whether the Elections Department had implemented the recommendations they said they would implement, but received no response.

## Conclusion

The 2022-2023 Grand Jury reviewed responses to five of the 2019-2020 reports and found that, in general, commitments were kept. In some cases, the agencies are implementing recommendations but it's not clear if the actions are in response to the Grand Jury or whether they were instigated by the agencies.

The Grand Jury also reviewed Ready? Aim? Fire!, however we did not evaluate whether commitments were kept. Over the past three years there have been a major wildfire and three other fire-related investigations;<sup>[30]</sup> <sup>[31]</sup> therefore, it would be difficult to gauge whether or not the studied entities fulfilled any of the recommendations specifically from the 2019-2020 Grand Jury report.

The Grand Jury continues to recommend that all organizations create and regularly update formal records of the actions they take to address Grand Jury recommendations, and to share those records with the public, in accordance with CA Penal Code Section 933(c).<sup>[32]</sup>

## Findings and Recommendations

### General

#### Findings

- F1. The 2022-2023 Grand Jury reviewed responses to five of the 2019-2020 reports and found that, in general, commitments were kept.
- F2. The evident coordination of responses from agencies leaves the public without independent contributions across agencies.

#### Recommendations

- R1. All agencies should provide their own independent responses to findings and recommendations instead of referring to the response of another agency. (F2)
- R2. We continue to recommend that all organizations create and regularly update formal records of the actions they take to address Grand Jury recommendations, and to share those records with the public, in accordance with CA Penal Code Section 933(c). (F1, F2)

### DeLaveaga Golf Course

#### Finding

- F3. The City of Santa Cruz delayed the timeline rather than proceeding as outlined in their 2020 response to the Grand Jury. Instead, the City budgeted for a more comprehensive assessment of system-wide facilities and a capital investment plan to be completed in 2023.

#### Recommendation

- R3. The City of Santa Cruz should report to the Grand Jury on the completion status of the Facilities Assessment and capital investment plan no later than December 31, 2023. (F3)

### Fail in the Jail

#### Finding

- F4. The safe and secure operation of the County Jail remains vulnerable during an unexpected power outage.

#### Recommendation

- R4. The Santa Cruz County Sheriff should verify that the new generator system is operational by August 31, 2023. If not, the reasons for the further delay should be explained. (F4)

## **Homelessness**

### **Findings**

- F5.** The adoption of multi-year plans by both the City and County of Santa Cruz offer the public some assurance that locations can be found within the County where homeless services will be provided.
- F6.** Although the Cities of Capitola, Scotts Valley, and Watsonville agreed that there appear to be unused or underutilized parcels of land that could possibly be used for homeless services, it is not clear how this could be done.
- F7.** The master plan for Coral Street being worked by the City of Santa Cruz includes consideration of limiting vehicle access to Coral Street, but the grants received by the City and the plan to build 120 units of supportive housing preempt the original Grand Jury recommendation to consider closing it.

### **Recommendations**

- R5.** As recommended in the 2022 “Homelessness Action Plan,” the Cities of Capitola, Scotts Valley, and Watsonville should collaborate with leaders from the County of Santa Cruz and the City of Santa Cruz to identify 20 new locations for shelters across the county. These cities should report on the status of this recommendation no later than December 31, 2023. (F6)
- R6.** The County of Santa Cruz and the four cities should plan to provide services for homeless persons at the sites identified in their plans, including but not limited to supportive housing, case management, and medical services. The County of Santa Cruz and the four cities should report to the Grand Jury on the status of providing homeless services at the sites identified no later than December 31, 2023. (F5, F6)
- R7.** The City of Santa Cruz should complete and then implement their Master Plan for Coral Street, including consideration of limiting vehicle access. The City of Santa Cruz should report to the Grand Jury on the status of Coral Street no later than December 31, 2023. (F7)

## **Tangled Web**

### **Findings**

- F8.** Staffing shortages made automating the process for updating the website of the City of Santa Cruz and redesigning the website of the City of Scotts Valley more difficult.

### **Recommendations**

- R8.** The City of Santa Cruz should verify that their commitment to automate the

process for updating their website has been completed by October 31, 2023. (F8)

- R9.** The City of Scotts Valley should verify that their commitment to redesign their website to afford transparency, accessibility, and ease of use to all stakeholders has been completed by October 31, 2023. (F8)

## Voter Data

### Finding

- F9.** Data security is an important issue, including the security of voter registration data and it is unknown if measures have been taken in this area.

### Recommendation

- R10.** The Santa Cruz County Clerk should outline steps that have been taken to make voter registration data more secure by September 30, 2023. (F9)

## Required Responses

<i>Respondent</i>	<i>Findings</i>	<i>Recommendations</i>	<i>Respond Within/ Respond By</i>
Santa Cruz County Board of Supervisors	F1, F2, F4, F5, F9	R1, R2, R4, R6	90 Days September 5, 2023
Santa Cruz County Sheriff	F4	R4	60 Days August 7, 2023
Santa Cruz County Clerk	F9	R10	60 Days August 7, 2023
Capitola City Council	F1, F2, F6	R1, R2, R5, R6	90 Days September 5, 2023
Santa Cruz City Council	F1, F2, F3, F5, F7, F8	R1, R2, R3, R6, R7, R8	90 Days September 5, 2023
Scotts Valley City Council,	F1, F2, F6, F8	R1, R2, R5, R6, R9	90 Days September 5, 2023
Watsonville City Council	F1, F2, F6	R1, R2, R5, R6	90 Days September 5, 2023

## Definitions

**County Applicant:** A person or persons applying to the Santa Cruz Elections Department to receive voter registration data.

**County Recipient:** A person or persons who have been approved by the Santa Cruz County Elections Department to receive voter registration data.



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## Appendix A

### Instructions for Respondents

California law PC §933.05<sup>[33]</sup> requires the respondent to a Grand Jury report to comment on each finding and recommendation within a report. Explanations for disagreements and timeframes for further implementation or analysis must be provided. Please follow the format below when preparing the responses.

#### **Response Format**

1. For the Findings included in this Response Packet, select one of the following responses and provide the required additional information:
  - a. **AGREE** with the Finding, or
  - b. **PARTIALLY DISAGREE** with the Finding and specify the portion of the Finding that is disputed and include an explanation of the reasons therefor, or
  - c. **DISAGREE** with the Finding and provide an explanation of the reasons therefore.
2. For the Recommendations included in this Response Packet, select one of the following actions and provide the required additional information:
  - a. **HAS BEEN IMPLEMENTED**, with a summary regarding the implemented action, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IMPLEMENTED IN THE FUTURE**, with a timeframe or expected date for implementation, or
  - c. **REQUIRES FURTHER ANALYSIS**, with an explanation and the scope and parameters of an analysis or study, and a timeframe for that analysis or study; this timeframe shall not exceed six months from the date of publication of the grand jury report, or
  - d. **WILL NOT BE IMPLEMENTED** because it is not warranted or is not reasonable, with an explanation therefore.



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## Board of Supervisors response to 2022-2023 Grand Jury Report "Honoring Commitments to the Public"

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Caitlin Smith <Caitlin.Smith@santacruzcounty.us>

Mon, Aug 28, 2023 at 4:06 PM

Good Afternoon,

Please see attached for the Board of Supervisors' response to the findings and recommendations in the 2022-2023 Grand Jury Report, "Honoring Commitments to the Public."

Best

Caitlin C. Smith

County Supervisors' Analyst

Santa Cruz County Board of Supervisors

701 Ocean Street, Room 500

Santa Cruz, CA 95060

831-454-2200 main

831-454-3516 direct

[caitlin.smith@santacruzcounty.us](mailto:caitlin.smith@santacruzcounty.us)

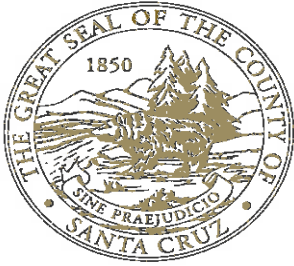
To email all five members of the Board of Supervisors at once,

please use: [BoardOfSupervisors@santacruzcounty.us](mailto:BoardOfSupervisors@santacruzcounty.us)



**Board of Supervisors Response--Honoring Commitments to the Public.pdf**

262K



# County of Santa Cruz

## BOARD OF SUPERVISORS

701 OCEAN STREET, SUITE 500, SANTA CRUZ, CA 95060-4069  
(831) 454-2200 • FAX: (831) 454-3262 TDD/TTY - Call 711

**MANU KOENIG**  
FIRST DISTRICT

**ZACH FRIEND**  
SECOND DISTRICT

**JUSTIN CUMMINGS**  
THIRD DISTRICT

**FELIPE HERNANDEZ**  
FOURTH DISTRICT

**BRUCE MCPHERSON**  
FIFTH DISTRICT

August 25, 2023

The Honorable Syda Cogliati  
Santa Cruz Courthouse  
701 Ocean Street  
Santa Cruz, CA 95060

**RE: Response to the 2022-2023 Grand Jury Report "Honoring  
Commitments to the Public"**

Dear Judge Cogliati:

The purpose of this letter is to formally transmit the responses of the Santa Cruz County Board of Supervisors, the County Clerk, and the Sheriff, to the 2022-2023 Grand Jury Report "Honoring Commitments to the Public."

Sincerely,

ZACH FRIEND, Chair  
Board of Supervisors

ZF: cs  
Attachment

CC: Clerk of the Board  
Santa Cruz County Grand Jury



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

**Santa Cruz County Board of Supervisors**

to Respond by September 5, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

**Honoring Commitments to the Public**

County Agency Actions in Response to  
2019–2020 Grand Jury Recommendations

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. **Please confirm the date on which you approved the assigned responses:**

We approved these responses in a regular public meeting as shown  
in our minutes dated August 22, 2023.

4. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

**If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).**

## Findings

**F1.** The 2022-2023 Grand Jury reviewed responses to five of the 2019-2020 reports and found that, in general, commitments were kept.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):



**F2.** The evident coordination of responses from agencies leaves the public without independent contributions across agencies.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Board of Supervisors disagrees that responses do not highlight the independent contributions of agencies.

**F4.** The safe and secure operation of the County Jail remains vulnerable during an unexpected power outage.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Main Jail is capable of safely functioning in the event of a power outage.

**F5.** The adoption of multi-year plans by both the City and County of Santa Cruz offer the public some assurance that locations can be found within the County where homeless services will be provided.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

- F9.** Data security is an important issue, including the security of voter registration data and it is unknown if measures have been taken in this area.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Board of Supervisors partially disagrees because of the way this finding is worded. We agree that data security – including voter registration data – is an important issue, one that the County Clerk/Elections Department takes seriously.

Measures have been taken to strengthen the security of data within the County Clerk/Elections Department. Since 2020, the department has put into place the following:

- Two factor authentication for all workstations in the office as well as out at the voting locations.
- More security controls for both election servers – the one hosting the voter file and the one for election operations (ballot creation, tabulation, etc.)
- Working with partners such as the California Secretary of State (statewide voter registration database), the election management system vendor, the election voting system vendor, Santa Cruz County Information Services Department, election officers, and department staff, to ensure security policies and procedures are in place and adhered to.
- Training for those who work with election data – employees, election officers and end users.

## Recommendations

**R1.** All agencies should provide their own independent responses to findings and recommendations instead of referring to the response of another agency. (F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

Independent responses are presented to the Board of Supervisors to approve, accept and file as appropriate.

**R2.** We continue to recommend that all organizations create and regularly update formal records of the actions they take to address Grand Jury recommendations, and to share those records with the public, in accordance with CA Penal Code Section 933(c). (F1, F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Grand Jury documents actions taken to address their recommendations.

**R4.** The Santa Cruz County Sheriff should verify that the new generator system is operational by August 31, 2023. If not, the reasons for the further delay should be explained. (F4)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Santa Cruz County General Services Department is managing the installation of the new Main Jail generator. The new generator should be fully operational by August 31, 2023.

- R6.** The County of Santa Cruz and the four cities should plan to provide services for homeless persons at the sites identified in their plans, including but not limited to supportive housing, case management, and medical services. The County of Santa Cruz and the four cities should report to the Grand Jury on the status of providing homeless services at the sites identified no later than December 31, 2023. (F5, F6)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Santa Cruz County Human Services Department's Housing for Health Division will provide a status report to the Grand Jury by December 31, 2023.



**R9.** The City of Scotts Valley should verify that their commitment to redesign their website to afford transparency, accessibility, and ease of use to all stakeholders has been completed by October 31, 2023. (F8)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Board of Supervisors does not have jurisdiction over the City of Scotts Valley.



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## Honoring Commitments - Sheriff's Office responses

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**Chris Clark** <Chris.Clark@santacruzcounty.us>  
To: "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>

Wed, Aug 16, 2023 at 5:49 PM

Please see the attached responses. Please let me know if you need anything further.

Very Respectfully,

Chris Clark

Undersheriff

Santa Cruz Sheriff's Office

831-454-7632



**Honoring Commitments Sheriff's Office responses.pdf**  
183K



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

## Santa Cruz County Sheriff

to Respond by August 7, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

## Honoring Commitments to the Public

County Agency Actions in Response to  
2019–2020 Grand Jury Recommendations

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
  
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
  
3. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

***If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).***

## Finding

**F4.** The safe and secure operation of the County Jail remains vulnerable during an unexpected power outage.

- AGREE
- PARTIALLY DISAGREE
- DISAGREE

**Response explanation** (required for a response other than **Agree**):

The Main Jail is capable of safely functioning in the event of a power outage.

## Recommendation

**R4** The Santa Cruz County Sheriff should verify that the new generator system is operational by August 31, 2023. If not, the reasons for the further delay should be explained. (F4)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

The Santa Cruz County General Services Department is managing the installation of the new Main Jail generator. The Sheriff's Office has been told that the new generator should be fully operational by August 31<sup>st</sup>, 2023.



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## County Clerk Response Packet

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Tricia Webber <Tricia.Webber@santacruzcounty.us>

Tue, Aug 1, 2023 at 5:24 PM

To: "syda.cogliati@santacruzcourt.org" <syda.cogliati@santacruzcourt.org>, "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>

Hello –

Attached is the response packet from the Santa Cruz County Clerk. Please let me know if you have any questions, or if there is an issue with the attached file.

Thank you,

Tricia

Tricia Webber

Santa Cruz County Clerk

831.454.2409 desk

831.454.2445 fax

[tricia.webber@santacruzcounty.us](mailto:tricia.webber@santacruzcounty.us)



County Clerk Response to 2019.2020 Report.pdf  
196K



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

## Santa Cruz County Clerk

to Respond by August 7, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

### Honoring Commitments to the Public

County Agency Actions in Response to  
2019–2020 Grand Jury Recommendations

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.



## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

- 1. For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
  
- 2. For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
  
- 3. When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

***If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).***

## Finding

**F9.** Data security is an important issue, including the security of voter registration data and it is unknown if measures have been taken in this area.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The County Clerk/Elections department is answering “partially disagree” because of the way this finding is worded.

The County Clerk and the department agree that data security – including voter registration data – is an important issue, one that this department takes seriously.

Measures have been taken to strengthen the security of data within the County Clerk/Elections department. What we have put into place since 2020:

- Two factor authentication for all workstations in the office as well as out at the voting locations.
- More security controls for both election servers – the one hosting the voter file and the one for election operations (ballot creation, tabulation, etc.)
- Working with partners such as the California Secretary of State (statewide voter registration database), the election management system vendor, the election voting system vendor, Santa Cruz County Information Services Department, election officers, and department staff, to ensure security policies and procedures are in place and adhered to.
- Training for those who work with election data – employees, election officers and end users.

## Recommendation

**R10.** The Santa Cruz County Clerk should outline steps that have been taken to make voter registration data more secure by September 30, 2023. (F9)

**HAS BEEN IMPLEMENTED** – summarize what has been done

**HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe

**REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)

**WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The County Clerk/Elections department has had discussions with the election management vendor and the California Secretary of State's office regarding the date of birth field on the voter file. VoteCal is the statewide voter registration database that is the system of record for California, and how the data is transmitted to counties is determined by the Secretary of State. Currently, the date of birth is sent as an 8-digit numeric number (MMDDYYYY).

Through our election management vendor, we have submitted a "system change request" to the Secretary of State to get the date of birth in two 4-digit numeric fields (MMDD) and (YYYY). Until that change request is approved by the Secretary of State, the department has removed the date of birth field from any file requests fulfilled by the department. To change the field into MMDD would be a manual process that would be resource consuming and prone to error. Once the change request is approved, it will be implemented.

The County Clerk/Elections department has redesigned the voter data application to highlight the permissible and non-permissible uses of the voter file per the California Elections Code. The department updated the form for the November 2020, and for process improvement and usability, it has been redesigned again to be used for the 2024 elections.

Training – the Department has strengthened the training of employees and election officers (those working in the voting locations) around the importance of securing the data files during election time (voting locations and employees) and non-election time (employees).

A request was made for the County Clerk/Elections department to use the training session the California Secretary of State is mandated to provide when a statewide voter file is purchased from them. To date, the Secretary of States office has NOT created a security training session, and as far as the County Clerk knows, there is not a plan to implement one soon. The California Elections Code does not mandate counties to have a training for people who are purchasing a data file. It does not list the items to be included in the training, the timing of the training, what happens if the training doesn't occur, etc.

Without a state model or clear direction in the Elections Code, the County Clerk is unsure what this type of training would entail, whether there is a method of enforcement or even if there can be enforcement, if any type of training needs to be approved by the Secretary of State since they have the mandate, and more.

The County Clerk will implement something more around the security of voter data beyond what is on the application, for the 2024 election cycle, however at this time it is unknown as to the form and the actual implementation date.



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## Capitola Response - Honoring Commitments to the Public

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Moss, Julia <jmoss@ci.capitola.ca.us>

Fri, Sep 15, 2023 at 9:46 AM

To: "Syda.Cogliati@santacruzcourt.org" <Syda.Cogliati@santacruzcourt.org>, Santa Cruz Grand Jury  
<grandjury@scgrandjury.org>

Good Morning,

Please see attached response to the "Honoring Commitments to the Public" SCC Civil Grand Jury Report. I have also attached draft minutes from our meeting showing this approval.

**Please respond to confirm receipt.**


**Julia Moss**


City Clerk - City of Capitola

831.475.7300 x228

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### 2 attachments

 **09-14-2023 Draft Minutes.pdf**  
251K

 **Capitola SC Grand Jury Response - Honoring Commitments.docx.pdf**  
390K

# City of Capitola

## City Council Meeting Minutes

### Thursday, September 14, 2023 – 6:00 PM



City Council Chambers  
420 Capitola Avenue, Capitola, CA 95010

**Mayor:** Margaux Keiser

**Vice Mayor:** Kristen Brown

**Council Members:** Yvette Brooks, Joe Clarke, Alexander Pedersen

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#### Closed Session – 5:15 PM

- i. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Gov. Code § 54956.9)  
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: one case

#### Regular Meeting of the Capitola City Council – 6 PM

1. **Roll Call and Pledge of Allegiance** – *The meeting was called to order at 6:00 PM. In attendance: Council Members Brooks, Clarke, Pedersen, Vice Mayor Brown, and Mayor Keiser.*
2. **Additions and Deletions to the Agenda** – *None*
3. **Presentations**
  - A. *The Mayor presented a Proclamation honoring the life of Sterling "Nathan" Cross.*
4. **Report on Closed Session** – *The City Council met and discussed one item on the Closed Session agenda. No reportable action was taken.*
5. **Additional Materials** – *None*
6. **Oral Communications by Members of the Public**
  - *Goran Klepic, Santa Cruz County resident, spoke about the condition of the restroom at Jade Street Park.*
  - *Gerry Jensen, resident, spoke about upcoming fundraisers for the Wharf on September 27<sup>th</sup> and October 14<sup>th</sup>.*
7. **Staff / City Council Comments**
  - *Chief Dally reminded the City Council and public of the Gun Buy Back Program at the County Sheriff's Office September 15<sup>th</sup>.*
  - *Council Member Brooks requested that staff provide an update on the Jade Street Park restroom conditions, and commended the City Manager on his appointment as the Vice Chair of the Central Coast Community Power Board.*
  - *Council Member Clarke reminded the public of the Capitola Beach Festival.*
8. **Consent Items**
  - A. City Council Meeting Minutes  
Recommended Action: Approve minutes from the regular meeting on August 24, 2023.
  - B. City Check Registers  
Recommended Action: Approve check registers dated August 04, 2023 and August 18, 2023.

City Council Meeting Minutes – September 14, 2023

- C. Grand Jury Response – Honoring Commitments to the Public  
Recommended Action: Approve the responses to the Grand Jury Report and direct the City Clerk to submit the completed response packet pursuant to California Penal Code Section 933.05.
- D. Purchasing and Procurement Policy and Ordinance  
Recommended Action: Introduce, by title only, waiving further reading of the text, an ordinance amending Chapter 3.16 of the Capitola Municipal Code pertaining to Purchasing and Purchasing Contracts; and adopt revised Administrative Policy III-4: Purchasing and Procurement Policy.
- E. Chapter 18.02 Affordable (Inclusionary) Housing  
Recommended Action: Adopt an ordinance of the City of Capitola amending Chapter 18.02 of the Capitola Municipal Code, Affordable (Inclusionary) Housing.
- F. CalOES Designated Agents for Disaster Assistance  
Recommended Action: Adopt a resolution certifying the Capitola staff members who are authorized to submit CalOES paperwork.
- G. Designation of Loading Zone for the Capitola Hotel  
Recommended Action: Adopt a resolution establishing a loading zone adjacent to the frontage of 210 Esplanade (Capitola Hotel).
- H. Surf Cameras on the Capitola Wharf and the Bandstand Pavilion  
Recommended Action: Authorize the City Manager to execute an agreement with Surfline/Wavetrak, Inc. to install and maintain new surf cameras on the Capitola Wharf and maintain existing surf cameras on the Bandstand Pavilion at no cost to the City.

***Motion to approve the Consent Calendar: Vice Mayor Brown***

***Seconded: Council Member Brooks***

***Voting Yea: Council Members Brooks, Clarke, Pedersen, Vice Mayor Brown, and Mayor Keiser***

## 9. General Government / Public Hearings

- A. Mall Redevelopment Land Use Study  
Recommended Action: Authorize the City Manager to execute an agreement with Kosmont Companies for the Capitola Mall Redevelopment Land Use Study in the amount of \$25,000.

***Community Development Director Herlihy presented the staff report.***

***Council Member discussion included a request to include Housing Element outcomes in the scope of work for this agreement, and a request for a White Paper to be created and distributed in conjunction.***

***Motion to authorize the City Manager to execute an agreement with Kosmont Companies: Council Member Brooks***

***Seconded: Vice Mayor Brown***

***Voting Yea: Council Members Brooks, Clarke, Pedersen, Vice Mayor Brown, and Mayor Keiser***

- B. City Hall Needs Assessment and Alternatives Analysis  
Recommended Action: Authorize the City Manager to execute a Professional Services Agreement with Group 4 Architecture for Phase 1 of the City Hall Sites Needs Assessment and Alternatives Analysis Report in the amount of \$49,950.



**Community Development Director Herlihy presented the staff report.**

**Council Member discussion included requests to modify the scope of work to remove certain elements that staff could conduct.**

**Motion to authorize the City Manager to execute an agreement with Group 4 Architecture with additional direction to negotiate the scope of work: Vice Mayor Brown**

**Seconded: Council Member Clarke**

**Voting Yea: Council Members Brooks, Clarke, Pedersen, Vice Mayor Brown, and Mayor Keiser**

- C. Pedestrian Pathway from the Upper Beach and Village Parking Lot to Monterey Avenue  
Recommended Action: Direct staff to proceed with developing the final design of pedestrian pathway from the Upper Beach and Village Parking Lot to Monterey Avenue consistent with pathway configuration Alternative 3, as described in the staff report.

**Public Works Director Kahn presented the staff report.**

**Council Member discussion included clarification on tree replacement sizing.**

**Motion to adopt the resolution: Council Member Clarke**

**Seconded: Council Member Pedersen**

**Voting Yea: Council Members Brooks, Clarke, Pedersen, Vice Mayor Brown, and Mayor Keiser**

- D. Long-Term Strategic Planning  
Recommended Action: Provide feedback regarding the development process for a longer-term City of Capitola Strategic Plan.

**Chloe Woodmansee, Assistant to the City Manager, presented the staff report.**

**The City Council provided feedback to staff and recommended creation of a living document, recognition of the importance of priorities and strategies for the City, a request for a regional element of the plan, and the importance of an operational element which aligns with annual City Council goals.**

- E. Interim Building Official  
Recommended Action: Adopt a resolution for an exception to the 180-day wait period per Government Code Section 7522.56 & 21221(h) and approve the appointment of Robin Woodman as the Interim Building Official-Retired Annuitant.

**Chloe Woodmansee, Assistant to the City Manager, presented the staff report.**

**Motion to adopt the resolution: Vice Mayor Brown**

**Seconded: Council Member Pedersen**

**Voting Yea: Council Members Brooks, Clarke, Pedersen, Vice Mayor Brown, and Mayor Keiser**

- F. City Council Appointments to City Advisory Bodies  
Recommended Action: Appoint members of the public to the City of Capitola Arts and Cultural Commission.

**City Clerk Moss presented the staff report.**

**Motion to appoint Mario Beltramo to a term expiring 12/31/2024: Vice Mayor Brown**

City Council Meeting Minutes – September 14, 2023

**Seconded: Council Member Brooks**

**Voting Yea: Council Members Brooks, Clarke, Pedersen, Vice Mayor Brown, and Mayor Keiser**

**10. Adjournment** – *Adjourned at 7:19 PM to the next regularly scheduled meeting on September 28, 2023.*

**ATTEST:**

\_\_\_\_\_  
Margaux Keiser, Mayor

\_\_\_\_\_  
Julia Moss, City Clerk



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

## Capitola City Council

to Respond by September 5, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

## Honoring Commitments to the Public

County Agency Actions in Response to  
2019–2020 Grand Jury Recommendations

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. **Please confirm the date on which you approved the assigned responses:**

We approved these responses in a regular public meeting as shown in our minutes dated September 14, 2023.



4. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

**If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).**

## Findings

**F1.** The 2022-2023 Grand Jury reviewed responses to five of the 2019-2020 reports and found that, in general, commitments were kept.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F2.** The evident coordination of responses from agencies leaves the public without independent contributions across agencies.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Capitola City Council reviews and prepares responses to Grand Jury recommendations and findings as accurately as possible. Depending on the topic, it may be appropriate to coordinate responses with other agencies. Additionally, the City Council approves responses to Grand Jury reports at public meetings where the public is welcome to participate and make comments.

**F6.** Although the Cities of Capitola, Scotts Valley, and Watsonville agreed that there appear to be unused or underutilized parcels of land that could possibly be used for homeless services, it is not clear how this could be done.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

## Recommendations

**R1.** All agencies should provide their own independent responses to findings and recommendations instead of referring to the response of another agency. (F2)

**HAS BEEN IMPLEMENTED** – summarize what has been done

**HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe

**REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)

**WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

The City of Capitola works closely with many public entities, including the cities of Santa Cruz, Watsonville, and Scotts Valley, and the County of Santa Cruz. In some situations, it may be appropriate for the City of Capitola to consult with other agencies to better respond to Grand Jury reports. All responses submitted by the City of Capitola to the Grand Jury are the City's independent response.



**R2.** We continue to recommend that all organizations create and regularly update formal records of the actions they take to address Grand Jury recommendations, and to share those records with the public, in accordance with CA Penal Code Section 933(c). (F1, F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

All City actions taken to address Grand Jury reports are provided to the public consistent with CA Penal Code Section 933(c)

**R5.** As recommended in the 2022 “Homelessness Action Plan,” the Cities of Capitola, Scotts Valley, and Watsonville should collaborate with leaders from the County of Santa Cruz and the City of Santa Cruz to identify 20 new locations for shelters across the county. These cities should report on the status of this recommendation no later than December 31, 2023. (F6)

**HAS BEEN IMPLEMENTED** – summarize what has been done

**HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe

**REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)

**WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The 2022 Homeless Action Plan is not a City of Capitola adopted plan.

- R6.** The County of Santa Cruz and the four cities should plan to provide services for homeless persons at the sites identified in their plans, including but not limited to supportive housing, case management, and medical services. The County of Santa Cruz and the four cities should report to the Grand Jury on the status of providing homeless services at the sites identified no later than December 31, 2023. (F5, F6)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City of Capitola does not have a homeless services plan. The City participates on the Housing for Health (H4H) Partnership, a collaboration with the County of Santa Cruz and all four cities within the County that is designed to coordinate resources and provide programs and services focused on ending homelessness.



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## ATTN: Civil Grand Jury Response (Honoring Commitments to the Public)

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**Emeline Nguyen** <enguyen@santacruzca.gov>

Mon, Dec 4, 2023 at 7:55 AM

To: "syda.cogliati@santacruzcourt.org" <syda.cogliati@santacruzcourt.org>, Santa Cruz County Grand Jury <grandjury@scgrandjury.org>, Matt Huffaker <mhuffaker@santacruzca.gov>, Laura Schmidt <LSchmidt@santacruzca.gov>, Tony Elliot <telliott@santacruzca.gov>, Lisa Murphy <LMurphy@santacruzca.gov>, Lee Butler <lbutler@santacruzca.gov>, Ken Morgan <kmorgan@santacruzca.gov>, Gina Liebig <gliebig@santacruzca.gov>

Good afternoon Honorable Judge Cogliati and Santa Cruz County Grand Jury,

On behalf of the City, please see the attached Civil Grand Jury Response relating to *Honoring Commitments to the Public* from the November 28<sup>th</sup> City Council meeting. Feel free to reach out if you have any questions.

Thank you,

### Emeline Nguyen

Principal Management Analyst

City of Santa Cruz | City Manager's Office

809 Center Street, Santa Cruz, CA 95060

Phone: 831-420-5017

Email: [enguyen@santacruzca.gov](mailto:enguyen@santacruzca.gov)

Web: [www.cityofsantacruz.com](http://www.cityofsantacruz.com)




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 **Honoring Commitments to the Public.pdf**  
236K



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the  
**Santa Cruz City Council**

to Respond by September 5, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

**Honoring Commitments to the Public**  
County Agency Actions in Response to  
2019–2020 Grand Jury Recommendations

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. **Please confirm the date on which you approved the assigned responses:**

We approved these responses in a regular public meeting as shown in our minutes dated [November 28, 2023](#).

4. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

**If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).**

## Findings

**F1.** The 2022-2023 Grand Jury reviewed responses to five of the 2019-2020 reports and found that, in general, commitments were kept.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F2.** The evident coordination of responses from agencies leaves the public without independent contributions across agencies.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

When an agency agrees with the response of another agency or coordinates with another agency, the positive interpretation of that could be that there is synchronization and agreement of content – be that approach, subject matter expertise, next steps, etc. This alignment can be viewed as a good thing. Should the City have a partial disagreement with another agency’s response or need to clarify portions, the City would note that and do so.



- F3.** The City of Santa Cruz delayed the timeline rather than proceeding as outlined in their 2020 response to the Grand Jury. Instead, the City budgeted for a more comprehensive assessment of system-wide facilities and a capital investment plan to be completed in 2023.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Parks & Recreation Department has evaluated the condition of the driving range/cart barn and requested capital investment program (CIP) funding in the City's Fiscal Year 2023 budget. The Department received funding through the City's budget process, has made initial structural and safety improvements to the facilities, and will lead a more complete, full-scale renovation of the facilities with the appropriated funding in Fiscal Year 2024.

It is accurate that the Parks & Recreation Department's broader *Facility Condition Assessment* has been delayed. It will be implemented in Fiscal Year 2024. However, that study will look at *all* Department-operated facilities to establish an understanding of broader CIP needs and lead to prioritization for funding and investment in facilities with deferred maintenance. The customer-facing facilities at DeLaveaga Golf Course have been assessed, and the Parks & Recreation Department has funding, appropriated through the City's budget process, to make necessary improvements.

- F5.** The adoption of multi-year plans by both the City and County of Santa Cruz offer the public some assurance that locations can be found within the County where homeless services will be provided.

- AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

- F7.** The master plan for Coral Street being worked by the City of Santa Cruz includes consideration of limiting vehicle access to Coral Street, but the grants received by the City and the plan to build 120 units of supportive housing preempt the original Grand Jury recommendation to consider closing it.

- AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

A variety of uses exist on Coral Street. Vehicular access is needed to/from many of those residences and businesses, not just the 120 units of supportive housing. A number of enhancements are considered to the streetscape as part of the Visioning Report. See pages 39-40 and 48-49 at <https://www.cityofsantacruz.com/home/showpublisheddocument/94159/638222689026170000>. Staff will continue to consider options for how to improve the Coral Street right-of-way as development and uses along Coral Street evolve.

- F8.** Staffing shortages made automating the process for updating the website of the City of Santa Cruz and redesigning the website of the City of Scotts Valley more difficult.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

For the City of Santa Cruz, significant progress has been made in addressing staffing shortages within the IT Department, and continuous efforts are underway to enhance the City's website update procedures. These initiatives involve integrating third-party tools to bolster auditing and analytics capabilities, facilitating in-depth content analysis for departmental review and action.

Moreover, the IT Department has recently enlisted a dedicated temporary resource to address content deficiencies and resolve numerous issues related to broken links on the website.

Lastly, the City of Santa Cruz has allocated funds for an extensive website redesign project, set to occur in the latter part of Fiscal Year 2024 or the early stages of Fiscal Year 2025.

## Recommendations

- R1.** All agencies should provide their own independent responses to findings and recommendations instead of referring to the response of another agency. (F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

When an agency agrees with the response of another agency or coordinates with another agency, the positive interpretation of that could be that there is synchronization and agreement of content – be that approach, subject matter expertise, next steps, etc. This alignment can be viewed as a very good thing. Should the City have a partial disagreement with another agency's response or need to clarify portions, the City would note that and do so.

- R2.** We continue to recommend that all organizations create and regularly update formal records of the actions they take to address Grand Jury recommendations, and to share those records with the public, in accordance with CA Penal Code Section 933(c). (F1, F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Civil Grand Jury has, over the years, issued annual reports covering a wide variety of topics and issues, with a range of recommendations from the very granular (e.g., R6 “assign one individual responsible to cyber-security”), to very broad and general (e.g., R18 “demonstrate progress in working collaboratively with UCSC...”), some of which the City agrees with and others it does not. It is neither practical nor economically feasible for the City to create a formal record of all actions taken to “address Grand Jury recommendations,” as it would impose a substantial burden on City staff and resources over and above the cost and administrative burden of preparing responses to Grand Jury Reports, in the first instance, as required by Cal. Penal Code Section 933(c). Moreover, the recommendations the City agrees with would be implemented because the City agrees with them, and not because they “address Grand Jury recommendations.”

**R3.** The City of Santa Cruz should report to the Grand Jury on the completion status of the Facilities Assessment and capital investment plan no later than December 31, 2023. (F3)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Parks & Recreation system-wide Facilities Condition Assessment will be conducted in early 2024. This is separate from the condition assessments performed at DeLaveaga Golf Course, which have already led to CIP investment to make needed repairs. The broader assessment will look at all Parks & Recreation facilities and characterize the specific needs for investment. Staff could report these findings at a later time (estimated summer 2024), but the assessment will not be complete by December 31, 2023.

- R6.** The County of Santa Cruz and the four cities should plan to provide services for homeless persons at the sites identified in their plans, including but not limited to supportive housing, case management, and medical services. The County of Santa Cruz and the four cities should report to the Grand Jury on the status of providing homeless services at the sites identified no later than December 31, 2023. (F5, F6)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City of Santa Cruz offers two emergency shelter sites, one located at 1220 River Street, and one at the Armory located in DeLaveaga Park. The City avails these locations to the County Staff to provide a location for case workers to provide services and offer limited medical services. The County in its capacity as the arm of the state is responsible for providing medical services. City staff works with shelter participants to connect them to a variety of services including assistance with finding housing.



- R7.** The City of Santa Cruz should complete and then implement their Master Plan for Coral Street, including consideration of limiting vehicle access. The City of Santa Cruz should report to the Grand Jury on the status of Coral Street no later than December 31, 2023. (F7)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Coral Street visioning community engagement was conducted in late 2022 and early 2023. The Coral Street Visioning Report is complete and was accepted by the City Council on May 9, 2023. The vision will be implemented over time. Work on two of the projects – short- and long-term use and development of 125 Coral Street and the former River Street Shelter site – is in process. The City purchased 125 Coral Street, and the current tenant is expected to vacate the site late this year. The City is currently further assessing needs for environmental remediation in advance of interim uses and future uses contemplated in the vision, and the City is coordinating closely with the County on potential funding and associated building design options. The former River Street Shelter site will be demolished in the coming months to prepare the site for interim uses and future uses contemplated in the vision.

- R8.** The City of Santa Cruz should verify that their commitment to automate the process for updating their website has been completed by October 31, 2023. (F8)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Automating updates to the City's website is in progress, highlighting the City's commitment through its investment in and deployment of specialized software tools. These tools are aimed at overseeing and enhancing various aspects of the City's website, such as accessibility, content quality, branding, data privacy, core web vitals, and more. Additionally, with the upcoming website refresh planned for either the end of Fiscal Year 2024 or beginning of Fiscal Year 2025, the City will leverage modern website automation tools that are readily available.



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## Scotts Valley Response Follow-up - Honoring Commitments to the Public

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'Cathie Simonovich' via Santa Cruz Grand Jury <grandjury@scgrandjury.org>

Thu, Aug 17, 2023 at 8:28  
AM

Reply-To: Cathie Simonovich <csimonovich@scottsvalley.gov>

To: "Syda.Cogliati@santacruzcourt.org" <Syda.Cogliati@santacruzcourt.org>, "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>

Cc: Mali LaGoe <mlagoe@scottsvalley.gov>

Dear Honorable Judge Cogliati and Members of the Santa Cruz County Grand Jury,

We have attached the completed response packet for the report titled *Honoring Commitments to the Public - County Agency Actions in Response to 2019-2020 Grand Jury Recommendations*. This report was approved by the Scotts Valley City Council at the regular public meeting held on August 16, 2023.

Please confirm receipt of the report.

Best regards,

**Cathie Simonovich**  
City Clerk



City of Scotts Valley  
1 Civic Center Drive  
Scotts Valley, CA 95066  
[csimonovich@scottsvalley.gov](mailto:csimonovich@scottsvalley.gov)  
Phone: 831-440-5608

**NOTE: My regular work schedule is Tuesday through Friday from 7:00 AM to 5:30 PM.**

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 2023 CGJ Continuity ScottsValley Response.pdf  
209K



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

## Scotts Valley City Council

to Respond by September 5, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

## Honoring Commitments to the Public

County Agency Actions in Response to  
2019–2020 Grand Jury Recommendations

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. **Please confirm the date on which you approved the assigned responses:**

We approved these responses in a regular public meeting as shown in our minutes dated August 16, 2023.

4. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

**If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).**

## Findings

**F1.** The 2022-2023 Grand Jury reviewed responses to five of the 2019-2020 reports and found that, in general, commitments were kept.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F2.** The evident coordination of responses from agencies leaves the public without independent contributions across agencies.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Scotts Valley City Council independently reviews Grand Jury reports and drafts responses to specific findings or recommendations as accurately as we can. Depending on the topic, coordination improves the response we are able to provide. In addition, the City Council approves responses at a public meeting where the public can weigh in on the City's responses if they so choose to.

**F6.** Although the Cities of Capitola, Scotts Valley, and Watsonville agreed that there appear to be unused or underutilized parcels of land that could possibly be used for homeless services, it is not clear how this could be done.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):



**F8.** Staffing shortages made automating the process for updating the website of the City of Santa Cruz and redesigning the website of the City of Scotts Valley more difficult.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

## Recommendations

**R1.** All agencies should provide their own independent responses to findings and recommendations instead of referring to the response of another agency. (F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

There are topics that it may be appropriate for the City to refer to other agencies where another agency has responsibility regarding the topic.

**R2.** We continue to recommend that all organizations create and regularly update formal records of the actions they take to address Grand Jury recommendations, and to share those records with the public, in accordance with CA Penal Code Section 933(c). (F1, F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The actions the City takes are already public records. The City's responses are provided to the public within the timelines as required by the cited Penal Code.

- R5.** As recommended in the 2022 “Homelessness Action Plan,” the Cities of Capitola, Scotts Valley, and Watsonville should collaborate with leaders from the County of Santa Cruz and the City of Santa Cruz to identify 20 new locations for shelters across the county. These cities should report on the status of this recommendation no later than December 31, 2023. (F6)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The 2022 Homeless Action Plan is not a Scotts Valley adopted plan, however the City is willing to collaborate and assist where possible.

**R6.** The County of Santa Cruz and the four cities should plan to provide services for homeless persons at the sites identified in their plans, including but not limited to supportive housing, case management, and medical services. The County of Santa Cruz and the four cities should report to the Grand Jury on the status of providing homeless services at the sites identified no later than December 31, 2023. (F5, F6)

**HAS BEEN IMPLEMENTED** – summarize what has been done

**HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe

**REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)

**WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City of Scotts Valley does not have a homeless services plan. However, the City's draft housing element includes a variety of action to address the needs of persons experiencing homelessness, or at risk for homelessness in Program H-3.9 Emergency Shelters. These programs are proposed to be implemented by January 2026.

- R9.** The City of Scotts Valley should verify that their commitment to redesign their website to afford transparency, accessibility, and ease of use to all stakeholders has been completed by October 31, 2023. (F8)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The launch of the redesigned website occurred on March 14, 2023. This redesign modernized the website layout and reorganized the homepage for transparency, accessibility, and ease of use for all stakeholders. Additionally, on May 17, 2023, a new agenda management platform was added to the website which offers significant improvements to the online processes of streamlining the meetings, agenda management, agenda publication and recording minutes. The new platform ensures transparency for residents and other stakeholders and ensures that all documents are ADA accessible.

The maintenance of the website is a priority and is completed regularly with the understanding that, in this digital world, constant review and adjustment to the website is necessary.



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

---

## (2023-1gR) Your Required Response to the Grand Jury Honoring Commitments Report is past due

---

'Irwin Ortiz' via Santa Cruz Grand Jury <grandjury@scgrandjury.org>

Wed, Nov 15, 2023 at 3:44 PM

Reply-To: Irwin Ortiz <irwin.ortiz@watsonville.gov>

To: Santa Cruz Grand Jury <grandjury@scgrandjury.org>

Cc: Marisa Fernandez <marisa.fernandez@watsonville.gov>, Rene Mendez <rene.mendez@watsonville.gov>

Dear Grand Jury,

The City Council considered and approved the response packet to the *Grand Jury Honoring Commitments to the Public* Report at last night's City Council Meeting. The response packet is attached. Please let me know how else I can assist.



**Irwin I. Ortiz**  
City Clerk, CMC

☎ Office: (831) 768-3040

Direct: (831) 768-3048

✉ irwin.ortiz@watsonville.gov

📍 275 Main Street, Suite 400  
Watsonville, CA 95076

[www.watsonville.gov](http://www.watsonville.gov)

Irwin I. Ortiz, City Clerk, CMC  
City Clerk's Office (831) 768-3048  
275 Main Street, Suite 400, Watsonville, CA 95076  
FAX: 831-761-0736  
E-mail: [irwin.ortiz@watsonville.gov](mailto:irwin.ortiz@watsonville.gov)  
Open Monday - Friday 8:00 AM to 5:00 PM

\*\*Public Records Requests (PRR) submitted via email, fax, USPS, or dropoff after 5:00 p.m. on a business day, Saturday, Sunday, or holidays, will be processed as received on the next open business day. The 10-day response period begins when the PRR is received.

---

**From:** Santa Cruz Grand Jury <grandjury@scgrandjury.org>

**Sent:** Tuesday, October 31, 2023 5:57 PM


**To:** Santa Cruz Grand Jury <grandjury@scgrandjury.org>

**Cc:** Irwin Ortiz <irwin.ortiz@watsonville.gov>; Marisa Fernandez <marisa.fernandez@watsonville.gov>

**Subject:** (2023-1gR) Your Required Response to the Grand Jury Honoring Commitments Report is past due

[Quoted text hidden]

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 **Watsonville Response to Findings and Recommendations.pdf**  
250K



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

## Watsonville City Council

to Respond by September 5, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

## Honoring Commitments to the Public

County Agency Actions in Response to  
2019–2020 Grand Jury Recommendations

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.



## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. **Please confirm the date on which you approved the assigned responses:**

We approved these responses in a regular public meeting as shown in our minutes dated November 14, 2023.

4. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

**If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).**

## Findings

- F1.** The 2022-2023 Grand Jury reviewed responses to five of the 2019-2020 reports and found that, in general, commitments were kept.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

- F2.** The evident coordination of responses from agencies leaves the public without independent contributions across agencies.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

All responses provided by the City of Watsonville are independent responses and contributions to the findings and recommendations. The finding that agencies may at times coordinate responses is not a negative, but in fact, positive in that the Grand Jury and public should be pleased that agencies are learning from each other and working together on how best to address findings that many times are similar.

In addition, all responses to findings are prepared by staff and then forwarded to the City Council for approval via the City Manager's Office.

**F6.** Although the Cities of Capitola, Scotts Valley, and Watsonville agreed that there appear to be unused or underutilized parcels of land that could possibly be used for homeless services, it is not clear how this could be done.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

As identified in the 2019-2020 Grand Jury Response from the City of Watsonville, the City developed an Emergency Shelter Ordinance in 2018 that provides direction in the development of emergency shelters with supportive services and identified emergency shelters in the N/PF (Institutional/Public Facilities) Zoning district as allowed by-right. These two modifications provide clear directions on how to develop a homeless shelter in the City.

## **Recommendations**

**R1.** All agencies should provide their own independent responses to findings and recommendations instead of referring to the response of another agency. (F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

All responses provided by the City of Watsonville are independent responses to the findings and recommendations. They are prepared by staff and then forwarded to the City Council for approval via the City Manager’s Office.

**R2.** We continue to recommend that all organizations create and regularly update formal records of the actions they take to address Grand Jury recommendations, and to share those records with the public, in accordance with CA Penal Code Section 933(c). (F1, F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The City is in compliance with CA Penal Code Section 933(c). All the City responses to the findings and recommendations are presented to the City Council for adoption at a regularly scheduled meeting and are maintained online and by the City Clerk for the public to access. After Council review and approval, the City will submit its responses as required by and consistent with the timeframes provided in Section 933(c).

- R5.** As recommended in the 2022 “Homelessness Action Plan,” the Cities of Capitola, Scotts Valley, and Watsonville should collaborate with leaders from the County of Santa Cruz and the City of Santa Cruz to identify 20 new locations for shelters across the county. These cities should report on the status of this recommendation no later than December 31, 2023. (F6)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

In 2018, the City adopted Watsonville Municipal Code Chapter 14-43 (Emergency Shelters) and allowed emergency shelters by-right in the City’s N/PF (Institutional/Public Facilities) Zoning district. The N/PF Zoning district contains approximately 416 separate parcels, most of which are either churches, schools, or government facilities.

As a result of this rezoning, the Counties of Monterey and Santa Cruz are working collaboratively to bring a low-barrier emergency shelter to the Westview Presbyterian Church at 118 First Street in early 2024. This 32-bed facility would consist of tiny home units for each resident, with wrap-around supportive services to work with each resident to overcome their unique challenges and locate stable housing. This project was made possible through an \$8 million grant to the County of Monterey, to provide housing services for the homeless population living on both sides of the Pajaro River for the first two years. After, the low-barrier emergency shelter will expand to provide services to the all the homeless population as capacity allows.

Regarding countywide collaboration, the City now has two seats on the Housing for Health Board, which meets every 2 months. In addition, City staff meets every two weeks with the Director of the Housing for Health Division of the County Human Services Department to coordinate on homeless services. Through this collaboration, the City intends to develop its own Homeless Action Plan over the next 6-9 months, in an effort to address and provide services for our local homeless population. This plan would identify goals and priorities to reduce the number of people experiencing homelessness and identify potential funding sources.

- R6.** The County of Santa Cruz and the four cities should plan to provide services for homeless persons at the sites identified in their plans, including but not limited to supportive housing, case management, and medical services. The County of Santa Cruz and the four cities should report to the Grand Jury on the status of providing homeless services at the sites identified no later than December 31, 2023. (F5, F6)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The County of Santa Cruz developed a 3-year Framework for Housing a Healthy Santa Cruz in 2021 to reduce the number of people experiencing homelessness. This Framework called for the establishment of a Housing for Health Division within the Human Services Department to be the collaborative lead for the countywide homeless response. One important pillar of this Framework was to ensure that shelter residents are provided care management, housing navigation, and financial support so that they have a better chance of securing housing while spending less time in a temporary shelter environment. In fact, the County has stopped funding shelters that do not provide these wrap-around services to their clients.

The low barrier homeless shelter proposed to be constructed at the Westview Presbyterian Church within the next 12 months will provide these services to residents, so that they can more quickly get back on their feet and into stable housing

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**SANTA CRUZ COUNTY**  
Civil Grand Jury

701 Ocean Street, Room 318-I  
Santa Cruz, CA 95060  
(831) 454-2099  
grandjury@scgrandjury.org

## **Diagnosing the Crisis in Behavioral Health**

### **Underfunded, Understaffed & Overworked**

---

#### **Summary**

The Grand Jury investigated the Santa Cruz County Behavioral Health Division (BHD) of the Health Services Agency to ascertain how well they were handling the additional demands on their services caused by the Covid Pandemic. It found the BHD to be seriously understaffed - as much as 30% - including management, clinicians and support staff. It also found many other problems, including inadequate crisis stabilization capacity, lack of step-down capability, and insufficient outreach to the Latino/a community, but the BHD cannot be expected to improve in these areas until it gets significantly more staff.

The statistics point to a disturbing reality. Santa Cruz has more homeless people per capita than anywhere else in California; some 2300 of our residents are without housing. An estimated 37% of the BHD's clients are homeless. About 67% of homeless residents experience chronic substance abuse, and 43% of BHD's substance use disorder clients are involved with the criminal justice system.

The Grand Jury urgently recommends increasing BHD's staffing to meet the overwhelming demand for mental health services in this county. It further recommends increasing the capacity of the crisis stabilization program and transitioning the Mobile Emergency Response Teams for adults and youth to 24/7 availability. It finally recommends improving service to marginalized populations, especially homeless people, those involved with the criminal justice system and the Latino/a community.

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## Background

The United States has been in the midst of a mental health crisis since long before the Covid Pandemic, which has made it even worse.<sup>[1] [2]</sup> Mental health struggles and rates of substance use disorder have been dramatically escalating for more than two years in Santa Cruz County.<sup>[3]</sup> A longstanding shortage of mental health workers in the country, combined with the now increased demand for mental health services following the pandemic, has impacted all parts of the country, including Santa Cruz County. What makes the problem even more pressing here is Santa Cruz's distinction of having the highest number of homeless persons per capita in the state, along with a very high incidence of substance use disorder.<sup>[4] [5]</sup>

The County's Behavioral Health Division (BHD) is the primary provider of mental health care for low income adults and children who lack private health care coverage. BHD is one of four divisions of the Health Services Agency, the others being Clinic Services, Environmental Health, and Public Health. BHD has four subdivisions: Adult Mental Health, Children's Mental Health, Substance Use Disorders, and Quality Improvement. BHD services are designed to address the most significant mental health needs of the County and to ensure services and access for all residents, with an emphasis and priority focus on serving individuals at highest risk for experiencing mental health service gaps and access barriers. This population includes individuals who are experiencing homelessness, those who do not speak English as their primary language, racial and ethnic minorities, low-income people and inmates being released from the county jails. Santa Cruz has continued to see increased community need for behavioral health services, especially for serving Spanish speaking residents and individuals experiencing homelessness.<sup>[3]</sup>

The County has a complex network of preventive and mental health treatment options for adults and children. Approximately 34% of the services are provided directly by the County and 66% are provided by private contractors.<sup>[6]</sup> Based on examination of their website,<sup>[7]</sup> the BHD oversees many programs, including but not limited to the following:

- Two county mental health clinics, one in North and one in South County
- A Crisis Stabilization Program for adults and children
- A 16 bed Psychiatric Health Facility for adults
- Crisis response teams: Mobile Emergency Response Teams for Adults and Youth in North and South County, known as MERT and MERTY
- A mental health liaison program to local law enforcement
- Homeless support programs such as the Downtown Outreach Team
- A locally staffed 988 Suicide Crisis Line
- A 24 hour line for referrals to local mental health services
- Jail mental health program
- Residential step-down programs - sub acute and residential
- Case management services for severely mentally ill persons

BHD's annual budget to accomplish this diverse mission is over \$100 million, including both County money and State funding such as Medi-Cal.<sup>[8] [9]</sup>

## Scope and Methodology

The Grand Jury wanted to investigate how BHD was coping with the increased demand for mental health services resulting from the pandemic. Specific questions that the Jury addressed include the following:

- Is the County's Health Service Agency adequately staffed and resourced to address mental health problems in the County?
- If staffing is not adequate, what are the difficulties in recruiting, hiring, and retaining staff?
- Are the mental health facilities in the County adequate to address demand?
- Are services sufficient for other marginalized groups such as persons experiencing homelessness or those being released from jail?
- Are there some ethnic groups in our county who may underutilize these services?
- How do people know about and access mental health services?
- How long do people have to wait to receive these services?
- What are the challenges in providing mental health services in our community?

The Grand Jury interviewed key leaders and personnel in the mental health system. It attended monthly Mental Health Advisory Board meetings. It also reviewed important articles, including published reports from the County regarding mental health, mental health related documents found online, the mental health medical literature, and local newspaper articles regarding mental health.

## Investigation

The Grand Jury began this investigation by examining documents that evaluated whether goals set by BHD for itself were met. It soon discovered that nearly all goals were not met, even those representing very small improvement. Of 14 goals in their *Integrative Behavioral Health Quality Improvement Work Plan, FY 2021-2022*, only two were met, and these were not directly related to service quality. Goals not met included access to services, response times to service requests and cultural responsiveness.<sup>[10]</sup>

In March of this year, BHD released a draft of their *Mental Health Services Act (MHSA) FY 2023-2026 Three Year Plan* and *FY 2023-2024 Annual Update*.<sup>[3]</sup> This plan includes results of the Community Program Planning Process, a structured method of soliciting community input to identify local needs and funding priorities for Behavioral Health. The results of this process are startling. The plan states, "Community members and providers alike shared concerns about staffing shortages throughout the county system of care, including psychiatrists, therapists, counselors, and specialty mental health case managers."

The report highlights the lack of enough beds in higher-level care facilities that can lead to people with serious mental illness repeatedly cycling through the system. Patients and families report delays in receiving needed services, or inability to find services when they need them.<sup>[11]</sup> The report states that homeless people and those involved with the criminal justice system have unique needs and barriers, and experience long wait times to access BHD services. When looking at the county's Medi-Cal population, BHD serves a lower percentage of the eligible Latina/o residents than any other ethnic group. The major service gaps highlighted in this draft report became the focus of the Grand Jury's investigation.

While the scope of mental health care overseen by the county is commendable, the complexity of the system, with each program having its own eligibility requirements, makes understanding and accessing services difficult for patients, especially the marginalized people the County serves. Gaps in continuing care are particularly difficult for these vulnerable persons. Studies show that a delay in diagnosis, a delay in appropriate treatment, and a lack of continuity in care make achieving successful outcomes more difficult and increases the overall cost of mental health care.<sup>[12] [13] [14] [15]</sup>

### ***The Crisis in Behavioral Health Staffing***

Currently the Santa Cruz County Behavioral Health Division has approximately a 30% staff vacancy rate. (See Table 1 below.) At the time of our investigation, 4 out of the 10 director positions were vacant, filled by interim employees who were performing the tasks of at least two positions.<sup>[16]</sup> In response to this critically low staffing in senior management, the department hired a consultant to consider structural changes to the organization.<sup>[17]</sup> There are vacancies at every level of staffing, including psychiatrists, psychiatric nurses, licensed mental health practitioners, and other direct service practitioners, especially bilingual staff. While the Grand Jury did not directly interview them, the contractors providing mental health services for the county are reported to also be struggling to fill open positions. Behavioral Health and Personnel staff point to limited pools of applicants for licensed mental health clinicians.<sup>[18] [19]</sup> At the time of the investigation, despite holding all licensed mental health job classifications as open, there were no available candidates in the pipeline.<sup>[18]</sup> The BHD is also suffering from lack of analyst positions which would allow them to analyze tracking data more efficiently, to evaluate contracts and to financially plan.<sup>[20]</sup>

Recruitment Status unfilled	(Multiple Items)	
		26%
Unfilled positions	FTE	% Vacant
Access and Crisis	11.00	31%
Adult Mental Health	17.30	27%
Behavioral Health Administration	2.65	25%
BH Support	5.00	18%
Children's Mental Health	14.30	24%
Quality Improvement	1.75	11%
Specialty Mental Health - FQHC	14.25	31%
Substance Use Disorder	8.00	29%
Grand Total	74.25	26%

**Table 1.** Behavioral Health Vacancy Rate on March 15, 2023.<sup>[21]</sup>

Critically low staffing levels have had a negative impact on access to and quality of treatment across many programs. From interviews the Grand Jury learned that the Crisis teams—the Mobile Emergency Response Team (MERT) and the Mobile Emergency Response Team for Youth (MERTY)—are frequently understaffed by as much as 50% and are unable to expand to weekend coverage due to lack of staffing despite having the funding to expand.<sup>[22] [23]</sup> Year over year Quality Improvement reports reference low staffing as the reason for not meeting performance goals.<sup>[24] [25] [26] [27]</sup> Staff shortages are also impacting contractors' ability to meet contracted goals. Telecare, the contractor that runs the only Crisis Stabilization Unit Program in the county, has frequently had to close for admissions due to staff shortages. These closures cause recurring diversions to local hospital emergency rooms.<sup>[28]</sup>

Also, the vacancies in BH administration have created a lack of clarity about contract oversight. Multiple interviewees (all high level managers) did not know who was responsible for oversight of each contract.<sup>[29] [30] [31] [32] [33] [34] [35] [36]</sup> This may be due to temporary staffing in these positions or unfamiliarity with the oversight hierarchy.

In response to the serious behavioral health staffing shortage at the state level, Governor Newsom and the State Legislature have recently passed large initiatives focusing on more funding and more streamlined funding for mental health support.<sup>[37]</sup> But factors specific to Santa Cruz County heighten the staffing crisis:

- The extremely high cost of living, especially housing,<sup>[38]</sup>
- Increased competition with both private and public mental health providers and hospitals,

- Competition with wealthier local counties,
- Lower salaries
- The difficulty of the work, and
- The large homeless population which makes delivering mental health treatment very challenging.<sup>[39] [40] [41] [42]</sup>

In our investigation, multiple interviewees also pointed to Santa Cruz County's hiring practices and lower salaries as a barrier to their ability to be competitive in the job market. Some noted that it takes as long as two months between the interview and the final hire. These practices are outdated and out of alignment with current hiring practices. They pointed to the need for more automated application processes and more responsiveness in updating hiring classifications to suit a younger workforce that wants more flexibility.<sup>[43] [44] [45] [46] [47]</sup>

### County Personnel Department

Despite these issues, the County Personnel Department does not recognize a staffing shortage in Behavioral Health<sup>[48]</sup> and maintains that Behavioral Health salaries are locally competitive by pointing out that Santa Cruz County behavioral health salaries are average in comparison to six other Bay Area counties.<sup>[49]</sup> The closest county where workers can comfortably commute is Santa Clara, where in 2020, they paid Sr. Mental Health Specialists \$10,000 more per year.<sup>[49]</sup> The Personnel Department does not regularly conduct competitive analysis of salaries, only as needed or prior to negotiations with the union.<sup>[50]</sup> In trying to verify the hiring practices, the Grand Jury was told that the Personnel Department does not collect key human resources data by department such as Time to Hire, Acceptance Rates, Turnover Rates, and Retention Rates. They only collect data for the county as a whole, so they have very little means for analysis of their practices by department. Data collection about hiring is left to each department. What they did report is that "a typical process could be 30-90 days".<sup>[50]</sup>

While some hiring incentives have been introduced for psychiatrists, psychiatric nurse practitioners, and physicians and medical directors, currently there are no incentives for licensed mental health practitioners such as Licensed Clinical Social Workers (LCSW) and Marriage, Family and Child Counseling (MFCC).<sup>[51]</sup> Santa Clara County, on the other hand, has a \$5,000 signing bonus, loan repayment, workforce tuition, and public service loan forgiveness for open MFCC and LCSW positions.<sup>[40] [52] [53]</sup>

Recruitment and retention is also a problem.<sup>[19] [54] [55]</sup> It is difficult to recruit and retain people in a county with the second highest housing costs in the nation without commensurate salaries. The University of California, Santa Cruz does not offer Master's degree programs in psychology or social work. San Jose State University and Cal State University at Monterey Bay are the nearest universities to offer these degrees. Interviewees pointed to the need to develop connections to these university programs such as internships or stipends to strengthen the professional pipeline for licensed and unlicensed mental health clinicians in Santa Cruz County.<sup>[56]</sup>



## ***The Crisis in Crisis Stabilization***

Crisis stabilization services are needed for people who are experiencing an acute mental health crisis. These services assess a patient's mental health status, providing the initial steps in diagnosis, treatment, and determination of their mental health needs. While MERT and MERTY can provide some screening assessments in the field,<sup>[57]</sup><sup>[58]</sup> this initial evaluation is meant to be provided by the Crisis Stabilization Program (CSP), which is located at the Psychiatric Healthcare Facility or PHF. Some call this portion of the PHF the Crisis Stabilization Unit. A patient may stay up to 24 hours in the CSP<sup>[59]</sup> which is considered an outpatient setting. Since an overnight stay is not allowed, patients are considered to be in chairs and not beds. If a patient is deemed to not be gravely disabled or a threat to themselves or others, they can be discharged to outpatient care. Otherwise they remain on a mental health hold, which is also known as a 5150 for adults and a 5585 for minors.<sup>[60]</sup> This is an involuntary 72 hour mental health hospitalization, which for adults could take place at our PHF if beds are available. The County's CSP and PHF are currently operated by Telecare, a company that is based in Alameda and has been treating mental illness since 1965.<sup>[61]</sup>



**Figure 1** The Psychiatric Healthcare Facility.<sup>[62]</sup>

Santa Cruz County is the primary provider of mental health crisis stabilization services for all adults and children, regardless of payor class.<sup>[63]</sup> Unfortunately, the demand for acute crisis services often exceeds the capacity of the current 12 chair CSP and 16 bed PHF.<sup>[64]</sup> The capacity of the CSP/PHF is dependent on two factors, the number of chairs/beds that they have and the staffing that they have available to treat patients in



crisis.<sup>[65] [66] [67] [68]</sup> Since the facility often lacks the capacity to take new patients, patients are diverted to the Emergency Department or ED of local hospitals. In 2022 the average number of CSP patients at the Dominican ED was 29.1 per month, and it was 8.8 per month at the Watsonville ED.<sup>[69]</sup> Patients may have to wait up to 24 hours in the ED to be evaluated.<sup>[70]</sup> This evaluation can be performed by MERT or MERTY.<sup>[71] [72]</sup> However, currently these teams are only available from 8am to 5pm on Monday through Friday. As previously noted, efforts to expand their availability have been hampered by staffing shortages.<sup>[22] [23]</sup> Outside of those hours the hospitals must rely on their own resources to assess the patient. If the patient cannot be released for outpatient mental health follow-up, the arrangement for a 5150 or 5585 psychiatric inpatient stay becomes the responsibility of the hospital.<sup>[73] [74]</sup> This placement can take days and is generally outside of our county, since our PHF is often full.<sup>[75]</sup> According to the nonprofit Treatment Advocacy Center our current 16 bed PHF falls far short of the number of beds needed to serve this county's population. They estimated that 50 beds are needed per 100,000 population,<sup>[76]</sup> which means that for the county's population of about 270,000, there should be about 135 beds, vastly more than are actually available. Even considering the County's current efforts to treat patients in the least restrictive environment possible,<sup>[77]</sup> more beds are needed.

The occupied ED bed negatively impacts the hospital's ED, which is already very busy dealing with patients who do not have a mental health related emergency.<sup>[78]</sup> Patients brought into the ED by law enforcement require continuous supervision by an officer to protect against violence or possible escape until a mental health assessment. This practice not only ties up an ED bed but also pulls law enforcement away from other critical duties. Also, the patient's assessment, diagnosis, and treatment is delayed when they are diverted to an ED.

### **Issues with the Psychiatric Healthcare Facility**

The current PHF is a free standing facility and is therefore limited to 16 beds to be eligible for Medi-Cal and Medicare reimbursement for services.<sup>[65] [79]</sup> Also, since there has not been a separate unit for children or youths needing crisis support, up to four of the 12 CSP chairs at the PHF have been held for youths under 18.<sup>[80]</sup> However, patients under 18 who need inpatient psychiatric treatment must ultimately be placed in a facility outside of our county, since our current PHF is for adults only.

The County has acquired a building in Live Oak and plans to open a PHF specifically for children and youths, which will include 8 CSP chairs and 16 inpatient beds, by late 2024 or early 2025.<sup>[81] [82] [83] [84] [85]</sup> Unfortunately, starting on July 1, 2023, patients under 18 will no longer be accepted at the current PHF for CSP services.<sup>[86] [87]</sup> While this will free up four chairs in the current CSP, which are presently reserved for patients under 18 years of age, the BHD says that the total number of chairs at the adult CSP will remain 12. To minimize the potential 18 month gap in youth crisis care, the BHD is trying to open a temporary four chair CSP for children and youths by the fall of 2023.<sup>[88]</sup>

Due to ongoing issues at the PHF currently run by Telecare, the County sent out a request for proposal or RFP to see if there are other vendors who could run the current adult CSP/PHF programs. While about a dozen groups received information about the

RFP, as of the March 2023 Mental Health Advisory Board meeting, only one group had responded to the RFP. Some in the Health Service Agency feel that many groups did not submit a proposal due to the staffing challenges in this county.<sup>[41]</sup><sup>[89]</sup> To support crisis services, in February of this year the County increased payment to Telecare, because they have had to increase their wages to attract and retain clinical staff.<sup>[90]</sup> Since that time, the percentage of time that the CSP is on diversion to the hospital ED has been falling.<sup>[91]</sup> In the final quarter of 2022 the percentage of time on diversion for children was 86.7%, and for adults it was 44%. During February through April of 2023 this has dropped to 50.3% for children and 11.8% for adults.<sup>[91]</sup> Presumably, this means that the diversion rate is also falling. However, other factors could be involved in this trend, such as seasonal variation, which may affect the demand for crisis services.

### **The Impact of High Cost Beneficiaries**

The FY 2021-2022 Medi-Cal Specialty Behavioral Health External Quality Review revealed that Santa Cruz County has three times the number of mental health High Cost Beneficiaries (HCBs) than the state average for calendar years 2018 through 2020.<sup>[92]</sup> This review defined a HCB as a Medi-Cal patient who has approved treatment claims of \$30,000 or more in one year.<sup>[92]</sup> There are many possible reasons for this. High cost of care typically occurs when a beneficiary repeatedly requires intensive treatment. This may result from failure to provide timely appropriate care, especially step-down care, discussed later in this report.<sup>[92]</sup> Furthermore, HCBs occupy treatment slots and may cause a cascading effect on other beneficiaries, who in turn cannot receive sufficient care. This places them at risk of becoming a high utilizer themselves.<sup>[92]</sup>

External auditors found through their analysis of our Medi-Cal Specialty Mental Health plan billing and claims data that our county's Medi-Cal beneficiaries received more crisis stabilization and intervention services than the statewide average. The auditors postulated that this was in part due to the "robust" crisis stabilization and intervention services that the County of Santa Cruz provides compared to other counties.<sup>[93]</sup> However, it was also reported that the County pays for the transfer of a patient from our CSP to an out-of-county inpatient psychiatric facility and pays 100% of the cost for that care for a Medi-Cal beneficiary. Since the County does not receive the Federal match for any Medi-Cal out-of-county care, the shortage of in-patient psychiatric beds in this county financially hurts the County.<sup>[76]</sup><sup>[94]</sup> It is not clear if the high cost of crisis stabilization and intervention services is due to the "robust" services provided by the County, to the number of patients sent out of the county for treatment, or to other factors.

### **Watsonville Behavioral Health Center**

In spite of the severe staffing issues and the lack of crisis stabilization in the County noted above, and in addition to the planned Live Oak facility, there is some really good news. Encompass Community Services has just been awarded more than \$9 million in state funds that will support continued development of a new South County mental health facility, called the Sí Se Puede Behavioral Health Center. Encompass Community

Services is the county's largest community-based behavioral health and human services provider. It offers counseling, substance use recovery, and housing for mental health patients.<sup>[95]</sup>

Groundbreaking will commence in 2023 and the new facility will include seven new residential substance-use disorder treatment beds specifically for the 18-25 year old age group, and 30 residential treatment beds in total. There will also be 106 annual outpatient treatment slots available and the center will have capacity to serve an estimated 1,300 community members annually. Encompass has also partnered with nonprofit developer MidPen Housing to include a 72-unit affordable housing development on the forthcoming health campus.<sup>[96]</sup>

### **Continuing Care or “Step-Down”**

Behavioral Health's FY 2021-2022 Quality Management Plan<sup>[97]</sup> outlines significant capability to support patients leaving mental health care either as an outpatient or from an inpatient psychiatric facility. Their Assertive Community Treatment Team provides intensive, wrap-around case management services for patients who are returning to the community from locked psychiatric care. The goal is to support their psychiatric stabilization, successful transition back into the community, increase independent living skills and decrease the need for locked care.<sup>[98]</sup> BHD works with Encompass which runs the El Dorado Center (EDC), a community-based, short-term treatment program for individuals who may be stepping down from locked care.

An intensive, structured residential program, EDC is an unlocked, home-like environment facilitating the healing process in preparation for transitioning back to community living. Staff provide individual and group counseling, crisis intervention, structured activities, community outings, and assistance with independent living skills and connecting to the community.<sup>[99]</sup> Encompass's funding from the County was recently increased by \$1.7 million to a total of \$9.4 million.<sup>[100]</sup> (This is separate from the funding for the new Watsonville facility described above, and is in addition to Behavioral Health funding.) As well as the El Dorado Center, Encompass runs programs for anyone diagnosed with mental illness, including treatment, counseling, emergency shelter, case management, outreach and education, permanent supportive housing, and transitional housing.<sup>[95]</sup>

In spite of the description in the Quality Management Plan and the collaboration with Encompass, some of the interviewees noted the lack of step-down facilities, and the consequent need for BHD to repeat treatment because the patient relapses.<sup>[101][102][103]</sup> Behavioral Health's Draft Three Year Plan notes that for people with serious mental illness, a lack of enough beds in higher-level care facilities can lead to a “revolving door of insecurity, including jail and street life.”<sup>[3]</sup> The chronic and severe shortage of in-patient psychiatric capacity has been described above.<sup>[76]</sup> Some patients are sent to other California counties, which, as noted previously, is expensive.<sup>[102]</sup> Others are released from in-patient psychiatric care with no follow-up care.<sup>[101][104]</sup>

## ***Mental Health and Homelessness***

BHD's clients come from low income people, and about 37% of them are homeless.<sup>[105]</sup> Santa Cruz has a high rate of homeless individuals, at about 0.8% of the population.<sup>[4] [106] [107]</sup> There were 2,167 people unhoused in Santa Cruz County in 2019 and 2,299 people unhoused in 2022.<sup>[5] [108]</sup> Nationally, 26% of homeless people self-identify as severely mentally ill.<sup>[109]</sup> Locally, 67% are experiencing chronic substance abuse.<sup>[110]</sup> Just being homeless is associated with declines in mental and physical health. Homeless persons experience high rates of HIV infection, tuberculosis, and other conditions as well as the mental illness and SUD that contributed to their homelessness. A homeless person may enter mental health treatment, but have nowhere to live upon completion if an inpatient, or during treatment if an outpatient.

Being homeless is a full time job; just getting food, shelter, bathroom access, medical and dental care, and access to whatever limited services local government or non-profit organizations provide is all consuming.<sup>[104] [111] [112] [113] [114] [115]</sup> A person needs secure housing before they can be expected to take an active role in dealing with their mental health. There is a huge need for permanent supportive housing. In their Draft Three Year Plan, BHD reports that "some of those with the least financial resources are those who need services the most."<sup>[116]</sup> They identify "unhoused populations" among their service gaps.<sup>[117]</sup>

## ***Continuing Care for Inmates Being Released from Jail***

Some 43% of BHD substance use patients are involved with the criminal justice system.<sup>[105]</sup> About 40% of jail inmates have been diagnosed with mental illness.<sup>[118] [118]</sup> The jail provides some discharge care for released inmates<sup>[119]</sup> and may coordinate with BHD if the inmate was formerly a patient of theirs.<sup>[120]</sup> The 6 - 7 month wait for a bed in the state mental health system means an inmate needing in-patient care is out of luck.<sup>[121]</sup> The Public Defender's Office runs some programs to help inmates get the services they need. They also coordinate with BHD, but the effort is severely underfunded.<sup>[122] [123]</sup> In their Draft Three Year Plan, BHD identifies "Incarcerated or formerly incarcerated people with mental health needs" among their service gaps.<sup>[117]</sup> They further state that there is a lack of coordination with other county systems, such as law enforcement or the jail, and a lack of warm handoff to outpatient providers and ensuring a sufficient amount of medication until a pharmacy is open. This is in spite of the "mental health liaison program to local law enforcement" and "Jail mental health program" they claim on their website. (A warm handoff means that jail staff introduces the inmate to the outpatient provider rather than just providing a referral.<sup>[3]</sup>) A lack of warm handoff to therapists, outpatient providers, and ensuring sufficient medications can pose challenges to clients' continuity of care.

This year's Civil Grand Jury is also investigating Santa Cruz County's jails.<sup>[124]</sup> The report describes the high recidivism rate - around 60% - for individuals released from jail. Released inmates with mental illness or SUD have much higher recidivism rates than those without these diagnoses. Many released inmates get in trouble with the law again and go right back into the criminal justice system because that is the only easy

option for them. Anti recidivism programs do work, but are underfunded and inadequate. The Jail report goes on to recommend increased funding for anti recidivism programs, including increasing funding for Behavioral Health to support released inmates.

### **Latino/a Utilization of Mental Health Services**

Populations of lower socioeconomic status have been found to have a higher incidence of mental health disorders.<sup>[125] [126]</sup> Latinos/as in South County Santa Cruz have experienced mental health problems due to lower incomes, housing uncertainty, documentation status, language barriers, and cultural differences.<sup>[127]</sup> Nevertheless, according to Medi-Cal data, the percentage of Latinos/as in Santa Cruz County seeking mental health services is less than any other ethnic group<sup>[128]</sup> and lower than the state average for this ethnic population.<sup>[129] [130]</sup> There are probably multiple factors involved, but historically, investment in South County has been less than in North County. South County previously used a converted building with no private space for treatment. However, an outpatient building for mental health services in Watsonville was opened in 2018.<sup>[131]</sup> The new Sí Se Puede Behavioral Health Center in Watsonville, described earlier in this report, will make the distribution of mental health facilities across the County more equitable.

Outreach to the Latino/a community has historically been less successful than to other populations.<sup>[132] [133]</sup> While outreach efforts have improved for South County in the recent past, there is still more that could be done. The limited availability of bilingual and bicultural services is the main issue.<sup>[134] [135] [136] [137]</sup> Cultural competency, as well as language, is important in encouraging people to seek and undergo needed mental health treatment.

Currently, the County provides an increase in pay of \$1.00 per hour for Level One bilingual services and \$1.35 per hour for Level Two bilingual services.<sup>[138]</sup> Level One is the ability to converse in the second language and to translate English into the second language. Level Two is the ability to converse in the second language, to read the second language, to translate the second language orally into English, and to write in the second language.<sup>[139]</sup> At the present time this bilingual pay differential is only available for Spanish.<sup>[140]</sup> Unfortunately, in spite of this pay incentive, the County has a shortage of practitioners who are bilingual Spanish speakers. To complicate matters, some of the farmworkers are indigenous immigrants from southern Mexico. A number of them speak an indigenous language, Mixteco, which is different from Spanish. The Grand Jury understands that covering all languages is impossible but more qualified interpreters are needed. In North County homelessness plays a big role in the services needed, while in South county the focus is more likely to be on youths and families.<sup>[141] [142]</sup> Understanding the family unit is important in providing mental health services, especially in South county. This emphasizes the importance of bicultural awareness beyond bilingual services.



## Conclusion

The longstanding and serious staffing shortage at the Behavioral Health Division is a contributing factor to all the issues discussed in this report, such as lack of step-down capability, services for marginalized groups including homeless persons, those involved with the criminal justice system and racial minorities. Until the staffing level is significantly improved, expecting improved service in any of these areas is unreasonable. The Grand Jury typically recommends an increase in funding when an agency has more responsibilities than budget, even while understanding that if there were funding available to increase the budget, this would already have been done. In this case, however, not only are County residents not getting adequate mental health services, the cost to the County is also higher because patients sometimes need to repeat treatment.

## Findings

### ***Findings about the Staffing Shortage***

- F1.** The chronic understaffing in the Behavioral Health Division (BHD) and their contractors is negatively impacting the department's ability to meet goals and to provide services in a timely and effective manner.
- F2.** The County Personnel Department has been slow to respond to the chronic understaffing in the Behavioral Health Division. It has not put measures into place to speed up the hiring process or to create competitive salaries and incentives for the non-medical personnel who staff the BHD positions. Nor have they created connections with nearby universities to groom a clinical workforce. This causes unnecessary delays in hiring mental health professionals.
- F3.** Both the Personnel Department and the Behavioral Health Division do not have enough analysts to allow an adequate review of their programs and systems, including analyzing the County's hiring process. This makes it difficult for them to improve services.

### ***Findings about the Crisis Stabilization Program***

- F4.** The Crisis Stabilization Program (CSP) has been diverting patients experiencing a mental health crisis to hospital emergency departments too frequently, delaying diagnosis, delaying treatment, and placing an extra burden on the emergency departments, which are already overcrowded. The emergency departments then become responsible for finding an inpatient facility for patients who cannot be safely discharged to outpatient care, which further stretches limited resources.
- F5.** The limited hours that the Mobile Emergency Response Team and Mobile Emergency Response Team for Youth operate interfere with a timely assessment of patients in a mental health crisis, negatively impacting patient care.

- F6.** An inadequate number of beds at the Psychiatric Healthcare Facility (PHF) results in the practice of sending patients out of county, which negatively impacts the patient's care, and is expensive for the Behavioral Health Division.
- F7.** The County plans to close the current Crisis Stabilization Program (CSP) to patients under 18 after June 30, 2023, and the new CSP/PHF in Live Oak will not be open until late 2024 or early 2025 compromising crisis care to minors for 18 months or more.

### ***Finding about High Cost Beneficiaries***

- F8.** The large number of high cost beneficiaries results in additional demands on an already overloaded behavioral health system.

### ***Finding about the new Watsonville facility***

- F9.** The new Sí Se Puede Behavioral Health Center in Watsonville is a big step in the right direction, and will provide significantly increased service capacity, but it is still not enough.

### ***Findings about Step-Down, Homelessness, and Jail Inmates***

- F10.** The lack of step-down care for patients completing both inpatient and outpatient treatment often results in patients relapsing and needing retreatment, which is bad for the patient and increases costs for the Behavioral Health Division.
- F11.** The high rate of homelessness and Substance Use Disorder in the County results in the Behavioral Health Division's clients that are especially demanding and difficult to treat.
- F12.** The Behavioral Health Division is insufficiently funded and staffed to provide adequate step-down care for their patients, many of whom are homeless, and/or recently released from jail, and thus have a need for support.

### ***Findings about services to Latino/as***

- F13.** Outreach to the Latino/a community is insufficient because of the lack of bilingual and bicultural staff contributing to disproportionate underutilization of mental health services within the Latino/a community.
- F14.** The current pay differential for bilingual staff is insufficient to attract and retain suitably qualified staff making adequate outreach to the Latino/a community difficult.

## Recommendations

### ***Recommendations about the Staffing Shortage***

- R1.** Competitive salaries and hiring incentives should be put in place for all vacant Behavioral Health Division (BHD) positions that don't already have them. The BHD should consider the salaries and hiring incentives offered by Santa Clara County as a guide - such as hiring bonuses, loan repayment, public service loan repayment, and workforce tuition. The Personnel Department must plan for increases in salary and incentives by the end of 2023 with the goal of including them in the next budget cycle. (F1, F2, F8)
- R2.** The County Personnel Department should plan to do an analysis of the hiring process for BHD positions and put measures into place to reduce the time it takes to hire by at least half. They should streamline the process and make use of up to date automated processes by the end of 2023. (F1, F2, F3)
- R3.** The County Personnel Department should institute an annual competitive analysis for all open BHD positions that includes consideration of the extraordinarily high cost of living in Santa Cruz, benefits and incentives. This should be completed by the end of 2023. (F2, F3)
- R4.** The County Personnel Department should develop connections and internships with nearby universities that have Psychology and Social Work programs to groom a clinical workforce. A plan for this should be completed by the end of 2023. (F1, F2)

### ***Recommendations about the Crisis Stabilization Program***

- R5.** To eliminate the frequent offloading of the Behavioral Health Division (BHD) clients to local hospital emergency departments, the Board of Supervisors and BHD should evaluate ways to increase the number of Crisis Stabilization Program chairs and psychiatric beds available, which may include planning for another adult Psychiatric Healthcare Facility. This evaluation and planning process should be completed by the end of 2023. (F5, F7)
- R6.** The Behavioral Health Division should improve the services provided by the Mobile Emergency Response Team and the Mobile Emergency Response Team for Youth by improving staffing and expanding coverage to 24/7. This should be completed by the end of 2023. (F6)
- R7.** The Behavioral Health Division should ensure that there is a smooth transition plan and back up plan for the treatment of children and youths from the current Crisis Stabilization Program to the planned new facility in Live Oak other than diverting them to emergency departments. This should be completed by September 30, 2023. (F8)



**Recommendation about Step-Down, Homelessness, and Jail Inmates**

- R8. The Behavioral Health Division should request sufficient funding from the County to provide adequate step-down care so patients do not relapse and need yet more care. This request should be in place by the end of 2023. (F8, F10 – F12)

**Recommendations about Latino/a Utilization of Mental Health Services**

- R9. The Behavioral Health Division should continue to improve bilingual/bicultural outreach to the Latino/a population, including whether any language besides Spanish reaches the threshold to warrant offering the bilingual pay differential. Improvements should be in place by the end of 2023. (F13, F14)
- R10. The Behavioral Health Division should review the recruitment and retention of bilingual staff, including an increase to the current bilingual pay differential, in an effort to improve bilingual services. This should be completed by the end of 2023. (F13, F14)

**Commendations**

- C1. The Grand Jury commends the Behavioral Health Division for development of a Psychiatric Healthcare Facility for children and youths which will provide much needed mental health services for this population.
- C2. The Grand Jury commends the Behavioral Health Division’s efforts to develop a wide range of crisis care services that are not routinely offered in similar sized counties, including Mobile Emergency Response Teams for adults and youth, a Crisis Services Program, and a Psychiatric Health Facility.

## Required Responses

<i>Respondent</i>	<i>Findings</i>	<i>Recommendations</i>	<i>Respond Within/ Respond By</i>
Board of Supervisors	F1 – F14	R1 – R10	90 Days September 11, 2023

## Invited Responses

<i>Respondent</i>	<i>Findings</i>	<i>Recommendations</i>	<i>Respond Within/ Respond By</i>
Carlos Palacios, County Administrative Officer	F1 – F14	R1 – R10	90 Days September 11, 2023
Mental Health Advisory Board	F1 – F14	R1 – R10	90 Days September 11, 2023
Tiffany Cantrell-Warren, Director, Behavioral Health Division	F1 – F14	R1 – R10	90 Days September 11, 2023
Monica Morales, Director, Health Services Agency	F1 – F14	R1 – R10	90 Days September 11, 2023
Ajita Patel, Santa Cruz County Director of Personnel	F1 – F3	R1 – R4	90 Days September 11, 2023

## Definitions

- **5150:** A 72 hour involuntary psychiatric hospitalization for adults.
- **5585:** A 72 hour involuntary psychiatric hospitalization for minors.
- **BoS:** Board of Supervisors
- **BHD:** Behavioral Health Division
- **CSP:** Crisis Stabilization Program
- **ED:** Emergency Department
- **HCB:** High Cost Beneficiary
- **HSA:** Health Services Agency
- **MERT:** Mobile Emergency Response Team
- **MERTY:** Mobile Emergency Response Team for Youths
- **MHPEQR:** Mental Health Plan External Quality Review
- **PHF:** Psychiatric Healthcare Facility
- **RFP:** Request for Proposal
- **SCC:** Santa Cruz County
- **Step-Down:** The transition from locked to unlocked psychiatric care.
- **SUD:** Substance Use Disorder

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### **Websites**

Butte County <http://www.buttecounty.net/Department%20Contacts.aspx>  
San Luis Obispo County <http://www.slocounty.ca.gov/site4.aspx>

### **Site Visits**

Mental Health Advisory Board Meetings



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## Response to 2022-2023 Report "Diagnosing the Crisis in Behavioral Health"

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Caitlin Smith <Caitlin.Smith@santacruzcountyca.gov>

Wed, Sep 20, 2023 at 9:23 AM

Good Morning,

Please see attached for responses to the 2022-2023 Grand Jury Report titled "Diagnosing the Crisis in Behavioral Health" from the Santa Cruz County Board of Supervisors which was approved at the Board of Supervisors meeting on September 12, 2023.

Best,

Caitlin C. Smith

County Supervisors' Analyst

Santa Cruz County Board of Supervisors

701 Ocean Street, Room 500

Santa Cruz, CA 95060

831-454-2200 main

831-454-3516 direct

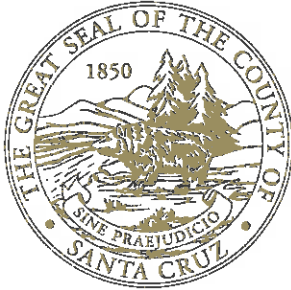
[caitlin.smith@santacruzcountyca.gov](mailto:caitlin.smith@santacruzcountyca.gov)

To email all five members of the Board of Supervisors at once,

please use: [boardofsupervisors@santacruzcountyca.gov](mailto:boardofsupervisors@santacruzcountyca.gov)



**Board of Supervisors Response to Grand Jury Report Diagnosing the Crisis in Behavioral Health.pdf**  
316K



# County of Santa Cruz

## BOARD OF SUPERVISORS

701 OCEAN STREET, SUITE 500, SANTA CRUZ, CA 95060-4069  
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FIFTH DISTRICT

September 18, 2023

The Honorable Syda Cogliati  
Santa Cruz Courthouse  
701 Ocean Street  
Santa Cruz, CA 95060

**RE: Response to the 2022-2023 Grand Jury Report "Diagnosing the Crisis in Behavioral Health"**

Dear Judge Cogliati:

The purpose of this letter is to formally transmit the responses of the Santa Cruz County Board of Supervisors to the 2022-2023 Grand Jury Report "Diagnosing the Crisis in Behavioral Health".

Sincerely,

ZACH FRIEND, Chair  
Board of Supervisors

ZF: cs  
Attachment

CC: Clerk of the Board  
Santa Cruz County Grand Jury



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

**Santa Cruz County Board of Supervisors**

to Respond by September 11, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

**Diagnosing the Crisis in Behavioral Health**  
**Underfunded, Understaffed & Overworked**

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. **Please confirm the date on which you approved the assigned responses:**

We approved these responses in a regular public meeting as shown  
in our minutes dated \_\_\_\_\_ September 12, 2023 \_\_\_\_\_.

4. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

**If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).**

## Findings

- F1.** The chronic understaffing in the Behavioral Health Division (BHD) and their contractors is negatively impacting the department's ability to meet goals and to provide services in a timely and effective manner.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The vacancy rate for administrative and clinical positions in the Behavioral Health Division (BHD) has an adverse impact on our ability to meet goals and provide services in a timely manner.

However, BHD made a number of hires in the past 18 months to fill vacancies. With 288 funded positions in FY 2022-23, BHD hired 45 new employees and made 62 promotions between January 2022 and June 2023. This data reflects positive efforts amidst numerous challenges that were either not included or not examined as part of the Grand Jury's report.

A longstanding shortage of mental health workers in the country, compliance with Civil Service Rules, standard employee churn, nature of the work, and specific recruitment challenges given Santa Cruz County's challenging cost of living and lack of available housing all impact the County's recruitment efforts. Furthermore, the global COVID-19 pandemic profoundly impacted labor markets in ways economists are still striving to understand, leading to unprecedented circumstances such as record quit rates across all job sectors.

As outlined below, the County had taken and continues to take numerous and specific efforts to increase the number of new hires while reducing recruitment times.

Regrettably, these efforts were either not examined or not included in the Grand Jury's report.



**F2.** The County Personnel Department has been slow to respond to the chronic understaffing in the Behavioral Health Division. It has not put measures into place to speed up the hiring process or to create competitive salaries and incentives for the non-medical personnel who staff the BHD positions. Nor have they created connections with nearby universities to groom a clinical workforce. This causes unnecessary delays in hiring mental health professionals.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

In fall 2021, the County Personnel Department and Health Services Agency (HSA) created the HSA Recruitment and Retention Committee. The purpose of the committee was to achieve measurable improvements in recruitment and retention of difficult-to recruit-classifications.

As a result, the County created three dedicated positions to support the various functions of HSA's recruitment and hiring process, resulting in strengthened partnerships with the Health Improvement Partnership and local colleges and universities (Cabrillo College, UCSC, CSUMB) and internal process changes intended to expand recruitment efforts, accelerate time-to-hire durations and reduce vacancies. These tools included: management training; procedural improvements around application review, examinations, interviews and reference checks; conducting continuous recruitments and modifying Civil Service Codes to eliminate undue delays, which were approved by the Board of Supervisors on June 27, 2023.

There is a national shortage of health care workers including behavioral health workers. This problem preceded but was exacerbated by the COVID-19 pandemic. A 2018 paper by the Healthforce Center at the University of California, San Francisco found that the gap between supply and demand for behavioral health workers was wide was predicted to grow larger.<sup>1</sup>

<sup>1</sup> <https://healthforce.ucsf.edu/sites/healthforce.ucsf.edu/files/publication-pdf/California%E2%80%99s%20Current%20and%20Future%20Behavioral%20Health%20Workforce.pdf>

The pandemic only exacerbated these issues. The 2022 “State of the Workforce Report”<sup>22</sup> by the Santa Cruz County Workforce Development Board found health care in general to be a rapidly growing field, accounting for 28 percent of all County job growth between 2010-2019. But the growing demand for workers was significantly undermined during the pandemic when, the report found, 30 percent of all health care workers either quit or were laid off during the pandemic. While focusing on private sector providers, the report documented high turnover and early retirements, and forecasted industrywide difficulties in replacing these workers. There is no reason to believe BHD is immune from these national, State and local forces, and the Workforce Development Board’s findings are in line with the Grand Jury’s findings.

The County operates under a Limited Civil Service System. While this system does not give us the same flexibility enjoyed by the private sector when it comes to hiring practices, it does serve important public policy goals – ensuring fair, equitable and uniform procedures to hire the best-qualified individuals. These requirements include public advertisement of job openings, identification of minimum qualifications, competitive examinations and candidate rankings, all of which expand time-to-hire and may create higher baseline vacancy rates.

Furthermore, during 2021 Service Employees International Union (SEIU) negotiations, a committee consisting of representatives from the County Personnel Department, BHD and SEIU was created to expand the Mental Health Client Specialist series, improve compensation for specific skillsets, and create a career ladder to improve the County’s ability to recruit and retain candidates. Additionally, all BHD classifications received a 6% pay increase in 2022 along with improved benefits.

Taken together, the Board of Supervisors believes these efforts demonstrate the County’s recognition of the importance of these issues to the community. Prior to the commencement of the Grand Jury’s investigation, our response was significant and focused on addressing issues later identified in the Grand Jury’s report.

<sup>22</sup> <https://workforcescc.com/wp-content/uploads/2022/05/Santa-Cruz-County-SoW-Final-2022.pdf>

- F3.** Both the Personnel Department and the Behavioral Health Division do not have enough analysts to allow an adequate review of their programs and systems, including analyzing the County's hiring process. This makes it difficult for them to improve services.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

As noted above, the County added staff to assist with HSA recruitment. This team made a number of improvements to recruitment and hiring processes.

While we do not accept that the County has not sufficiently budgeted enough staff to provide "adequate" reviews of departmental program and systems, we recognize that the recruitment challenges outlined above can impact a department's abilities to conduct these analyses. However, County services including services offered by BHD are constantly being reviewed and assessed, and changes through continuous process improvement are common. In recent years, for example, BHD has expanded available substance use disorder beds in the County, secured funding for a Children's Crisis Stabilization Center, established mental health liaisons to work with local law enforcement, established Mobile Emergency Response Teams for adults and youth, is overseeing expanded jail mental health services, implemented Whole Person Care and is implementing further changes through California Advancing and Innovating Medi-Cal (CalAIM). These examples represent a segment of improvements made during the last few years.

- F4.** The Crisis Stabilization Program (CSP) has been diverting patients experiencing a mental health crisis to hospital emergency departments too frequently, delaying diagnosis, delaying treatment, and placing an extra burden on the emergency departments, which are already overcrowded. The emergency departments then become responsible for finding an inpatient facility for patients who cannot be safely discharged to outpatient care, which further stretches limited resources.

- AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

While staffed by a third-party vendor, the CSP has also experienced staffing challenges that adversely impacted staffing ratios. Furthermore, capacity in that program is limited, sometimes leaving local hospitals as the only treatment option for those experiencing a mental health crisis.

Since October 2022, steps have been taken to mitigate this issue. By June 30, 2023, diversion of adults decreased from 19% to 6%, and diversion of children decreased from 70% to 21%. As referenced above, BHD is developing a Children's Crisis Stabilization Center including an eight-bed all youth Crisis Stabilization Unit and 16-bed all youth crisis residential program.

On August 22, 2023, the Board of Supervisors approved new two-year agreements with Telecare to operate the CSP and Psychiatric Health Facility. The total value of these contracts is \$34.8 million.

- F5.** The limited hours that the Mobile Emergency Response Team and Mobile Emergency Response Team for Youth operate interfere with a timely assessment of patients in a mental health crisis, negatively impacting patient care.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Mobile Emergency Response Team (MERT) and the Mobile Emergency Response Team for Youth (MERTY) are part of the overall crisis continuum and were not designed to be the sole source for crisis response and transportation in Santa Cruz County. BHD provides a range of services and programs to the community and has numerous avenues for response, including Mental Health Liaisons, Walk-In Crisis services at both of our Emeline and Freedom campuses, and assessment access available 24 hours/day, seven-days-a-week at the CSP. BHD also operates a 24-hour Behavioral Health Services hotline.

To meet increased community needs, the County is currently developing a mobile crisis response based on the Crisis Now model to bring 24/7/365 mobile crisis response to the community. The Crisis Now model utilizes peers and mental health professionals, rather than law enforcement, as the first responders to most mental health crises. The County anticipates operating 24/7/365 mobile crisis response by July 1, 2025.

**F6.** An inadequate number of beds at the Psychiatric Healthcare Facility (PHF) results in the practice of sending patients out of county, which negatively impacts the patient's care, and is expensive for the Behavioral Health Division.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

While the PHF services and inpatient care out of county are expensive levels of care, it's possible that increasing services at lower levels of care, including residential and partial hospitalization, may reduce the need for additional PHF beds. As noted above, BHD is planning Crisis Now, a crisis continuum project funded by Mental Health Services Act (MHSA) Innovations. One of the goals is to understand how sufficient services at all levels of care might improve patient care and outcomes as well as reduce costs to the system.

- F7.** The County plans to close the current Crisis Stabilization Program (CSP) to patients under 18 after June 30, 2023, and the new CSP/PHF in Live Oak will not be open until late 2024 or early 2025 compromising crisis care to minors for 18 months or more.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The County's contractor requested, and the County agreed, to no longer admit patients under 18 to the CSP as of July 1, 2023. This was the result of months of negotiations. Considering the design of the physical building and the staffing ratios, admitting one youth into the CSP would remove the capacity of four chairs for adults, which diverted more adults to the emergency departments. Now that the CSP is no longer accepting patients under age 18, the admission of one adult to the CSP removes the capacity of only one chair and other chairs are available for adults up to a total of 12 chairs. Demand for CSP services is higher for the adult population than the youth population. This option, while not ideal, has the least negative impact to the crisis continuum. The County is working closely with a community provider and a local health system on an interim solution for youth CSP. The County has procured a building and is developing a youth only CSP with eight chairs and Crisis Residential with 16 beds to open by July 2025.

**F8.** The large number of high cost beneficiaries results in additional demands on an already overloaded behavioral health system.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

As noted in the report, external auditors found that our County's Med-Cal beneficiaries received more crisis stabilization and intervention services than the statewide average and postulated that it was due in part to more "robust" services than other counties. There is currently insufficient information to understand whether expanding our continuum of care at lower levels to divert beneficiaries from crisis and support them on a recovery path might reduce the need for higher cost services.



**F9.** The new Sí Se Puede Behavioral Health Center in Watsonville is a big step in the right direction, and will provide significantly increased service capacity, but it is still not enough.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The new Si Se Puede expansion will increase capacity. However, it will not completely close the gap.

**F10.** The lack of step-down care for patients completing both inpatient and outpatient treatment often results in patients relapsing and needing retreatment, which is bad for the patient and increases costs for the Behavioral Health Division.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The continuum of care has gaps that adversely impact sufficient step-down capacity and also treatment capacity to intervene and support care to prevent crisis.

**F11.** The high rate of homelessness and Substance Use Disorder in the County results in the Behavioral Health Division's clients that are especially demanding and difficult to treat.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

While the County lacks a strong and affordable recovery path for those who enter treatment, insufficient housing is the main barrier.

**F12.** The Behavioral Health Division is insufficiently funded and staffed to provide adequate step down care for their patients, many of whom are homeless, and/or recently released from jail, and thus have a need for support.

- AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

BHD's budget for FY 2023-24 exceeds \$134 million, a 65 percent increase compared to five years ago and more than any division in any department in the County. This commitment reflects the Board's emphasis on mental health in our community. We recognize that even at these funding levels, gaps in the continuum of care remain. Community mental health remains a priority of this Board, and we will continue to look for opportunities to expand services given the funding challenges faced by the County.

As every Grand Jury learns, the County faces structural challenges that make it difficult to compete and compare with other Bay Area counties. These include the County receiving only 13 cents from every property tax dollar, giving Board members difficult choices on how to divide scarce resources, particularly when the County must provide hometown services for half the County population living in unincorporated areas. Despite these challenges, the Board recognizes the importance of and need for adequate step-down care for patients.

**F13.** Outreach to the Latino/a community is insufficient because of the lack of bilingual and bicultural staff contributing to disproportionate underutilization of mental health services within the Latino/a community.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

BHD provides bilingual mental health services with bicultural staff in both Santa Cruz and Watsonville clinics for adults and children. BHD also contracts with numerous bilingual community-based providers to provide outreach and treatment services. BHD has done and will continue to do targeted recruitment toward potential candidates who are bilingual and bicultural to expand staffing and outreach to the Latino/a community.

**F14.** The current pay differential for bilingual staff is insufficient to attract and retain suitably qualified staff making adequate outreach to the Latino/a community difficult.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

There is insufficient data to make a correlation between differential pay and staff recruitment and retention. However, the County offers services in a broad range of languages, including Mixteco, though Spanish is our threshold language. BHD has done and will continue to do targeted recruitment toward potential candidates who are bilingual and bicultural to expand staffing and outreach to the Latino/a community.

## Recommendations

- R1.** Competitive salaries and hiring incentives should be put in place for all vacant Behavioral Health Division (BHD) positions that don't already have them. The BHD should consider the salaries and hiring incentives offered by Santa Clara County as a guide -- such as hiring bonuses, loan repayment, public service loan repayment, and workforce tuition. The Personnel Department must plan for increases in salary and incentives by the end of 2023 with the goal of including them in the next budget cycle. (F1, F2, F8)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

As noted above, the County increased pay for behavioral health workers, and programs such as Public Service Loan Forgiveness are open to all public employees.

Financial comparisons between Santa Cruz County and Santa Clara County – home of Silicon Valley, the greatest economic engine of the century – are unproductive and unrealistic. Santa Clara County has the second largest total property tax allocation and uses these higher tax dollars to serve the third smallest unincorporated population (4% of their entire county), resulting in California's highest per capital property tax allocation (over \$10,000 per unincorporated resident). Alternatively, Santa Cruz County has one of the lowest per capital property tax rates (under \$500) as its lower tax dollars are spread to directly serve 50% of the population that lives in the unincorporated area.

Furthermore, the connection between salary and local recruitment challenges has not been demonstrated. Between January 1, 2023 and June 30, 2023, of the 159 employees who left HSA, six stated their reason for leaving was salary.

Nonetheless, the County will continue to explore opportunities to improve our recruitment and retention efforts.

- R2.** The County Personnel Department should plan to do an analysis of the hiring process for BHD positions and put measures into place to reduce the time it takes to hire by at least half. They should streamline the process and make use of up to date automated processes by the end of 2023. (F1, F2, F3)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

As noted above, the County Personnel Department and HSA created a Recruitment and Retention Committee to evaluate the hiring process, resulting in numerous improvements. However, the County is limited by Civil Service Rules and external factors such as job market shortages. Time will tell whether these improvements can meet the benchmarks set forth by the Grand Jury.



**R3.** The County Personnel Department should institute an annual competitive analysis for all open BHD positions that includes consideration of the extraordinarily high cost of living in Santa Cruz, benefits and incentives. This should be completed by the end of 2023. (F2, F3)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The County analyzes employee classifications during the collective bargaining process with each bargaining unit.

- R4.** The County Personnel Department should develop connections and internships with nearby universities that have Psychology and Social Work programs to groom a clinical workforce. A plan for this should be completed by the end of 2023. (F1, F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The HSA Recruitment and Retention Committee continues to build connections with the local university and colleges such as UCSC, Cabrillo College, CSUMB, San Jose State, Heald College, etc. The County Personnel Department has attended more than a half dozen career fairs at local educational institutions in 2023 alone.

Another effort recently launched is through the County Strategic Recruitment Partner Program. This group has representatives from various County departments, including the Health Services Agency, which collaborate to identify and develop recruitment strategies to attract and retain a diverse County workforce. The role of the partners includes recruiting departmental representatives to attend events, generate interest in the work, and help build the talent pipeline. Events where County representatives maintain a presence include industry specific job fairs, networking opportunities, schools, and community events.

- R5.** To eliminate the frequent offloading of the Behavioral Health Division (BHD) clients to local hospital emergency departments, the Board of Supervisors and BHD should evaluate ways to increase the number of Crisis Stabilization Program chairs and psychiatric beds available, which may include planning for another adult Psychiatric Healthcare Facility. This evaluation and planning process should be completed by the end of 2023. (F5, F7)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

As part of BHD's three-year MHSA Innovation project, the County will be undergoing a full assessment of the crisis continuum, including capacity needs at the Crisis Stabilization Program. While this project is targeting a start in fall 2023, the assessment will likely not be complete until fall 2024.

**R6.** The Behavioral Health Division should improve the services provided by the Mobile Emergency Response Team and the Mobile Emergency Response Team for Youth by improving staffing and expanding coverage to 24/7. This should be completed by the end of 2023. (F6)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

As part of BHD's three-year MHSA Innovation project, the County will be implementing the Crisis Now model starting in fall 2023. The goal of this implementation is to expand mobile crisis services over the next two years – first to weekends, then evenings, and finally overnight. This phased approach will allow the County time to fully staff the team, which will be comprised of a mix of licensed clinicians, peers and behavior specialists, by July 2025.

- R7.** The Behavioral Health Division should ensure that there is a smooth transition plan and back up plan for the treatment of children and youths from the current Crisis Stabilization Program to the planned new facility in Live Oak other than diverting them to emergency departments. This should be completed by September 30, 2023. (F8)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

BHD has been working with community providers and a local health system for the past four months to develop an interim crisis receiving solution for youth. The options are complicated and require several layers of oversight and regulations, and we are working through these to determine the best and most expedient option. Research and planning for an interim crisis receiving solution for youth is a daily task in BHD leadership. BHD anticipates announcing a solution in July 2024 and will continue to provide monthly updates to the Crisis Continuum stakeholders, composed of hospital emergency departments, law enforcement agencies, and CSP providers.

**R8.** The Behavioral Health Division should request sufficient funding from the County to provide adequate step down care so patients do not relapse and need yet more care. This request should be in place by the end of 2023. (F8, F10 – F12)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

BHD is currently in the middle of implementing the new rates and services under CalAIM. In the next 12 months, the County will have a better understanding of the revenue generated to reinvest in much needed services. The Board will learn more about these efforts by fall 2024.

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- R9.** The Behavioral Health Division should continue to improve bilingual/bicultural outreach to the Latino/a population, including whether any language besides Spanish reaches the threshold to warrant offering the bilingual pay differential. Improvements should be in place by the end of 2023. (F13, F14)

- \_x\_ HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

BHD performs a population assessment per the California Department of Health Care Services Mental Health Plan (MHP) guidelines and analyzes the behavioral health needs of the County population inclusive of language and cultural supports. Based on that assessment, the County's threshold non-English language continues to be Spanish. The County serves other language needs through several interpretation services, including offering interpretation for indigenous languages like Mixteco.

Nonetheless, prevention and education activities continue to be needed that target the Latino/a community. The County will continue to explore grant opportunities that can help expand these services in our community.

- R10.** The Behavioral Health Division should review the recruitment and retention of bilingual staff, including an increase to the current bilingual pay differential, in an effort to improve bilingual services. This should be completed by the end of 2023. (F13, F14)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The 2021 SEIU negotiations neither raised nor resulted in any changes to the bilingual pay differential. The County will continue to review the recruitment and retention of bilingual staff and make improvements that are data driven.





SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## 2023. 6cl Non-compliant response received

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**Jane Batoon-Kurovski** <Jane.Batoon-Kurovski@santacruzcountyca.gov>  
To: "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>  
Cc: Xaloc Cabanes <xaloc@aol.com>

Fri, Nov 17, 2023 at 10:35 AM

Good morning Santa Cruz County Civil Grand Jury,

Attached please find the updated Mental Health Advisory Board packet responses. Please confirm you received this email.

Thank you,




**Jane Batoon-Kurovski** | Administrative Aide  
Administration | Behavioral Health Division  
Santa Cruz County Health Services Agency  
1400 Emeline Avenue, Santa Cruz, CA 95060

Email: [Jane.Batoon-Kurovski@santacruzcountyca.gov](mailto:Jane.Batoon-Kurovski@santacruzcountyca.gov)  
Phone: (831) 454-4611 | Fax: (831) 454-4663  
Web: [www.santacruzhealth.org](http://www.santacruzhealth.org)



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 2023-6cl\_BHD\_MHAB\_Packet responses FINAL2.pdf  
307K



The 2022–2023 Santa Cruz County Civil Grand Jury  
Invites the

## Mental Health Advisory Board

to Respond by September 11, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

## Diagnosing the Crisis in Behavioral Health Underfunded, Understaffed & Overworked

Responses are **invited** from appointed agency and department heads, appointed committees, and non-profit agencies contracted to the county which are investigated by the grand jury. You are not required to respond by the California Penal Code [\(PC\) §933\(c\)](#); if you do, [PC §933\(c\)](#) requires you to make your response available to the public.

If you choose to respond, your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in the report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. ***For the Findings, mark one of the following responses with an “X” and provide the required additional information:***
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
2. ***For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:***
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. ***Please confirm the date on which you approved the assigned responses:***

We approved these responses in a regular public meeting as shown in our minutes dated August 1, 2023.

4. ***When your responses are complete, please email your completed Response Packet as a PDF file attachment to both***

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

***If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).***

## Findings

- F1.** The chronic understaffing in the Behavioral Health Division (BHD) and their contractors is negatively impacting the department's ability to meet goals and to provide services in a timely and effective manner.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

We recommend that they find more roles and move quicker on hiring peer support, which will go a long way to address the chronic understaffing, help with retention and save money in the process.

- F2.** The County Personnel Department has been slow to respond to the chronic understaffing in the Behavioral Health Division. It has not put measures into place to speed up the hiring process or to create competitive salaries and incentives for the non-medical personnel who staff the BHD positions. Nor have they created connections with nearby universities to groom a clinical workforce. This causes unnecessary delays in hiring mental health professionals.

**AGREE****PARTIALLY DISAGREE****DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The hiring process is slow, complicated, and opaque. The Mental Health division is given a budget to work with and is constrained in their ability in what they are able to offer. In addition, the Behavioral Health division has worked and is working with local non-profits, colleges, and universities.

- F3.** Both the Personnel Department and the Behavioral Health Division do not have enough analysts to allow an adequate review of their programs and systems, including analyzing the County's hiring process. This makes it difficult for them to improve services.

**AGREE****PARTIALLY DISAGREE****DISAGREE**

**Response explanation** (required for a response other than **Agree**):

- F4.** The Crisis Stabilization Program (CSP) has been diverting patients experiencing a mental health crisis to hospital emergency departments too frequently, delaying diagnosis, delaying treatment, and placing an extra burden on the emergency departments, which are already overcrowded. The emergency departments then become responsible for finding an inpatient facility for patients who cannot be safely discharged to outpatient care, which further stretches limited resources.

**AGREE****PARTIALLY DISAGREE****DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The absence of crisis stabilization program being provided by Dominican Hospital, Watsonville Hospital or any CBO in the county, places additional burden on Behavioral Health division to provide these services. We recommend that at minimum, each hospital create a 23-hour crisis stabilization center on their campus, similar to what Dominican Hospital provided until 2013. Telecare was the only provider that offered a contract.

- F5.** The limited hours that the Mobile Emergency Response Team and Mobile Emergency Response Team for Youth operate interfere with a timely assessment of patients in a mental health crisis, negatively impacting patient care.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):



**F6.** An inadequate number of beds at the Psychiatric Healthcare Facility (PHF) results in the practice of sending patients out of county, which negatively impacts the patient's care, and is expensive for the Behavioral Health Division.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

- F7.** The County plans to close the current Crisis Stabilization Program (CSP) to patients under 18 after June 30, 2023, and the new CSP/PHF in Live Oak will not be open until late 2024 or early 2025 compromising crisis care to minors for 18 months or more.

- AGREE**  
 **PARTIALLY DISAGREE**  
  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The provider Telecare notified the Behavioral Health division that it would no longer accept patients under 18. This was not a plan by the Behavioral Health division.

**F8.** The large number of high cost beneficiaries results in additional demands on an already overloaded behavioral health system.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Mental Health is expensive, underfunded and a chronic illness requiring multiple episodes of treatment.

- F9.** The new Sí Se Puede Behavioral Health Center in Watsonville is a big step in the right direction, and will provide significantly increased service capacity, but it is still not enough.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The model should be assessed to see if it can be replicated in other areas in the County.

**F10.** The lack of step-down care for patients completing both inpatient and outpatient treatment often results in patients relapsing and needing retreatment, which is bad for the patient and increases costs for the Behavioral Health Division.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F11.** The high rate of homelessness and Substance Use Disorder in the County results in the Behavioral Health Division's clients that are especially demanding and difficult to treat.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

We find the terminology dehumanizing and the lack of affordable housing is not addressed.

**F12.** The Behavioral Health Division is insufficiently funded and staffed to provide adequate step down care for their patients, many of whom are homeless, and/or recently released from jail, and thus have a need for support.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The absence of participation by Central California Alliance for Health and from the private sector to provide prevention and early intervention and behavioral health services as a whole is a significant contributor to the lack of support.

**F13.** Outreach to the Latino/a community is insufficient because of the lack of bilingual and bicultural staff contributing to disproportionate underutilization of mental health services within the Latino/a community.

- AGREE  
 PARTIALLY DISAGREE  
 DISAGREE

**Response explanation** (required for a response other than **Agree**):

This does not account for the stigma that mental health has in the Latina/Latino/LatinX community, nor does it mention the new mental health facility at 1430 Freedom Blvd in Watsonville, and that hiring states preferred bilingual.



**F14.** The current pay differential for bilingual staff is insufficient to attract and retain suitably qualified staff making adequate outreach to the Latino/a community difficult.

- AGREE
- PARTIALLY DISAGREE
- DISAGREE

**Response explanation** (required for a response other than **Agree**):

The pay differential is comparable to other surrounding counties; however, we believe it should be increased. This does not account for the huge hiring challenges across the county nor how the cost of housing impacts recruitment of bilingual staff.

## Recommendations

- R1.** Competitive salaries and hiring incentives should be put in place for all vacant Behavioral Health Division (BHD) positions that don't already have them. The BHD should consider the salaries and hiring incentives offered by Santa Clara County as a guide - such as hiring bonuses, loan repayment, public service loan repayment, and workforce tuition. The Personnel Department must plan for increases in salary and incentives by the end of 2023 with the goal of including them in the next budget cycle. (F1, F2, F8)

**HAS BEEN IMPLEMENTED** – summarize what has been done

**HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe

**REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)

**WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

Personnel Department does not make the budget for the salary or incentives. Monterey County should also be included as a guide and the year-end unexpended funds should be earmarked for bonuses for existing employees.

**R2.** The County Personnel Department should plan to do an analysis of the hiring process for BHD positions and put measures into place to reduce the time it takes to hire by at least half. They should streamline the process and make use of up to date automated processes by the end of 2023. (F1, F2, F3)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The hiring process should be thoroughly reviewed, and best hiring practices should be implemented.

- R3.** The County Personnel Department should institute an annual competitive analysis for all open BHD positions that includes consideration of the extraordinarily high cost of living in Santa Cruz, benefits and incentives. This should be completed by the end of 2023. (F2, F3)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

These and other strategies are being looked at, to be completed by the end of the fiscal year, June 2024.

- R4.** The County Personnel Department should develop connections and internships with nearby universities that have Psychology and Social Work programs to groom a clinical workforce. A plan for this should be completed by the end of 2023. (F1, F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

This is currently implemented and will continue to be built upon. We encourage connections with interns, as well as professors, academic advisors and include outreach to high school psychology classes.

- R5.** To eliminate the frequent offloading of the Behavioral Health Division (BHD) clients to local hospital emergency departments, the Board of Supervisors and BHD should evaluate ways to increase the number of Crisis Stabilization Program chairs and psychiatric beds available, which may include planning for another adult Psychiatric Healthcare Facility. This evaluation and planning process should be completed by the end of 2023. (F5, F7)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The absence of crisis stabilization program being provided by Dominican Hospital, Watsonville Hospital or any CBO in the county, places additional burden on Behavioral Health division to provide these services. We recommend that at minimum, each hospital create a 23-hour crisis stabilization center on their campus, similar to what Dominican Hospital provided until 2013. ER's are not designed and should not be used as CSP. Hospitals and CBO's need to step up to the plate and provide services for the community, reducing the burden on the Behavioral Health division.

- R6.** The Behavioral Health Division should improve the services provided by the Mobile Emergency Response Team and the Mobile Emergency Response Team for Youth by improving staffing and expanding coverage to 24/7. This should be completed by the end of 2023. (F6)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Funding for MERT/MERTY requires different deliverables. Funding is needed to expand services to 24/7. Please specify the improvements of staff. We recommend increasing staff and integrating peer support and coordinating with school wellness centers and youth programs, to be completed by the end of the fiscal year, June 2024.

- R7.** The Behavioral Health Division should ensure that there is a smooth transition plan and back up plan for the treatment of children and youths from the current Crisis Stabilization Program to the planned new facility in Live Oak other than diverting them to emergency departments. This should be completed by September 30, 2023. (F8)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

A site has been located; funds and staff will be needed. This will be accomplished as the latter two are secured. Recommend that the Mental Health Advisory Board be included on the oversight committee of the interim facility.



- R8.** The Behavioral Health Division should request sufficient funding from the County to provide adequate step down care so patients do not relapse and need yet more care. This request should be in place by the end of 2023. (F8, F10 – F12)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Behavioral Health division continuously advocates for more funding from Federal, State and private sector for multiple programs that are under or not funded including step down care.

- R9.** The Behavioral Health Division should continue to improve bilingual/bicultural outreach to the Latino/a population, including whether any language besides Spanish reaches the threshold to warrant offering the bilingual pay differential. Improvements should be in place by the end of 2023. (F13, F14)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

We continue to encourage the county to not only offer bilingual pay differential and bilingual bicultural pay differential, but there should also be an increase.

**R10.** The Behavioral Health Division should review the recruitment and retention of bilingual staff, including an increase to the current bilingual pay differential, in an effort to improve bilingual services. This should be completed by the end of 2023. (F13, F14)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Behavioral Health division and Personnel continue to advocate for more funding for best candidates for county positions.

**ADDITIONAL INFORMATION:**

**This Grand Jury report does not take into consideration the ongoing dedication without compensation of behavioral health staff and providers. They were not allowed as first responders.**



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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### 2023.6ei Invited response to Grand Jury report was due on Sept. 11, 2023

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**Monica Morales** <Monica.Morales@santacruzcountyca.gov>

Wed, Oct 4, 2023 at 5:22 PM

To: "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>

Cc: Courtney Odell <Courtney.Odell@santacruzcountyca.gov>, Mary Chavez <Mary.Chavez@santacruzcountyca.gov>, Maite Arce <Maite.Arce@santacruzcountyca.gov>, Caitlin Smith <Caitlin.Smith@santacruzcountyca.gov>, Tiffany Cantrell-Warren <Tiffany.Cantrell-Warren@santacruzcountyca.gov>

Hello Kimberly,

The response from the Board of Supervisors on the Grand Jury's report: Diagnosing the Crisis in Behavioral Health, serves as the official response from the Health Services Agency.

Thank you,

Monica Morales

Health Services Agency Director



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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Thank you,

Monica Morales

Health Services Agency Director



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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### 2023.6fi invited response to Grand Jury report was due on Sept 11, 2023

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Ajita Patel <Ajita.Patel@santacruzcountyca.gov>  
To: "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>

Wed, Oct 4, 2023 at 2:25 PM

Thank you so much for the opportunity. Any responses I had were included in the Countywide report.

Ajita Patel

Personnel Director

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**SANTA CRUZ COUNTY**  
Civil Grand Jury

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## Surveillance State in Santa Cruz County

### Who surveils those who surveil us?

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#### Summary

In a world where people are subjected to ongoing and widespread use of surveillance by public and private actors, there is a need for increased transparency in law enforcement surveillance. The Grand Jury recommends increasing the Sheriff's Office public accountability for any acquisition and use of surveillance technologies.

In reporting on this investigation, the Grand Jury attempts to recognize the appropriate balance between the required secrecy of law enforcement investigations and public transparency. Increasing safeguards for all residents, especially the most vulnerable, is a form of democracy in action. Just becoming aware of the potential dangers of over-surveillance empowers the public. The simple act of publishing information on drone deployments or disclosing use of Amazon Ring cameras helps to allay public fears of over-surveillance.

Just as it is critical to know how and when surveillance tools will be used, it is equally important to understand the limits of surveillance, and hold authorities accountable to those limitations. The Grand Jury recommends the Sheriff's Office:

- Publish information on retention, and specify disposal or deletion dates for the increasing volume of non-evidentiary data, such as public event drone recordings.
- Consider using the state mandated Military Equipment Inventory as a template for providing the public with information on surveillance equipment proposed or acquired through Federal Homeland Security Urban Area Security Initiative grants, as well as future surveillance tools budgeted through County funding.

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## Background

In 2021, the Santa Cruz County Criminal Justice Council (CJC) issued a first of a kind Santa Cruz County regional public safety agency policy review. This review provided a transparent look at policies and offered a starting point for evaluation by local law enforcement, elected leaders and the communities they serve. All local agencies participated voluntarily, openly, and transparently. The CJC report indicated the jurisdictions included in the review had dissimilar or incomplete policies specific to the acquisition and use of technology for the purposes of law enforcement surveillance. In compiling their report, the Criminal Justice Council sent surveys to Police Chiefs of Santa Cruz, Scotts Valley, Capitola, Watsonville, and to the Santa Cruz County Sheriff.<sup>[1]</sup>

Prompted by the CJC report and the development of Privacy and Surveillance ordinances in several Counties and Cities in California,<sup>[2][3][4]</sup> the Grand Jury wanted to understand how law enforcement uses surveillance technologies and how the public might instill more transparency on the use of these technologies, while keeping in mind the investigative needs of law enforcement.

This Grand Jury suggests the need for public oversight of surveillance technologies is clearly demonstrated in findings from a 2019 State of California audit of local law enforcement agencies' use of automated license plate readers (ALPR). The audit found the Los Angeles Police Department (LAPD) and three other California law enforcement agencies were not providing sufficient privacy protections for the hundreds of millions of images collected by automated license plate readers and shared with other jurisdictions.

The audit found that 99.9 percent of the 320 million images the LAPD stored came from vehicles that were not on a criminal investigation list when the ALPR image was made. At the time of the audit, none of the agencies had an ALPR usage and privacy policy that implemented all the legally mandated—since 2016—requirements. This example of just one surveillance technology illustrates shortcomings in data security, vendor oversight, data sharing, and data retention.<sup>[5]</sup>

*In a democratic society, there is a necessary and healthy tension between transparency (the public's right to know about activities of their government) and the need for secrecy in national security and law enforcement contexts. Every democratic society has provisions for such secrecy, and this secrecy does not at all imply unethical collection or use of data. There simply needs to be a recognition of the appropriate balance between secrecy and transparency policies that ensure ethical conduct, and rigorous, independent oversight.*<sup>[6]</sup>

## Scope and Methodology

The Grand Jury chose to focus on the Santa Cruz County Sheriff's Office as the subject of this investigation because of the agency's broad reach throughout the county, and a somewhat complex supervisory structure. The Grand Jury limits the scope because, while surveillance technologies are used by law enforcement throughout the county, the Santa Cruz County Board of Supervisors is limited in its supervisory capacity over the Sheriff's

Office. California Government Code Section 25303 prevents the Board of Supervisors from impeding the “investigative function of the sheriff.” Instead, the California Attorney General has direct supervision over sheriffs when they enforce state law.<sup>[7]</sup>

The Grand Jury’s focus on the Santa Cruz County Sheriff’s Office does not imply less need for transparency or public oversight in our cities. Rather, the Grand Jury encourages the city councils and the public to evaluate surveillance technology in use by city police, in light of the findings. In undertaking this investigation, the Grand Jury attempts to recognize the appropriate balance between secrecy and transparency as it endeavors to ensure ethical conduct through independent oversight.

### **The investigation included:**

- Interviewing privacy board members in other California jurisdictions
- Attending privacy board meetings in other jurisdictions
- Interviewing Santa Cruz County staff and elected officials
- Santa Cruz County site visits
- Reviewing reports, audits, contracts, and plans related to surveillance technologies
- Researching proposed and enacted California city, county, and state ordinances/legislation
- Seeking out best practices in privacy and surveillance technology management
- Evaluating options for improving transparency
- Examining the risks associated with too much available information

### **Investigation**

Setting certain expectations in writing with regard to surveillance technology usage and privacy controls helps to ensure the Sheriff’s Office operates in a manner that protects individuals’ privacy. The Grand Jury requested written documentation on the following:

1. Amazon Ring: Neighbors Public Safety Service (NPSS)
2. Automated License Plate Readers (ALPR)
3. Body Worn Cameras and Portable Audio Video Recorders
4. Mobile Device Forensic Tools (MDFT)
5. Drones, Robots and In-car Dash Recordings
6. Security Alarm/Neighborhood Video Partnership
7. Inmate Tablet Devices and Inmate Telephone Access

### **Amazon Ring: Neighbors Public Safety Service**

Amazon Ring law enforcement partnerships are growing and include the Santa Cruz County Sheriff’s Office. In a July 1, 2022 written response to a request for information from Senator Edward J. Markey (D-Mass.), Amazon Ring reported a more than five-fold increase in law enforcement partnerships on its platform since November 2019. Ring reported 2,161 law enforcement agencies on its NPSS, a platform on which participating agencies can request footage from Ring users.<sup>[8]</sup> According to Amazon Ring:

- The consumer facing application is called Neighbors App. This application does not share the addresses at which devices are located unless a subscriber posts it to the Neighbors App or they share a video recording in response to a Request for Assistance post from the Sheriff's Office. Once shared, the street address (the address associated with the Ring device), and the email address associated with the account are shared with the public safety user who created the Request for Assistance post.<sup>[9]</sup>
- Of note in the response to Senator Markey's request for information, Amazon Ring:
  - Failed to clarify the distance from which Ring products can capture audio recordings.
  - Refused to commit to eliminate Ring doorbells' default setting of automatically recording audio.
  - Provided videos to law enforcement in response to an emergency request, through a process that does not require the consent of the device owner.<sup>[8]</sup>

The Santa Cruz County Sheriff's Office became one of the partnering agencies in 2020. In January 2023 correspondence to the Santa Cruz Civil Grand Jury, the Santa Cruz County Sheriff's Office reports the **Ring Neighbors Portal has been used less than 10 times since 2020 to assist with the investigation of significant crimes.**

The Sheriff's Office indicates evidentiary videos recovered through the Neighbors Ring Portal are booked to the Digital Evidence server and retained pursuant to Digital Evidence Policy 801. No information was provided on the disposal of non-evidentiary recordings. Additionally, the Sheriff's Office identifies the Neighbors Portal as a social platform and its use directed by Policy 343 Department Use of Social Media.<sup>[10][11]</sup>

### **Automated License Plate Readers (ALPR)**

Any entity in California, including public agencies, deploying readers or accessing ALPR data must post a privacy and usage policy online under a state law that went into effect on Jan. 1, 2016.<sup>[12]</sup> The Santa Cruz County Sheriff reports no use of this surveillance technology.<sup>[11][13]</sup>

### **Body Worn Cameras and Portable Audio Video Recorders**

The Sheriff's Office completed the rollout of body worn cameras in January 2017.<sup>[14][15]</sup> A 2021 research paper released by a University Crime Lab and Council on Criminal Justice's Task Force on Policing describes body worn cameras as both beneficial and cost effective.<sup>[16]</sup>

The Grand Jury recognizes the value of this surveillance technology for both Sheriff's Officers and the public; however, body worn cameras are listed in both Sheriff's Office Policies 422 and 423.<sup>[17]</sup> Within the Body Worn Camera policy, two different dates are listed for minimum retention of non-evidentiary data.

- **Policy 423 Body Worn Cameras** indicates all non-evidentiary data will be maintained for no less than 90 days, and references Government Code Section 26202(a). However, code 26202.6 (a) states, “the head of a county department, public safety communications center or the head of a special district may, after 100 days, destroy recordings of telephone and radio communications maintained by the department or special district.”<sup>[17][18]</sup>
- **Policy 422 Portable Audio/Video Recorders**, which also includes body worn devices, indicates a retention of no less than 180 days.<sup>[17]</sup>

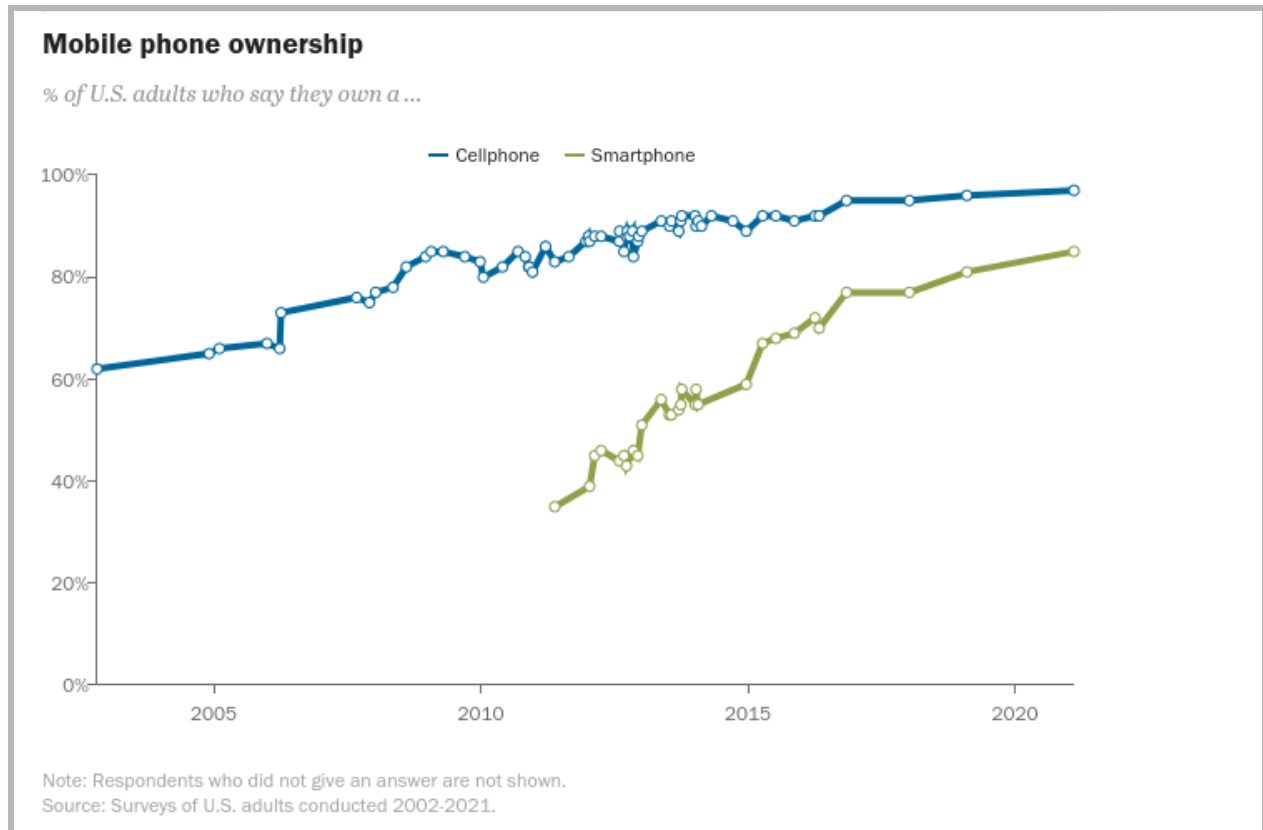
Neither policy 422 nor 423 offers a definitive date for the disposal of non-evidentiary data. The conflicting information on record retention within a policy, as well as between two policies referencing body worn devices may create confusion.

### ***Mobile Device Forensic Tools (MDFT)***

On December 13, 2022, the Board of Supervisors approved the purchase of a Cellebrite Universal Forensic Extraction Device, as recommended by the Sheriff’s Office. This technology allows law enforcement to extract data from a smartphone. Funds for this purchase were obtained from the Urban Area Security Initiative (UASI).<sup>[11][19]</sup> This Federal Homeland Security UASI program provides financial assistance to address multi-discipline planning, organization, equipment, training, and exercise needs of high-threat, high-density Urban Areas.<sup>[20]</sup>

Use of MDFTs is widespread in the United States, with every one of the 50 largest local police departments using these tools, according to a Washington nonprofit that investigates how police use the technology.<sup>[21]</sup>

Concurrent with the rapid growth in MDFTs, the share of Americans owning a smartphone is at least 85 percent, up from just 35 percent in 2011, according to a 2021 Pew Research report shown in Figure 1 below.



**Figure 1.** Mobile phone ownership over time.<sup>[22]</sup>

In 2014, the U.S. Supreme Court ruled in *Riley v. California* that warrantless search and seizure of the digital contents of a mobile phone during an arrest is unconstitutional under the Fourth Amendment.<sup>[23]</sup> Under *Riley v. California*, there are exceptions for the requirement of a warrant to search a mobile phone, and these are in exigent circumstances, or when the owner gives consent.<sup>[24]</sup>

According to the Cellebrite website, the tools can access locked devices bypassing pattern, password, or PIN locks. They can overcome encryption, as well as retrieve cloud tokens and select app data.<sup>[25]</sup> In other words, there are few limitations to access.

The Sheriff's Office provided no MDFT specific documentation or equipment delivery date in response to the Jury's request. Instead, Policy 800 Property and Evidence and Policy 801 Computers and Digital Evidence were provided.<sup>[13]</sup>

As digital forensic tools become more sophisticated, reaching into deleted messages, time-stamped geographic location information, and beyond the physical device into cloud-based data, more questions arise in how these tools are used. This Grand Jury acknowledges additional documentation may be forthcoming when the Sheriff's Office updates its annual Military Equipment Inventory, provided tools acquired through the UASI Federal Homeland Security Grant are inventoried.<sup>[26]</sup>

## **Drones, Robots and In-car Dash Recordings**

The Sheriff's Office reports no In-car Dash Cams.<sup>[13]</sup> However, the Sheriff's Military Equipment Inventory required under California AB-481 lists multiple surveillance devices capable of being deployed from many of the inventoried vehicles. State law AB-481 requires every law enforcement agency to disclose which military-style gear it has, and to adopt specific policies on how it is used. This law also requires ongoing annual reports including information about any complaints received from the public.<sup>[26]</sup> In a first inventory, the Sheriff's Office listed items related to surveillance, including:

- Robots with camera attachment and/or two-way communications;
- Unmanned aerial vehicles with camera and/or communications attachments;
- Mobile command vehicles either capable of transporting, or with embedded communications technologies.<sup>[27]</sup>

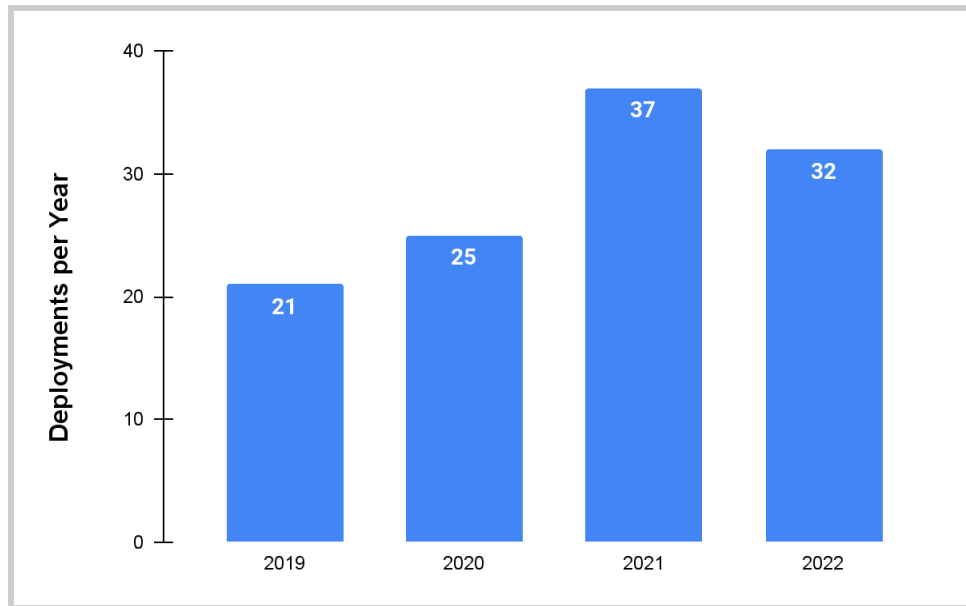
The Sheriff's Office first ever Military Equipment Inventory reflects the idea that the required accountability of law to local government—and to the community it serves—is meant to continue into the future. That said, the Jury notes inconsistencies and omissions within the document that will likely be corrected in subsequent inventories. For example, there were no ongoing costs or fiscal impacts documented for several inventoried items reviewed for this report, and there were some missing references to Sheriff's Office Policy. For example, Item 1 (Category 1) Robots has no Sheriff's Office policy cited, and lists no fiscal impact.

Importantly, AB-481 allows for additional inventory items under line, "(15) Any other equipment as determined by a governing body or a state agency to require additional oversight."<sup>[26]</sup>

It should be noted that the Sheriff's Office second annual AB-481 Military Equipment Inventory was published during the review process for this Grand Jury report but was not used as a source for this investigation. The Grand Jury acknowledges improvements in reporting and looks forward to continued progress in subsequent AB-481 reporting.

In addition to publishing the Military Equipment Inventory, the Sheriff's Office issues an annual Unmanned Aerial System (i.e., drone) report entitled, "Usage of the Santa Cruz County Sheriff's Office Unmanned Aerial System (UAS) Team." Drone usage metrics are included in the "Sheriff's Office Annual Report."

The UAS Team consists of 15 members of the Sheriff's Office who are certified under Code of Federal Regulations Title 14 part 107 to fly drones in a commercial capacity. In 2022, UAS were deployed 32 times, up from 21 times in 2019, as shown in Figure 2 below. The deployments included missing person search, search and rescue operations, suspect searches, crime scene documentation, high risk incidents, and search warrants.<sup>[28] [29] [30] [31] [32]</sup>



**Figure 2.** Unmanned Aerial System Annual Report 2019-2022. <sup>[29]</sup> <sup>[30]</sup> <sup>[31]</sup> <sup>[32]</sup>

### ***Security Alarm/Neighborhood Video Partnership***

The Board of Supervisors enacted ordinances related to alarm systems and false alarms titled as County Code Chapter 7.84, Security Alarm Systems, and subsequently approved a vendor contract for services on September 15, 2021. <sup>[33]</sup>

The approved vendor is CryWolf Services, part of a Florida based for-profit company called CentralSquare. CryWolf provides an integrated suite of software applications, designed to assist false alarm reduction managers and planners in accessing information relevant to false alarms. <sup>[34]</sup> The Grand Jury examined the CryWolf Santa Cruz County portal and noticed a video surveillance registry as seen in Figure 3:



HOME

**False Alarm Reduction and Administration**

**Online Registration** You **MUST** complete the **Alarmed Location** and **Mailing Information** sections before submitting.

**Alarmed Location Information \*** \* refers to address where the alarm system is installed.

Location Type: Video Surveillance Registration Fee: \$0.00

Last Name:

First Name:

Suite (if applicable):  Numbers and/or letters only (e.g. 'A2' or '5')

Street Name: Street Num  Street Name

City:  State: CA Zip Code:

Main Phone:  123-456-7890

Other Phone:  123-456-7890

Email Address:

Multiple email addresses must be separated with a comma.  
By providing your email, you consent to receiving emails regarding your account in the future.

**Figure 3. Screen Capture False Alarm Reduction and Administration.**<sup>[34]</sup>

While the Video Surveillance category is available to those who wish to register on the CryWolf False Alarm and Administration online registration, the Santa Cruz County Sheriff's Office reports no use of this video registry for surveillance.<sup>[11] [35]</sup> The ability to register video surveillance on a web page created solely for Santa Cruz security alarm registry may be confusing to subscribers.

### ***Inmate Tablet Devices and Inmate Telephone Access***

The Sheriff's Office first partnered with Smart Communications, a for-profit Florida-based company, in late 2021.<sup>[36] [37] [38]</sup> The Sheriff's office reports approximately one tablet available for every six or seven inmates. These tablets provide several features and use two-way electronic messaging software specifically designed for use in correctional institutions for communications by inmates, and monitoring capabilities for Sheriff Deputies.<sup>[37] [38] [39]</sup> Any physical mail addressed to inmates at a Santa Cruz County jail, except letters from their legal counsel, are sent to Florida for scanning and digitization. Inmates can read their mail on tablets, and hard copies are destroyed.<sup>[40]</sup>

Importantly, a March, 2023 lawsuit filed in San Mateo County calls into question the wide scope of tablet surveillance, including; "those presumed innocent, and of the many individuals who send mail to those incarcerated people." Additionally, this court filing suggests the Florida based company stores a digital copy of scanned mail for seven years.<sup>[41]</sup>

This Grand Jury wanted to review any documentation specific to Inmate Tablet Monitoring, including dates related to retention and disposal of data, any processes specific to evidentiary and non-evidentiary data, as well as data collected for an individual released with a case status of, "no file."<sup>[42]</sup> In response to this request and a



request for documentation related to inmate telephone monitoring, the Sheriff's Office provided Sheriff's Office Corrections Policy 1005 related to Inmate Telephone access.<sup>[43]</sup> Of note in a review of the Sheriff's Office Correction's Policy 1005 related to Inmate Telephone Access, is the lack of any documented process for the inadvertent recording of privileged information (e.g., communications by an inmate to legal counsel). A breach of confidentiality could expose the County to costly legal liability, as observed in a complaint filed in San Mateo County.<sup>[43] [44] [45]</sup>

Every year, the Santa Cruz County Civil Grand Jury examines detention facilities within the County, including the Main Jail, the Blaine Street Women's Jail, and the Rountree Men's Medium Security Facility. During this year's tours, the jury learned about chronic staff shortages.<sup>[46]</sup> Inconsistent staff scheduling and an overworked staff at detention facilities may impede the resolution of unforeseen issues such as the inadvertent recording of privileged communications.

### ***Board of Supervisors Creates Office of Inspector General***

On December 13, 2022, the Board of Supervisors adopted Government Code Section 25303.7 authorizing the Board to establish an Office of the Inspector General (OIG), appointed by the Board, to assist the Board with its duties that relate to the Sheriff. The ordinance establishes the OIG as an independent contractor and outlines the purpose and duties of the OIG.<sup>[47]</sup> The creation of an OIG offers additional possibilities for oversight and recommendations regarding the policies, usage and operations of surveillance technology in the Sheriff's Office See [Appendix A](#) for more information.

### **Conclusion: Who Surveils Those Who Surveil Us?**

While law enforcement surveillance technology can be effective for maintaining public safety and crime prevention, its use also poses several challenges and concerns. Policymakers, the public, and law enforcement agencies like the Santa Cruz County Sheriff's Office, must carefully consider the potential risks and benefits of surveillance, and ensure that its use is proportionate, transparent, and subject to appropriate safeguards and oversight. This report asks whether the Santa Cruz County Sheriff Office provides the public with the appropriate balance between the required secrecy of law enforcement investigations and public transparency.

The Santa Cruz County Grand Jury finds a need for increased transparency in surveillance use and public accountability as new surveillance technologies are introduced.

## Findings

- F1.** The Sheriff's Office documenting minimal use of Amazon Ring, and informing the public of use specifically to assist with the investigation of significant crimes, assures the public this tool is not in constant use or frequently surveilling specific neighborhoods.
- F2.** The Sheriff's Office indicating no use of automated license plate readers updates the public with current information consistent with findings from the 2021 Criminal Justice Council Report.
- F3.** Conflicting information on records retention within Policy 423 (Body Worn Cameras), as well as between Policies 422 (Portable Audio/Video Recorders) and 423, creates confusion and doubt for the public, and may present lack of certainty on proper records retention and disposal for Sheriff's Office personnel.
- F4.** The Sheriff's Office's lack of documentation specific to the Cellebrite Mobile Device Forensics Tool leaves the public without critical information on how this tool will be used, and more importantly, when it will not be used.
- F5.** The Sheriff's Office first annual Military Equipment Inventory for the surveillance tools reviewed by the Grand Jury lacks details such as impact cost and specific linkages to Sheriff's Office policy as required under California AB-481. This lack of detail leaves the public without clarity on aspects of cost and accountability measures.
- F6.** The ability to register video surveillance on a web page created specifically for security alarm registration within Santa Cruz County may be confusing to the registered subscribers, as well as those considering adding security services to their home or business.
- F7.** The Sheriff's Office of Corrections' lack of clear documentation specific to inmate tablet use leaves the public without critical information on how the information collected is used, how this information is retained, and more importantly, when disposal occurs for non-evidentiary records.
- F8.** The Sheriff's Office of Corrections' lack of a documented process for handling inadvertent recording of privileged communications (e.g., communications by an inmate to legal counsel), is a concern since a breach of confidentiality could expose the County to costly legal liability.

## Recommendations

- R1.** As Ring installations become more widespread, the Sheriff's Office should include statistics on Amazon Ring Neighbors Portal usage in its annual report to the public by March 30, 2024. (F1)
- R2.** The Sheriff's Office should consider using its 2024 annual Military Equipment Inventory public meeting as its forum to inform the public of intent to acquire or use any Automated License Plate Reader equipment. (F2)

- R3.** The Sheriff's Office Policy Manual should review and propose potential revisions specific to confusing language in Policies 422 (Portable Audio/Video Recorders) and 423 (Body Worn Cameras) by December 31, 2023. (F3)
- R4.** The Sheriff's Office should inform the public on whether Mobile Device Forensic Tools are used for consent searches specifically, and define and announce disposal dates for non-evidentiary data by December 31, 2023. (F4)
- R5.** The Sheriff's Office may wish to recommend to the County Administration Office that clarifying language be added to the False Alarm and Administration online registration. (F6)
- R6.** Where possible, the Sheriff's Office should publicly provide information on retention and specify disposal dates for all surveillance technologies non-evidentiary data by December 31, 2023. (F3, F4, F5, F7)
- R7.** The Sheriff's Office should consider regular public reporting on the intended acquisition and ongoing use of surveillance technologies not already publicly reported as required under state or county law. The Sheriff's Office should consider using portions of the Military Equipment Inventory as a template for providing the public with pertinent information on any surveillance equipment proposed, or acquired through federal grants, or other funding rather than creating yet another reporting format by December 31, 2023. (F2, F4)
- R8.** The Sheriff's Office should review its Military Equipment Inventory to ensure compliance with AB-481. Where documentation is missing, the Sheriff's Office should draft clarifying text either to share with the public for review, or for inclusion in the annual update by May 31, 2024. (F5)
- R9.** The Sheriff's Office of Corrections should consider a documented process for handling the inadvertent recording of privileged communications, including inmate tablet use by September 30, 2023. (F7, F8)

## **Commendation**

- C1.** The Sheriff's Office Annual Report is easy to read, well organized, and provides useful information to the public. This publication offers thoughtful views of equipment, events, and Sheriff's Office personnel.

## Required Responses

<i>Respondent</i>	<i>Findings</i>	<i>Recommendations</i>	<i>Respond Within/ Respond By</i>
Santa Cruz County Sheriff	F1 – F8	R1 – R9	60 Days August 21, 2023

## Invited Responses

<i>Respondent</i>	<i>Findings</i>	<i>Recommendations</i>	<i>Respond Within/ Respond By</i>
Santa Cruz County Public Defender	F8	R9	90 Days September 18, 2023
Santa Cruz County Administrative Officer	F6	R5	90 Days September 18, 2023

## Definitions

- **Automated License Plate Readers (ALPR):** Include both mobile and fixed cameras that photograph license plates and assemble the data into a searchable database.
- **Military Equipment in Assembly Bill 481 includes:** Unmanned, remotely piloted, powered aerial or ground vehicles. Command and control vehicles. (6) Weaponized aircraft, vessels, or vehicles of any kind. (7) Battering rams, slugs, and breaching apparatuses. (8) Firearms of .50 caliber or greater. (9) Ammunition of .50 caliber or greater. (10) Specialized firearms and ammunition of less than .50 caliber, including assault weapons. (11) Any firearm or firearm accessory that is designed to launch explosive projectiles. (12) “Flashbang” grenades and explosive breaching tools, “tear gas,” and “pepper balls.” (13) Taser Shockwave, microwave weapons, water cannons, and the Long Range Acoustic Device (LRAD). (14) The 40mm projectile launchers, “bean bag,” rubber bullet, and specialty impact munition (SIM) weapons. (15) Any other equipment as determined by a governing body or a state agency to require additional oversight.
- **Mobile Device Forensic Tools (MDFTs):** A technology allowing law enforcement to extract a full copy of data from a smartphone — all emails, texts, photos, location, contact, app data, location data, timestamps, etc., which can be programmatically searched and analyzed.
- **Neighbors Public Safety Service (NPSS):** An Amazon Ring platform on which participating agencies can request recorded video footage from Ring users.
- **Surveillance Technology/Tool:** Encompasses any digital device, software or system that gathers information on an individuals' activities or communications.

- **Urban Areas Security Initiative (UASI):** This Homeland Security Federal Grant program assists high-threat, high-density Urban Areas in efforts to build and sustain the capabilities necessary to prevent, protect against, mitigate, respond to, and recover from acts of terrorism. The UASI program provides financial assistance to address the unique multi-discipline planning, organization, equipment, training, and exercise needs of high-threat, high-density Urban Areas, and to assist these areas in building and sustaining capabilities to prevent, protect against, mitigate, respond to, and recover from threats or acts of terrorism using the Whole Community approach.

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### **Site Visits**

Santa Cruz County Sheriff's Office

Santa Cruz County Main Jail

Santa Cruz County Rountree Detention Facility

## Appendix A. Office of Inspector General Contract

The OIG contract was awarded to OIR Group of Playa Del Ray, CA at the December 9, 2022 Board meeting, with the contract period beginning in March, 2023 (Contract #23C4696).<sup>[48]</sup>

One example of the type of work OIR Group completed with potential benefit to oversight in Santa Cruz County is providing Santa Clara County with an assessment of their Sheriff's Office Military Equipment Inventory in compliance with California AB-481. For example, the completed assessment suggests consideration of policy language which explicitly states that the Sheriff's Office operationally directs and manages the use of military equipment in mutual aid scenarios, while also requiring that other agencies adhere to their own policies.<sup>[49]</sup>

The newly created Inspector General will have similar investigatory powers to the Grand Jury, such as the power of subpoena, but with both significant differences and additional advantages:

- It will not cease to exist, and need to start fresh with a new group of citizens.
- It may act as an advocate for the Sheriff's needs for resources before the Board of Supervisors.
- It may issue periodic reports calling attention to issues of public interest concerning the operation of the Sheriff's Office, such as surveillance.
- It may provide the public with greater transparency of the Sheriff's Office operations.<sup>[50]</sup>



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## Required response to Grand Jury report is past due

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Chris Clark <Chris.Clark@santacruzcounty.us>

Mon, Aug 28, 2023 at 2:06 PM

To: "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>

Cc: "syda.cogliati@santacruzcourt.org" <syda.cogliati@santacruzcourt.org>

Hi Judge Cogliati and Kim,

My apologies. We completed this a few weeks ago, and I thought it had been submitted. Please see attached. Please let me know if you are missing any other responses from our Office.

[Quoted text hidden]

---

 **2023-7aR\_Surveillance\_Sheriff\_Packet.pdf**  
256K



The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the

## Santa Cruz County Sheriff

to Respond by August 21, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

## Surveillance State in Santa Cruz County

Who surveils those who surveil us?

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

- 1. For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
  
- 2. For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
  
- 3. When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

***If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).***

## Findings

- F1.** The Sheriff's Office documenting minimal use of Amazon Ring, and informing the public of use specifically to assist with the investigation of significant crimes, assures the public this tool is not in constant use or frequently surveilling specific neighborhoods.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

**F2.** The Sheriff's Office indicating no use of automated license plate readers updates the public with current information consistent with findings from the 2021 Criminal Justice Council Report.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

- F3.** Conflicting information on records retention within Policy 423 (Body Worn Cameras), as well as between Policies 422 (Portable Audio/Video Recorders) and 423, creates confusion and doubt for the public, and may present lack of certainty on proper records retention and disposal for Sheriff's Office personnel.

- AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The two referenced policies and policy 606 (Unmanned Aerial System Operations) were reviewed, and the necessary changes were made to create clarity within the Lexipol Policy on retention. The policy has been posted for public view.



**F4.** The Sheriff's Office's lack of documentation specific to the Cellebrite Mobile Device Forensics Tool leaves the public without critical information on how this tool will be used, and more importantly, when it will not be used.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Sheriff's Office's use of the Cellebrite Mobile Device adheres to SB 178. As outlined in SB 178, this tool may be used pursuant to a warrant, consent, or emergencies defined under the law.

- F5.** The Sheriff's Office first annual Military Equipment Inventory for the surveillance tools reviewed by the Grand Jury lacks details such as impact cost and specific linkages to Sheriff's Office policy as required under California AB-481. This lack of detail leaves the public without clarity on aspects of cost and accountability measures.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Sheriff's Office made internal changes to improve overall reporting for military equipment leading up to and following the release of the 2022 annual report. The Sheriff's Office is confident that the requirements of AB 481 have been fulfilled and this was supported by the Santa Cruz Board Of Supervisors with the approval of the report in May. The Sheriff's Office provides a user-friendly method for community members to file questions or complaints via our website. Our Lexipol policy 706.9 provides community members with a direct number to the Sheriff's Professional Standards and Conduct Unit for questions or concerns.

- F6.** The ability to register video surveillance on a web page created specifically for security alarm registration within Santa Cruz County may be confusing to the registered subscribers, as well as those considering adding security services to their home or business.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The CryWolf platform offers three location types for registration, commercial, residential, and video surveillance. All are clearly marked and require the user to select the option. The Sheriff's Office believes the registration platform is clear and easy to navigate.

Registering a video surveillance system with CryWolf does not provide the Sheriff's Office with any remote access to the private persons closed-circuit system. Registering the video surveillance system only provides the County of Santa Cruz and the Sheriff's Office with information that a system is available at the listed address.

- F7.** The Sheriff's Office of Corrections' lack of clear documentation specific to inmate tablet use leaves the public without critical information on how the information collected is used, how this information is retained, and more importantly, when disposal occurs for non-evidentiary records.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Sheriff's Office created Policy #522 – *Electronic Tablets* that will address tablet usage, retention of data, and other tablet related matters.

- F8.** The Sheriff's Office of Corrections' lack of a documented process for handling inadvertent recording of privileged communications (e.g., communications by an inmate to legal counsel), is a concern since a breach of confidentiality could expose the County to costly legal liability.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Sheriff's Office documented the existing practice/procedure in Correctional Memo 23-C-008 *Inadvertent Recording of Privileged Communications*. The Sheriff's Office has worked with the local legal community and our provider to minimize inadvertent recordings and this document formalizes that process.

## Recommendations

**R1.** As Ring installations become more widespread, the Sheriff's Office should include statistics on Amazon Ring Neighbors Portal usage in its annual report to the public by March 30, 2024. (F1)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

The Sheriff's Office views the Amazon Ring Neighbors Portal as another tool to help Deputies and Investigators provide public safety.

The Ring Public Safety Portal allows law enforcement to share posts soliciting assistance from the public with locating video evidence related to criminal investigations and public safety emergencies. The Sheriff's Office does not have access to individual Ring users' video cameras. No information regarding who owns these cameras or where they are installed, is accessed without the explicit consent of the user. Ring users who have opted into the program are provided with a description of the crime or event being investigated, as well as the time and location, along with a convenient way of uploading the evidence to a secure portal. Videos uploaded to the portal are transferred to the Sheriff's Office Digital Evidence System and retained pursuant to the same policies that govern all of our digital evidence.

Cooperation with a law enforcement request through Ring is not required.

**R2.** The Sheriff's Office should consider using its 2024 annual Military Equipment Inventory public meeting as its forum to inform the public of intent to acquire or use any Automated License Plate Reader equipment. (F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Currently the Sheriff's Office has no intention of acquiring Automated License Plate Reader (ALPR) equipment. The Sheriff's Office firmly believes that the use of ALPRs does not fall within the purview or legislative intent of AB 481.

**R3.** The Sheriff's Office Policy Manual should review and propose potential revisions specific to confusing language in Policies 422 (Portable Audio/Video Recorders) and 423 (Body Worn Cameras) by December 31, 2023. (F3)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Sheriff's Office reviewed the listed policies and recognized the necessity to distinguish them as different items of equipment. Policy 422, concerning portable audio/video recorders differs from Policy 432 pertaining to body-worn cameras. We have added clarifying language and aligned the retention periods related to both, along with Policy 606 (Unmanned Aerial System Operations).



**R4.** The Sheriff's Office should inform the public on whether Mobile Device Forensic Tools are used for consent searches specifically, and define and announce disposal dates for non-evidentiary data by December 31, 2023. (F4)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Sheriff's Office's use of the Cellebrite Mobile Device strictly adheres to SB 178. As outlined in SB 178, this tool may be used when an individual voluntarily grants permission to the Sheriff's Office to search their mobile device. When consent is granted to a member of the Sheriff's Office, search parameters and conditions are agreed upon at the time of consent. The Sheriff's Office relies on Lexipol Policy 800, SB 178, and state law for guidance on retention.

**R5.** The Sheriff's Office may wish to recommend to the County Administration Office that clarifying language be added to the False Alarm and Administration online registration. (F6)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Sheriff's Office does not agree that the language contained within the CryWolf online registration is confusing or misleading.

**R6.** Where possible, the Sheriff's Office should publicly provide information on retention and specify disposal dates for all surveillance technologies non-evidentiary data by December 31, 2023. (F3, F4, F5, F7)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Sheriff's Office updated Policy 422, Policy 423, and Policy 606; adding clarifying language related to retention periods. These policies are made available to the public on the Sheriff's Office website.

- R7.** The Sheriff's Office should consider regular public reporting on the intended acquisition and ongoing use of surveillance technologies not already publicly reported as required under state or county law. The Sheriff's Office should consider using portions of the Military Equipment Inventory as a template for providing the public with pertinent information on any surveillance equipment proposed, or acquired through federal grants, or other funding rather than creating yet another reporting format by December 31, 2023. (F2, F4)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Currently, the Sheriff's Office has no intention of acquiring Automated License Plate Reader equipment.

- R8.** The Sheriff's Office should review its Military Equipment Inventory to ensure compliance with AB-481. Where documentation is missing, the Sheriff's Office should draft clarifying text either to share with the public for review, or for inclusion in the annual update by May 31, 2024. (F5)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Sheriff's Office made a strong commitment to enhancing the reporting in the Military Equipment annual report. The Sheriff's Office believes the 2022 annual report provides accurate and comprehensive insight into our Military Equipment inventory. The Sheriff's Office is committed to ensuring the report continues to evolve and provide the community with the information outlined within AB 481.

- R9.** The Sheriff's Office of Corrections should consider a documented process for handling the inadvertent recording of privileged communications, including inmate tablet use by September 30, 2023. (F7, F8)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

23-C-008 *Inadvertent Recording of Privileged Communications* was released to Corrections Staff on July 13, 2023.



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

---

## Responses to 2022-2023 Grand Jury Report on Surveillance State in Santa Cruz County

---

Caitlin Smith <Caitlin.Smith@santacruzcountyca.gov>

Wed, Sep 20, 2023 at 9:15 AM

Good Morning,

Please see attached for responses to the 2022-2023 Grand Jury Report titled "Surveillance State in Santa Cruz County" from the Santa Cruz County CAO, Public Defender and Sheriff which were approved by the Board of Supervisors on September 12, 2023.

Best,

Caitlin C. Smith

County Supervisors' Analyst

Santa Cruz County Board of Supervisors

701 Ocean Street, Room 500

Santa Cruz, CA 95060

831-454-2200 main

831-454-3516 direct

[caitlin.smith@santacruzcountyca.gov](mailto:caitlin.smith@santacruzcountyca.gov)

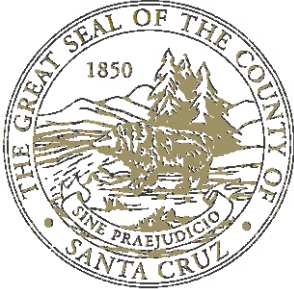
To email all five members of the Board of Supervisors at once,

please use: [boardofsupervisors@santacruzcountyca.gov](mailto:boardofsupervisors@santacruzcountyca.gov)



Response to Grand Jury Report--Surveillance State in Santa Cruz County.pdf

447K



# County of Santa Cruz

## BOARD OF SUPERVISORS

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 FOURTH DISTRICT

**BRUCE MCPHERSON**  
 FIFTH DISTRICT

September 18, 2023

The Honorable Syda Cogliati  
 Santa Cruz Courthouse  
 701 Ocean Street  
 Santa Cruz, CA 95060

**RE: Responses to the 2022-2023 Grand Jury Report "Surveillance State  
 in Santa Cruz County"**

Dear Judge Cogliati:

The purpose of this letter is to formally transmit the responses of the Santa Cruz County Sheriff, the Public Defender, and the County Administrative Officer to the 2022-2023 Grand Jury Report "Surveillance State in Santa Cruz County".

Sincerely,

ZACH FRIEND, Chair  
 Board of Supervisors

ZF: cs  
 Attachment

CC: Clerk of the Board  
 Santa Cruz County Grand Jury





The 2022–2023 Santa Cruz County Civil Grand Jury  
Invites the

**Santa Cruz County Public Defender**

to Respond by September 18, 2023

to the Findings and Recommendations listed below  
which were assigned to them in the report titled

**Surveillance State in Santa Cruz County**

**Who surveils those who surveil us?**

Responses are **invited** from appointed agency and department heads, appointed committees, and non-profit agencies contracted to the county which are investigated by the grand jury. You are not required to respond by the California Penal Code [\(PC\) §933\(c\)](#); if you do, [PC §933\(c\)](#) requires you to make your response available to the public.

If you choose to respond, your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in the report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. ***For the Findings, mark one of the following responses with an “X” and provide the required additional information:***
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
  
2. ***For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:***
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
  
3. ***When your responses are complete, please email your completed Response Packet as a PDF file attachment to both***

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

***If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).***

## Findings

- F8.** The Sheriff's Office of Corrections' lack of a documented process for handling inadvertent recording of privileged communications (e.g., communications by an inmate to legal counsel), is a concern since a breach of confidentiality could expose the County to costly legal liability.

**AGREE**  
 **PARTIALLY DISAGREE**  
 **DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Sheriff's Office reports they have documented an existing practice/procedure in Correctional Memo 23-C-008 *Inadvertent Recording of Privileged Communications*.

## Recommendations

**R9.** The Sheriff's Office of Corrections should consider a documented process for handling the inadvertent recording of privileged communications, including inmate tablet use by September 30, 2023. (F7, F8)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
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- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Sheriff's Office reports 23-C-008 *Inadvertent Recording of Privileged Communications* was released to Corrections Staff on July 13, 2023.



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## Responses to 2022-2023 Grand Jury Report on Surveillance State in Santa Cruz County

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County Supervisors' Analyst

Santa Cruz County Board of Supervisors

701 Ocean Street, Room 500

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831-454-2200 main

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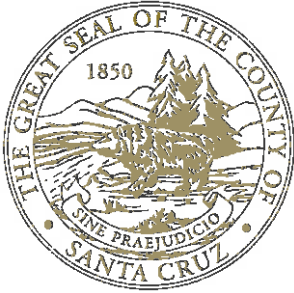
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September 18, 2023

The Honorable Syda Cogliati  
Santa Cruz Courthouse  
701 Ocean Street  
Santa Cruz, CA 95060

**RE: Responses to the 2022-2023 Grand Jury Report "Surveillance State  
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Dear Judge Cogliati:

The purpose of this letter is to formally transmit the responses of the Santa Cruz County Sheriff, the Public Defender, and the County Administrative Officer to the 2022-2023 Grand Jury Report "Surveillance State in Santa Cruz County".

Sincerely,

A handwritten signature in blue ink, appearing to read 'Zach Friend', is written over a faint, larger version of the signature.

**ZACH FRIEND, Chair**  
Board of Supervisors

ZF: cs  
Attachment

CC: Clerk of the Board  
Santa Cruz County Grand Jury



The 2022–2023 Santa Cruz County Civil Grand Jury  
Invites the  
**Santa Cruz County Administrative Officer**  
to Respond by September 18, 2023  
to the Findings and Recommendations listed below  
which were assigned to them in the report titled  
**Surveillance State in Santa Cruz County**  
Who surveils those who surveil us?

Responses are **invited** from appointed agency and department heads, appointed committees, and non-profit agencies contracted to the county which are investigated by the grand jury. You are not required to respond by the California Penal Code [\(PC\) §933\(c\)](#); if you do, [PC §933\(c\)](#) requires you to make your response available to the public.

If you choose to respond, your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in the report.

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1. ***For the Findings, mark one of the following responses with an “X” and provide the required additional information:***
  - a. **AGREE with the Finding**, or
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  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
  
2. ***For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:***
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
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The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

***If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).***



## Findings

- F6.** The ability to register video surveillance on a web page created specifically for security alarm registration within Santa Cruz County may be confusing to the registered subscribers, as well as those considering adding security services to their home or business.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The County Administrative Office does not oversee the CryWolf online registration system, and the Sheriff's Office does not agree that the language contained within CryWolf is confusing or misleading.

## Recommendations

**R5.** The Sheriff's Office may wish to recommend to the County Administration Office that clarifying language be added to the False Alarm and Administration online registration. (F6)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

The County Administrative Office does not oversee the CryWolf online registration system, and the Sheriff's Office does not agree that the language contained within CryWolf is confusing or misleading.



**SANTA CRUZ COUNTY**  
Civil Grand Jury

701 Ocean Street, Room 318-I  
Santa Cruz, CA 95060  
(831) 454-2099  
[grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org)

## **Code Compliance Division – Out of Compliance**

It's not easy, but it shouldn't be impossible

---

### **Summary**

The Code Compliance Division of the Santa Cruz County Planning Department is responsible for investigating homeowners and businesses including those operating short-term rentals who may not be following applicable county codes. In response to a citizen complaint about potential conflict of interest and overreach by the department, this investigation found that the Code Compliance Division, while earnest and well meaning in carrying out their mission, was extremely short staffed, had an enormous backlog of cases, and lacked basic professional organizational procedures, practices, and policies. Because of these issues the employees are unable to carry out their work in a timely and consistent manner and are less accountable for their work. This causes mistrust from the public, inconsistencies in their work, and an inability to analyze and identify areas for improvement. It is the position of the Grand Jury that the department should run transparently, productively and efficiently.

This report highlights the areas where the department is especially lacking: documentation, procedures and policies, employee training and education, and quality assurance. In addition, the report identifies problematic issues of the Planning Department as a whole that impact the Code Compliance Division's performance.

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## Background

The Santa Cruz County Civil Grand Jury received a complaint from a citizen concerning a possible conflict of interest issue and overreach by a Code Compliance Investigator (CCI) from the Planning Department. In the course of investigating this complaint the Jury found a number of issues that were problematic.

The Code Compliance Division (CCD) is responsible for the investigation and enforcement of situations involving building, environmental, and zoning violations, including work without permits, as well as enforcing regulations of the vacation and hosted rental ordinances. In addition, the division offers staff and administrative support for Neglected Property and Dangerous Building/Site Abatement Programs. The division also works closely with the Cannabis Licensing Office where illegal cultivation or manufacturing includes violations of building or zoning regulations in addition to violations of the cannabis ordinance.<sup>[1]</sup> The department currently is staffed by four Code Compliance Investigators (CCI) and one Technical Assistant (Tech), and is managed by a supervisor who currently oversees two divisions.<sup>[2]</sup>

These departments generally operate in response to citizen complaints of alleged code violations or from referrals from other public agencies, but at times investigations are initiated by department staff for issues such as unpermitted construction underway, situations of life-safety hazards, or severe nuisance activities. Cases are investigated and if appropriate, administrative citations and warning and/or violation notices are issued. Double fees are sometimes assigned to permits resulting from "Stop Work" and code compliance cases. These actions may be followed by additional legal sanctions, such as recordation, fines, or civil penalties. The overall objective of the code enforcement process is to motivate the property owner to discontinue the illegal use or activity and/or to obtain the required permits.<sup>[1]</sup>

In 2021, in an effort to improve customer service, streamline project management, and achieve county goals in attainable housing, reliable transportation, and sustainable environment, the Santa Cruz County Board of Supervisors (BOS) directed the the departments of Public Works and Planning to integrate into a single department named the Community Development and Infrastructure Department Management.<sup>[3] [4]</sup> The Code Compliance Division of the Planning Department is housed within this new framework.

A perception that Code Compliance Investigators overstep their authority led this Grand Jury to conduct an investigation into the Code Enforcement Division.<sup>[5]</sup> The objective of this investigation was to determine if the problems were pervasive, if there were systemic issues that might be exacerbating the perception, and if there were solutions that could mitigate the issues.<sup>[6] [7]</sup>

## Scope and Methodology

The Jury interviewed managers, supervisors, and staff from the County Planning Department Code Compliance Division, resident clients involved with the Planning Department, and land use consultants who assist resident clients and developers in their interactions with the Planning Department. In addition the Jury interviewed a member of the Santa Cruz County Board of Supervisors.

The Grand Jury sought answers to the following questions:

- What are the county policies on investigations, how they are conducted, when they are needed, and how they engage with residents?
- Does the department perform background research to understand an issue, review previous permits, and validate a complaint before they respond?
- Does the department have effective data management so they can locate previous approvals and complaints to inform their responses?
- How does the department track, monitor, and respond to complaints about inspections?
- Who provides quality control? What are the quality control standards?
- Do residents have an opportunity to question inspections and receive a timely response?
- How does the department handle potential conflicts of interest and monitor and enforce the policy?
- Are staff adequately trained on appropriate inspections and their jurisdiction?
- Does the staff acknowledge their errors and adjust their interactions with residents accordingly? What are the policies and procedures for identifying errors?
- What is the department's standardization of process? Are answers to clients' questions from staff consistent?
- What is the scope of public complaints against the Planning Department, and how are they tracked?
- Is there Board of Supervisors oversight of the Planning Department?

The Grand Jury investigation began with a review of a document entitled "Responses to Public Comments Received at Winter 2010/2011 Community Forums and Focus Groups."<sup>[8]</sup> From November 2010 to February 2011, the Planning Department conducted several community forums and focus groups throughout the unincorporated area in order to provide an overview of the functions and services provided by the department; and to obtain public comments and input about any aspect of those services.

Additional Planning Department documents reviewed included:

- Policies and procedures regarding conflicts of interest.
- Policies and procedures regarding complaints and disputed decisions.
- Policies and procedures manual for the Code Compliance Division.
- Policies and procedures manual for the Planning Department.
- Code Compliance records of in-house training specific to job requirements and interactions with residents/clients.
- Organizational chart of the overall Planning Department.
- Records of complaints and resolutions for the past two years.
- "Applicants Bill of Rights."
- List of backlogged cases.
- Evaluation Performance Reviews.
- Personnel log of CCI education classes taken.

## INVESTIGATION

### *Policies and Procedures*

A properly written and maintained policies and procedures manual provides ease of access, cost effectiveness, responsiveness, and accountability.<sup>[9]</sup> Policies and procedures are needed for a variety of purposes, including but not limited to, compliance with regulations, internal controls, operating requirements, risk management, and ongoing efficiencies.<sup>[10]</sup> Effective policies and procedures are living documents that must grow and adapt with an organization. While the core elements may stay the same, the details should change according to industry standards, organizational needs, or legal requirements.<sup>[11]</sup> This investigation found that the CCD and Planning Department do not have updated policies and procedures.

During review of policies and procedures manuals for the Planning Department and the CCD, the Jury found the documents to be largely undated, long out of date, or with no identifiable update history. In addition, there are policies in place that are not followed. Some examples of this include:

1. Phone calls and messages from the public are not returned within one business day.<sup>[12] [13] [14] [15]</sup>
2. A county resident reported to the Jury that they were directed by a Code Compliance Investigator to contact the County Assessor's Office to report unpaid taxes on a hot tub, which is contrary to policy.<sup>[16]</sup>
3. Names of cardiopulmonary resuscitation (CPR) qualified staff members from 1995 who are no longer employed in the Department are listed in the policies and procedures manual.<sup>[17]</sup>
4. A vaguely worded policy regarding conflicts of interest did not address personal relationship conflicts.<sup>[18] [19]</sup> Management and staff indicated that they were not aware of a policy regarding conflict of interest in the manuals, and stated, "the issue is handled with common sense".<sup>[20] [21]</sup>
5. There are no written policies or procedures for managing complaints from the public concerning the conduct of CCIs.<sup>[22]</sup>
6. The Planning Department policies and procedures manual states that the manual is to be revised semiannually on the first Tuesday after April 30 and October 30.<sup>[23]</sup> This is not being done and documented.
7. While the CCD has a rough outline for conducting investigations and an established flow chart in the three ring binder that serves as their policies and procedures manual (see Figure 1), the outline was last updated in 2010, the flow chart is undated, and there are no timelines specified for completing the work.<sup>[24] [25]</sup>

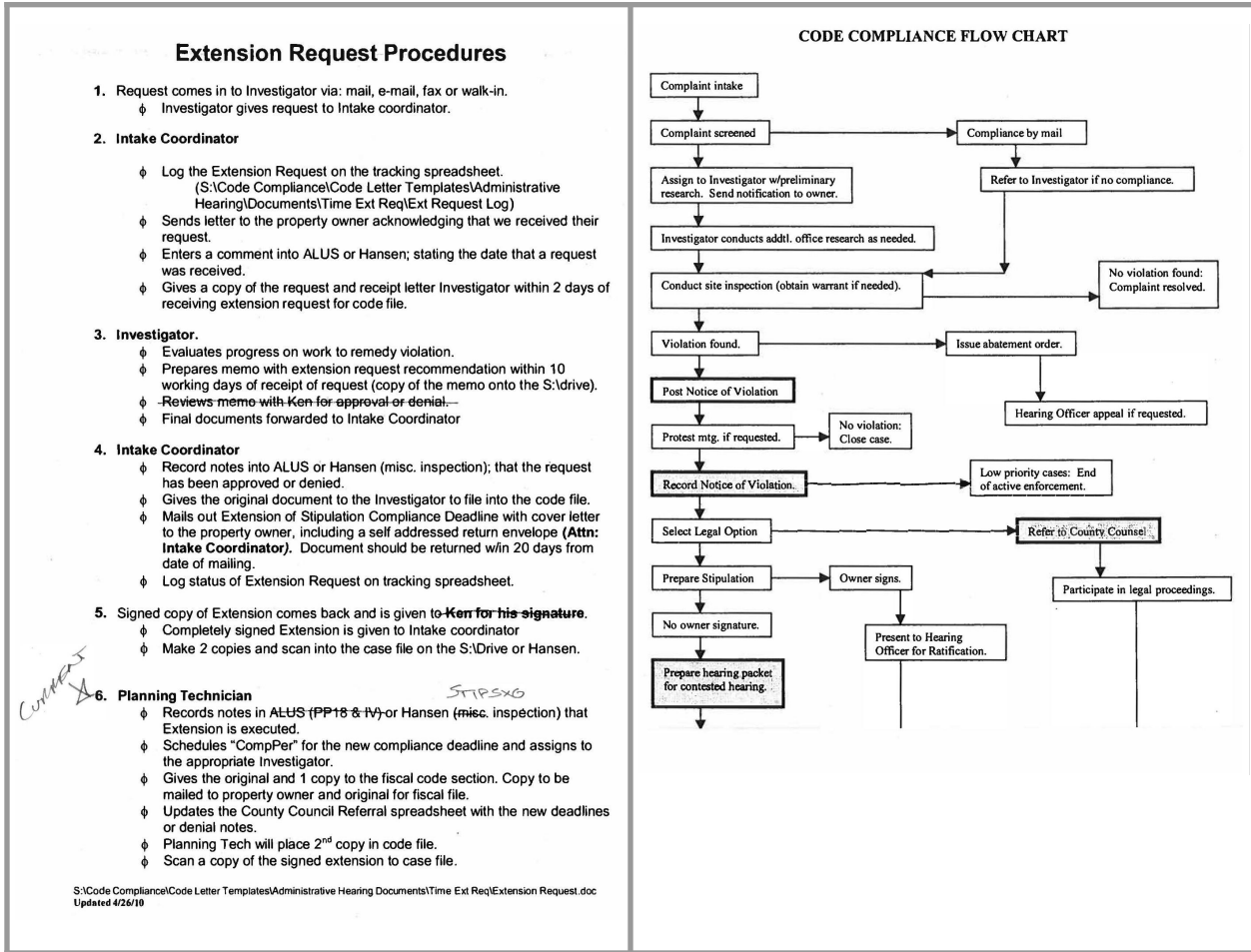


Figure 1. Pages 2 and 16 from the CCD Policy & Procedure Binder. [24] [25]

## Record Keeping and Documentation

Multiple interviewees reported that it is unclear whether information shared with a resident at the desk is logged. Clients from the public can get different answers to their questions depending on which staff member they speak with. [26] [27] [28] In addition, residents and consultants report that unless they request something in writing, conversations with staff at the counter or on the phone have no value. [27] This leads to “answer shopping,” misunderstandings, time delays, and added cost. [26] [29] An example of this is that one resident reported that they were told by a Planning Department staff member at the front desk that they did not need a permit for a fence they planned to build. They were later cited and fined for failure to get a permit. However, there was no record of the conversation so neither side had any evidence of what the conversation actually contained. [29]

Within the CCD, this investigation discovered that there is no requirement for CCI’s to maintain a contact log for their interactions with the public. Each CCI maintains their own system of tracking calls and messages. [30]



## **Staffing Down, Caseload Up**

Staffing levels are problematic throughout the Santa Cruz County Government agencies. Overall Santa Cruz County staffing is down approximately 20 to 30 percent, or 500 employees in the past 10 years.<sup>[31]</sup> In the CCD, the staffing is down by 50 percent over the past 10 years.<sup>[32]</sup> The population served by the CCD is approximately 130,000.<sup>[33]</sup> Staff workload is impacted by the size of the population served. There are currently only four Code Compliance Investigators.

Interviewees reported that a lack of staffing is partly responsible for a backlog of unresolved cases.<sup>[34]</sup> There is a backlog of over 1,500 unresolved red tags that date back to 1980.<sup>[35] [36]</sup> The Grand Jury acknowledges that there are various and complex reasons for the backlog of cases, some of which are out of control of the CCIs. CCIs have an average of 75 to 80 active cases at this time. Phone calls from the public are often not returned within one business day, which is Planning Department policy.<sup>[37] [38]</sup> This seems to be the result of staff not having sufficient time due to their heavy workload. Interviewees reported that with the inability to fully staff, each CCI is doing the work of two to three people.<sup>[39]</sup>

Unfilled positions are also impacting the work of the CCD. For example, the department requires the support of a Tech. The former Tech has been promoted to a CCI position but cannot perform those duties until the Tech position is filled.<sup>[40]</sup> In addition, the team is currently unofficially supervised by a fellow CCI.<sup>[41]</sup> The department intends to officially promote him to supervisor pending a reclassification of the position, a long process.<sup>[42]</sup>

The addition of proactive investigations of the Short-Term Rental Program to the CCD caseload was ordered by the BOS in 2022. This took CCI's away from their regular investigations for several months.<sup>[34] [43] [44]</sup> Fortunately, the BOS authorized a new CCI position in March 2023 specifically for short term rental compliance which, once filled, should allow CCIs to focus on their regular investigations.<sup>[45]</sup>

Insufficient staffing levels prevent CCI's from being able to close old cases<sup>[46]</sup>. An unfilled fiscal staff position and the current CCD staffing matrix does not account for time needed to clear backlogged cases.<sup>[32] [47]</sup> With over 1,500 open cases, it would take one to two extra staff to resolve this backlog in a two year time frame.<sup>[48]</sup> These old open cases represent properties that are not compliant in some manner. They could represent fire danger, health hazards, environmental hazards, misuse of property, property that might be used in a higher and better manner, and of course, uncollected civil penalties.

## **Staff Training & Development**

Staff development and training is not mandatory in the CCD. A state organization, California Association Of Code Enforcement Officers (CACEO), provides a certification program and an annual seminar for code compliance investigators. Currently, all CCI's are CACEO certified, but the CCD does not require certification to do the job. Interviewees reported that initial training is mostly on-the-job.<sup>[49]</sup> In addition, there is no requirement for ongoing staff development of CCIs, and no documentation of employee staff development is maintained in staff files.<sup>[50]</sup> Moreover, the CCD does not currently conduct regular staff meetings, which would be a useful means of training and information sharing among investigators.<sup>[51]</sup>

## **Dearth of Performance Improvement & Quality Assurance**

In 2023, the County adopted the Performance Measurement Initiative as part of the SCC Strategic Plan, which aims to guide county departments to be more accountable to the public through the use of data transparency, an important part of building trust with the community.<sup>[52]</sup> And yet no apparent procedures or policies for quality assurance or performance improvement appear in the Planning Department and CCD policies and procedure manuals.<sup>[53] [54]</sup> Interviewees were not aware of a published CCD customer service policy or philosophy, nor a documented procedure for handling complaints about the CCD. One interviewee reported that there is a customer service survey, but it has not been utilized for quite awhile.<sup>[55]</sup> In spite of reports from interviewees of dissatisfaction with the CCI's, only one formal complaint about the department was documented regarding the CCD for 2022.<sup>[22]</sup> When asked if there was an internal system for tracking complaints about the CCD, the Grand Jury was told that those complaints were referred to the department manager who handled each of them individually.<sup>[56] [57]</sup>

Collection of data concerning training and residents feedback could provide management with information for performance improvement. Because the CCD caseload is large, the department could also benefit from improvements to time management for which there is no system of collecting data.<sup>[53]</sup>

Before the Board of Supervisors required the Code Compliance team to proactively investigate short-term rentals, it wasn't being done.<sup>[58]</sup> Upon completion of the mandated investigation the CCD found that 25 percent of the short-term rentals in operation were un-permitted.<sup>[59]</sup> If the CCD had processes for evaluating their own caseloads for trends and rising issues, they would be able to proactively address new problems.

## **Culture**

Culture may be defined as "the set of shared attitudes, values, goals, and practices that characterize an institution or organization." An organization's culture represents its public image and reputation. People make assumptions about an organization based on their interactions within and outside of the organization.<sup>[60]</sup>

The CCD shares the organizational culture of the Planning Department. For years, the culture has been noted for the slowness of the permitting process, for inconsistent

interpretation of code, and for its limited accessibility to the public.<sup>[8] [28]</sup> This investigation found that it is difficult to get access to planners even for consultants who have considerable history working with the Planning Department.<sup>[61] [62]</sup> Interviewees report general discontent with inconsistent interpretations of code, increased fees, and poor customer service.<sup>[8] [63] [64]</sup> Currently, the general information desk is only open to the public from 8 am to 12 pm, Monday through Thursday, and all appointments must be scheduled between 8 am and 11:30 am Monday through Thursday.<sup>[65]</sup> A current state dashboard reveals that long timeframes for permit processing continue up to the present. This status was confirmed by interviewees and prior Grand Juries.<sup>[66] [67] [68]</sup>

The Board of Supervisors directed the Planning Department to adopt an Applicants Rights Resolution (see Appendix A) in 1978 and revisited it in 2012. The resolution established policies to aggressively reform permit processing to make the process clearer and easier to understand. Although it was well intentioned, it has not had the desired result. In response to years of resident complaints about the “mountains of red tape,”<sup>[69]</sup> the department in 2022 created the Unified Permit Center. The intended focus is on customer service, pre-application clearances, and real-time plan checking. Interviewees have not yet noticed improved access or consistent interpretation of codes.<sup>[3] [70]</sup> The effect of these issues is continued reluctance of the public to go through the permitting process creating a greater caseload for the CCD.

## Conclusion

By enforcing violations of building and environmental codes, the CCD bears an important role in the health and safety of our county. This investigation found that the CCD employees work hard to carry out their mission in a professional manner. Unfortunately, the division suffers from chronic understaffing, inadequate management, and a lack of basic organizational practices and procedures. This report highlights the areas where it is especially lacking—documentation, procedures and policies, employee training and education, and quality assurance. Because the division is resolving violations of planning and building codes, they work within the larger culture of the Planning Department that is noted for its slowness, inaccessibility to the public, and inconsistent implementation, which makes the CCD’s work even more challenging. As a result, the CCD has a huge backlog of unresolved violations, and public confidence in both the CCD and the Planning Department is low.

This Grand Jury recommends that the CCD division quickly increase staffing and improve processes to enable it to resolve the backlog of cases that represent potential community safety and environmental hazards, lost revenue, and county liability. In addition, the CCD needs to urgently overhaul its organizational procedures and practices to improve consistency and to increase transparency and accountability. Moreover, the Grand Jury recommends that the Planning Department increase its accessibility to the public and document all interactions with the public.

## Findings

- F1.** Understaffing over a long period of time in the Code Compliance Department means that Code Compliance Investigators are unable to complete cases in a timely manner, causing a huge backlog of cases some of which are up to 40 years old.
- F2.** The Code Compliance Department and the Planning Department do not routinely revise and update their departmental procedures and policies, which leads to lack of accountability to the public and inconsistent implementation and interpretation of findings in investigations.
- F3.** The Code Compliance Department of the Planning Department does not have quality assurance systems in place to evaluate their own performance and effectiveness, which contributes to lack of accountability and lack of credibility and public confidence.
- F4.** At the present time the Planning Department has limited access for the public. It is frustrating to the public to be unable to readily communicate with the staff required to assist in dealings with building, planning, and code compliance matters.
- F5.** There is a persistent public perception of inconsistent interpretation of code. The building and other various codes are complex and difficult to understand. When misinformation is communicated and portions of projects must be redone, it leads to time and money loss as well as frustration.
- F6.** The Conflict of Interest policy does not include conflicts regarding family, friends, or prior relationships of a personal nature. This omission, and the optics in some situations, lead to misunderstanding and mistrust between the public and the Code Compliance Department as well as increasing the risk of liability to the County.
- F7.** The Planning Department is by its nature supposed to be a customer-focused department, yet it operates in ways that discourage communications, undermining the public's trust in the department.

## Recommendations

- R1.** The Planning Department should fill vacant code compliance positions by the end of the calendar year 2023. (F1)
- R2.** The Personnel Department should reclassify the job description and requirements for the Code Compliance Supervisor to allow the de-facto supervisor to become the department supervisor by the end of this calendar year 2023. (F1)
- R3.** The Planning Department should, by the end of 2023, determine what steps and staff are needed to close out the backlog of code compliance cases within a two year time frame. (Consider including the County Auditing Department to assist with this process.) (F1)

- R4.** The policies and procedures manuals for the Planning Department and Code Compliance Department should be completely reviewed, updated as prescribed in the policy and procedures manual, and digitized. Each section should be dated, and all future revisions should include date markings for any changes. This process should be completed by the end of 2023. (F2)
- R5.** The Code Compliance Department should create a log system that ensures that all Planning Department and Code Compliance desk interactions, phone calls, emails, text messages, complaints, and any other interactions with the public are entered into a searchable database by the end of 2023. (F3)
- R6.** Data regarding public complaints about Code Compliance Investigators actions should be discussed at staff meetings. Data collected by the log system should be reviewed by Code Compliance Department management no less than quarterly. This should be instituted by October 1, 2023. (F3)
- R7.** The Code Compliance Department should institute monthly staff meetings by October 1, 2023. Meetings should include relevant educational materials, data regarding monthly activity, new challenges such as policy changes, and resolution of or issues regarding active complaints about the department. (F2)
- R8.** The Code Compliance Department should formalize training and staff development requirements of Code Compliance Investigators through CACEO, use staff meetings to encourage cross training and continuing education, document staff development in employee files, and formalize it in the employee evaluation protocol by October 1, 2023. (F2)
- R9.** The Planning Department should increase the hours that are open to the public and enforce their 24 hour policy of returning phone calls from the public by the end of 2023 (F4)
- R10.** The Code Compliance Department should add recommended time frames for the Flow Chart described in the policy and procedure manual by the end of 2023. (F4)
- R11.** Conflict of Interest policy should be rewritten to include relationships of a personal nature by the end of 2023. Use the counties of Mendocino and San Bernardino policies as a reference. (F6)
- R12.** The Board of Supervisors and Community Development and Infrastructure Department Management should focus on the organizational culture within the planning department and refocus the culture in a way that fosters public trust. (F7)

## Required Responses

<i>Respondent</i>	<i>Findings</i>	<i>Recommendations</i>	<i>Respond Within/ Respond By</i>
Santa Cruz County Board of Supervisors	F1 – F7	R1 – R12	90 Days September 21, 2023

## Invited Responses

<i>Respondent</i>	<i>Findings</i>	<i>Recommendations</i>	<i>Respond Within/ Respond By</i>
Santa Cruz County Principal Planner	F1 – F7	R1 – R12	90 Days September 21, 2023
Santa Cruz County Director of Community Development and Infrastructure	F1 – F7	R1 – R12	90 Days September 21, 2023
Santa Cruz County Assistant Planning Director, Policy, Housing & Code Compliance	F1 – F7	R1 – R12	90 Days September 21, 2023
Santa Cruz County Code Compliance Investigator IV	F1 – F7	R1 – R12	90 Days September 21, 2023

## Definitions

- BOS: Board of Supervisors
- CC: Code Compliance
- CACEO: California Association Of Code Enforcement Officers
- CCD: Code Compliance Division
- CCI: Code Compliance Investigator
- P&P: Policy and Procedure



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## Appendix A – Applicant’s Rights<sup>[71]</sup>



# COUNTY OF SANTA CRUZ

## PLANNING DEPARTMENT

701 OCEAN STREET, 4<sup>TH</sup> FLOOR, SANTA CRUZ, CA 95060  
(831) 454-2580 FAX: (831) 454-2131 TDD: (831) 454-2123

## Applicant’s Rights

### Resolution Establishing County Policies for Permit Processing

WHEREAS, the people of the County of Santa Cruz Adopted by vote in 1978, a comprehensive growth management and environmental protection system; and

WHEREAS, the Board of Supervisors has implemented such a growth management system through a variety of ordinances, regulations, and policies; and

WHEREAS, the concepts of growth management and environmental protection continue to be critically important for and broadly supported by our community; and

WHEREAS, it is equally important that the permit processing system which, in part, implements growth management and environmental protection policies, be as broadly supported as the policies themselves; and

WHEREAS, the Board of Supervisors has undertaken an aggressive program of reforming the permit processing system of the Santa Cruz County Planning Department; and

WHEREAS, the permit processing reform effort has resulted in measurable improvements in the system; and

WHEREAS, more progress needs to be made concerning permit processing reform, and the Board of Supervisors is taking actions to achieve such progress; and

WHEREAS, an essential element of a meaningful permit processing reform effort is for the County to provide clear and helpful information to applicants for permits; and

WHEREAS, it is in the best interests of the people of the County of Santa Cruz to now set forth policies for the processing of permit applications by the County of Santa Cruz in a manner which will have the effect of upholding all of the policies of growth management and environmental protection, while, at the same time establishing a reliable set of permit processing guidelines;

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Santa Cruz that the following policies are hereby adopted for the processing of permit applications by the County of Santa Cruz:

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1. An applicant is to be provided with complete information concerning the process which will be followed regarding the application, including specific steps in the process and estimated time frames for each step;
2. An applicant is to receive at the earliest possible time all of the elements required by the County of Santa Cruz which would constitute a complete application;
3. An applicant is to be provided with clear and specific criteria which will be used by the County of Santa Cruz in making decisions pertaining to the application;
4. An applicant is to be provided with information concerning any and all appeals processes available concerning decisions made by the County of Santa Cruz which relate to the application;
5. An applicant is to be entitled to request and be provided with a "single point of contact" for processing the application;
6. An applicant is to be provided, at the earliest possible time, with notice regarding any delays in processing the application beyond the time frames established by the County of Santa Cruz for processing the permit.

### Permit Streamlining Act

The Permit Streamlining Act (PSA) is a state law that the legislature enacted in 1977.

To review the PSA click here: (Gov Code Sec. 65920 et seq.)

[http://leginfo.legislature.ca.gov/faces/codes\\_displayexpandedbranch.xhtml](http://leginfo.legislature.ca.gov/faces/codes_displayexpandedbranch.xhtml)

For more details, you may search the "California Home" page for information on government permit processes at:

[http://www.ceres.ca.gov/planning/pub\\_notice/part2.html](http://www.ceres.ca.gov/planning/pub_notice/part2.html)

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### Activity/Accessibility Announcement

The County of Santa Cruz Planning Department does not discriminate on the basis of a disability, and no person shall, by reason of a disability, be denied the benefits of its services, programs or activities. The Planning Department is located in an accessible facility. If you wish to participate in any Planning program or activity, or wish to receive any Planning service, and you require special assistance, please contact us at least 72 hours in advance in order to make arrangements: **Phone # 831-454-3137 (TTY phone # 831-454-2123 or 831-763-8123 from Watsonville).**

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SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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## Board of Supervisors response to Grand Jury Report Code Compliance Division

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Caitlin Smith <Caitlin.Smith@santacruzcountyca.gov>

Tue, Oct 3, 2023 at 2:25 PM

Good Afternoon,

Please see attached for the Board of Supervisors' response to the 2022-2023 Grand Jury report "Code Compliance Division – Out of Compliance".

Best,

Caitlin C. Smith

County Supervisors' Analyst

Santa Cruz County Board of Supervisors

[701 Ocean Street, Room 500](#)

[Santa Cruz, CA 95060](#)

831-454-2200 main

831-454-3516 direct

[caitlin.smith@santacruzcountyca.gov](mailto:caitlin.smith@santacruzcountyca.gov)

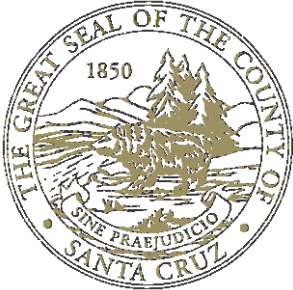
To email all five members of the Board of Supervisors at once,

please use: [boardofsupervisors@santacruzcountyca.gov](mailto:boardofsupervisors@santacruzcountyca.gov)



Board of Supervisors Response to Grand Jury Report Code Compliance Division.pdf

304K



# County of Santa Cruz

## BOARD OF SUPERVISORS

701 OCEAN STREET, SUITE 500, SANTA CRUZ, CA 95060-4069  
(831) 454-2200 • FAX: (831) 454-3262 TDD/TTY - Call 711

**MANU KOENIG**  
FIRST DISTRICT

**ZACH FRIEND**  
SECOND DISTRICT

**JUSTIN CUMMINGS**  
THIRD DISTRICT

**FELIPE HERNANDEZ**  
FOURTH DISTRICT

**BRUCE MCPHERSON**  
FIFTH DISTRICT

September 29, 2023

The Honorable Syda Cogliati  
Santa Cruz Courthouse  
701 Ocean Street  
Santa Cruz, CA 95060

**RE: Response to the 2022-2023 Grand Jury Report "Code Compliance  
Division – Out of Compliance"**

Dear Judge Cogliati:

The purpose of this letter is to formally transmit the Santa Cruz County Board of Supervisors' response to the 2022-2023 Grand Jury Report "Code Compliance Division – Out of Compliance".

Sincerely,

ZACH FRIEND, Chair  
Board of Supervisors

ZF: cs  
Attachment

CC: Clerk of the Board  
Santa Cruz County Grand Jury





**The 2022–2023 Santa Cruz County Civil Grand Jury  
Requires the**

**Santa Cruz County Board of Supervisors**

**to Respond by September 21, 2023**

**to the Findings and Recommendations listed below  
which were assigned to them in the report titled**

**Code Compliance Division – Out of Compliance**

**It's not easy, but it shouldn't be impossible**

Responses are **required** from elected officials, elected agency or department heads, and elected boards, councils, and committees which are investigated by the Grand Jury. You are required to respond and to make your response available to the public by the California Penal Code [\(PC\) §933\(c\)](#).

Your response will be considered **compliant** under [PC §933.05](#) if it contains an appropriate comment on **all** findings and recommendations **which were assigned to you** in this report.

Please follow the instructions below when preparing your response.

## Instructions for Respondents

Your assigned [Findings](#) and [Recommendations](#) are listed on the following pages with check boxes and an expandable space for summaries, timeframes, and explanations. Please follow these instructions, which paraphrase [PC §933.05](#):

1. **For the Findings, mark one of the following responses with an “X” and provide the required additional information:**
  - a. **AGREE with the Finding**, or
  - b. **PARTIALLY DISAGREE with the Finding** – specify the portion of the Finding that is disputed and include an explanation of the reasons why, or
  - c. **DISAGREE with the Finding** – provide an explanation of the reasons why.
2. **For the Recommendations, mark one of the following actions with an “X” and provide the required additional information:**
  - a. **HAS BEEN IMPLEMENTED** – provide a summary of the action taken, or
  - b. **HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – provide a timeframe or expected date for completion, or
  - c. **REQUIRES FURTHER ANALYSIS** – provide an explanation, scope, and parameters of an analysis to be completed within six months, or
  - d. **WILL NOT BE IMPLEMENTED** – provide an explanation of why it is not warranted or not reasonable.
3. **Please confirm the date on which you approved the assigned responses:**

We approved these responses in a regular public meeting as shown  
in our minutes dated \_\_\_\_\_ September 19, 2023 \_\_\_\_\_.

4. **When your responses are complete, please email your completed Response Packet as a PDF file attachment to both**

The Honorable Judge Syda Cogliati [Syda.Cogliati@santacruzcourt.org](mailto:Syda.Cogliati@santacruzcourt.org) and

The Santa Cruz County Grand Jury [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).

**If you have questions about this response form, please contact the Grand Jury by calling 831-454-2099 or by sending an email to [grandjury@scgrandjury.org](mailto:grandjury@scgrandjury.org).**



## Findings

- F1.** Understaffing over a long period of time in the Code Compliance Department means that Code Compliance Investigators are unable to complete cases in a timely manner, causing a huge backlog of cases some of which are up to 40 years old.

- AGREE**
- PARTIALLY DISAGREE**
- DISAGREE**

**Response explanation** (required for a response other than **Agree**):

- F2.** The Code Compliance Department and the Planning Department do not routinely revise and update their departmental procedures and policies, which leads to lack of accountability to the public and inconsistent implementation and interpretation of findings in investigations.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

While the Code Compliance Section of the Community Development and Infrastructure Department does not routinely update procedures and policies, it does have standard methodology implemented set forth by the County Code to ensure all individuals have access to due process. Code Compliance has policies and procedures associated with intake and processing of complaints, timeframes for addressing complaints based upon prioritization of the types of complaints, methods for obtaining inspection warrants, preparation of case packets, and notification procedures have been consistently implemented. In addition, current Code Compliance investigators have a collective 50+ years between the three investigators in this section.

Regarding written procedures in the Code Compliance Section, the Code Compliance Process Handout was last updated in 2016 and includes milestones at 20-days, 90-days, 120-days, 180-days, and 200-days.

The Development Review and Building Sections' permit intake and public counter related procedures are up to date, which has been challenging in that the department has been subjected to a variety of emergency related events over the course of the past three years, including the COVID-19 pandemic, 2020 CZU lightning complex fires, and 2022-2023 atmospheric river storms. These events required the department to rework the permitting and project review procedures to include a new electronic submittal system and remote counter consultations via email and telephone. Other procedures, such as those that address the Recovery Permit Center operations and interdepartmental coordination with various divisions and departments are in process. Further, through the establishment of the Unified Permit Center, customer service and permitting procedures will continue to be updated to reflect the department's goal of streamlining the permitting process and providing consistently excellent customer service.

The Board of Supervisors, Planning Division and Code Compliance Section recognize some procedures need updating; however, Planning's implementation of the code investigation, permit submittal, and permit review procedures has not been inconsistent.

- F3.** The Code Compliance Department of the Planning Department does not have quality assurance systems in place to evaluate their own performance and effectiveness, which contributes to lack of accountability and lack of credibility and public confidence.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Code Compliance Section tracks complaints by type, and on an annual basis presents each Board member with a summary of the number and type of complaints that have come in, how many were found valid, how many were resolved without citation or posting a notice of violation, how many were posted with a notice of violation, and how many were brought to hearing.

The success of the Code Compliance Section does not only rely on quantitative and qualitative measures of effectiveness to build credibility and confidence in the program. Code Compliance success relies on the engagement of the property owner in teaming to take corrective action. Property owners often have barriers that form barriers to their own success. Good code enforcement starts with education, building enabling relationships, and being accountable to the community.

Code Compliance staff prioritize initial response time for new complaints based upon established response goals for low, medium, and high priority determinations for various types of violations. These priorities are implemented based on public health, life safety, and environmental degradation.

Code Compliance staff are evaluated on an annual basis by the section manager through a review of their overall caseload, the number of cases brought into compliance, the number of cases brought to hearing, the number of service requests resolved without a formal citation, and an evaluation of an investigator's response to that final category. The annual review also includes discussions of any interpersonal conflicts that may come up between staff and with members of the public and is documented in the confidential annual evaluation.

- F4.** At the present time the Planning Department has limited access for the public. It is frustrating to the public to be unable to readily communicate with the staff required to assist in dealings with building, planning, and code compliance matters.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Planning Division is open weekdays from 8 AM to 5 PM, with the public counter open to the public by appointment Monday through Thursday mornings from 8 AM until noon. To optimize customer service, appointments are available in-person, by video, or by phone. While customers are encouraged to schedule appointments in advance, it is rare that the same day appointment is unavailable. To date, the volume of appointments has not demonstrated a need to expand counter service hours. Regarding code compliance-related inquiries, customers who visit the counter wishing to either file a code complaint or follow up on a code complaint, are assisted on a walk-in basis. Code Compliance staff are consistently available on a walk-in basis. In addition to counter appointments, all sections in the division maintain a general inquiry email box. Detailed information regarding permitting codes and applications is also available on the Planning website at [www.sccoplanning.com](http://www.sccoplanning.com).

Department policy is that all email inquiries shall be returned within 24 hours. In the past, during periods of understaffing, email responses were sometimes delayed; however, responding to customer inquiries is consistently the top priority and, in most circumstances, the 24-hour response expectation is met. This policy also applies to phone messages. Planning has a live operator who staffs the general information line Monday through Friday from 8 AM to 5 PM. In situations where a member of the public seeks to speak with a specific staff member, responses may be impacted by workload and sickness or vacation time.

**F5.** There is a persistent public perception of inconsistent interpretation of code. The building and other various codes are complex and difficult to understand. When misinformation is communicated and portions of projects must be redone, it leads to time and money loss as well as frustration.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The regulations can be complex, and members of the public are encouraged to work with Planning staff prior to submitting their development project permit applications. (Note that the building code is established by the International Code Council and the State of California.) Planning offers 30-minute counter appointments and email assistance, and there is no limit to the number of appointments or inquiries one may make. In that appointment, Planning and Building staff are available to provide general guidance on the applicable policies and regulations and to review and provide early feedback on project plan completeness.

Projects are often complex with many unique parameters and characteristics. For more complex projects, it is recommended that prospective applicants apply for a pre-application consultation and/or a pre-development site review, the deliverable of which is a letter that contains written analysis of the project that lays out the permit path/next steps in the review process. Issuance of the letter is often preceded by a meeting with the applicant to review the findings in the letter. Unfortunately, these options are not often used.

The public perception of varying interpretations of the code is based in part upon receiving different responses due to the customer's presentation of the project at the time of the appointment. For example, with respect to the question of "do I need a permit for a 6-foot-tall fence?", the answer is generally "no," unless it is in the front yard. However, fences on coastal bluffs or near sensitive areas may have different requirements that can affect a seemingly straight-forward response. Appointments are intended to provide general information in response to the inquiry presented; the more detailed the question, the more detailed (and accurate) the answer will be.

A considerable volume of inquiries is fielded daily, by telephone, email and appointment.

- F6.** The Conflict-of-Interest policy does not include conflicts regarding family, friends, or prior relationships of a personal nature. This omission, and the optics in some situations, lead to misunderstanding and mistrust between the public and the Code Compliance Department as well as increasing the risk of liability to the County.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

Code Compliance works with all members of the public and is bound by Santa Cruz County Code Chapter 3.40 Conflicts of Interest and Incompatible Activities.

The standard practice with regards to family and friends who ask that Planning staff investigate something is to direct them to file a complaint, to be handled according to standard practice. Allegations of collusion between complaining parties or property owners and enforcement staff are common, especially in cases where the complaining party assists in providing evidence, or in cases where staff determines there is no violation, and a complaining party disagrees.

When investigating a complaint, Planning staff have been instructed to recuse themselves from the case if they have a personal relationship. As the identity of a complaining party is confidential, an investigator may not know of a personal relationship unless the complaining party discloses their identity. If the relationship becomes known, the case is transferred to one of the other two investigators.

- F7.** The Planning Department is by its nature supposed to be a customer-focused department, yet it operates in ways that discourage communications, undermining the public's trust in the department.

**AGREE**

**PARTIALLY DISAGREE**

**DISAGREE**

**Response explanation** (required for a response other than **Agree**):

The Planning Division has consistently prioritized customer service. Whether it be in a code enforcement, building permit, development permit, or policy related function, assisting the public is the division's primary duty. As mentioned in an earlier response, staff are available by phone during business hours, with a live receptionist fielding and directing calls Monday through Friday. In addition, customers with general inquiries have several options by which to contact staff, including by email, phone, or in-person appointments. Staff are available on a walk-in basis. The division's policy is to return emails and phone calls within 24 hours. As noted above, detailed information regarding permitting codes and applications is also available on the Planning Division website.

Due to the complex regulatory environment inherent to the nature of the work that the Planning staff do, the information the public receives regarding the permit requirements or process is not what they were hoping to hear. The rules and regulations are put in place to protect public safety and the quality of life of residents and visitors to the County. This focus often conflicts with the wants and needs of the individual. This can leave individuals feeling as though the level of service received was less than expected when the hoped-for response is not heard.

## Recommendations

**R1.** The Planning Department should fill vacant code compliance positions by the end of the calendar year 2023. (F1)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

### Required response explanation, summary, and timeframe:

The new Code Compliance Manager position was filled provisionally in June 2023 and permanently in August 2023. The Code Compliance Investigator position for short-term rentals will be filled in September 2023. With filling the Code Compliance Manager position, the Planning Division is currently recruiting for an additional investigator.



**R2.** The Personnel Department should reclassify the job description and requirements for the Code Compliance Supervisor to allow the de-facto supervisor to become the department supervisor by the end of this calendar year 2023. (F1)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Personnel Department created a new position of Code Compliance Manager that was approved by the Board of Supervisors, taking the place of the current Principal Planner role as manager of that section. The “de-facto supervisor” was a Code Compliance Investigator IV, who is also responsible for code compliance for south county. This position will continue in this lead role.

- R3.** The Planning Department should, by the end of 2023, determine what steps and staff are needed to close out the backlog of code compliance cases within a two-year time frame. (Consider including the County Auditing Department to assist with this process.) (F1)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

While a high percentage of cases would benefit from more dedicated staff time to work toward resolution, and from more abatement funds to address cases where a property owner cannot be compelled to comply, the goal of closing out all backlogged cases within two years is not feasible based on the judicial system and due process, the limited authority vested in the Code Compliance Section, and the cost of abatement. Unlimited discretionary funds and sufficient dedicated staff would be required to reduce the backlog by as much as 90% over 10 years. It would also require the County to mitigate several hundred cases through public expenditures with limited ability to recover costs through the tax bill and would result in the displacement of hundreds of individuals and families from unpermitted structures.

The compliance process begins with notification of a complaint and potential violation, and an effort to resolve a confirmed violation without penalty in most cases. If a property owner refuses to comply, Code Compliance staff seek an order from a hearing officer. This order may be appealed through the Santa Cruz Superior Court up to the California Supreme Court, which can and has taken more than a decade. If the property owner does not appeal, and still refuses to comply, staff can refer the case to County Counsel, which can take the case to Superior Court, again with all appeal rights. Even when a judgment is found against the homeowner, and more significant penalties are levied beyond the \$10,000 limit the hearing officer is bound by, the property owner may not comply, potentially facing jail time and liens. In addition, permit fees may be doubled in some cases where unpermitted construction was stopped until permits could be obtained.

The County may obtain an order to abate a nuisance and can seek to recover the costs of abatement on a tax lien. Properties that have accumulated dozens to hundreds of vehicles, materials and trash can cost several hundred thousand dollars to clean up and resolve a violation. If the property has value, the court can appoint a receiver to take control of the parcel and clear violations. If it does not, the cost is borne by the public. If the concern expressed in this report is for the perception by the public of the Planning Division and Code Compliance Section, the effort to resolve violations where housing was built without permits and where it cannot be made legal would be counter-productive, as the resolution would entail removing occupied housing and putting families in an unhoused situation.

- R4.** The policies and procedures manuals for the Planning Department and Code Compliance Department should be completely reviewed, updated as prescribed in the policy and procedures manual, and digitized. Each section should be dated, and all future revisions should include date markings for any changes. This process should be completed by the end of 2023. (F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Once the Code Compliance Section is fully staffed, the new manager can take on the effort involved in this manual update. The Planning Division is in the process of creating a Unified Permit Center (UPC), which will be fully operational by the end of 2024 and provide the public comprehensive access to multiple county departments and their staff. The creation of the UPC will drive the creation of various new policies and procedures for permitting once established. In addition, a new website for the Community Development and Infrastructure Department is under construction and will provide a venue for these documents to be available to the public by the end of 2024.

**R5.** The Code Compliance Department should create a log system that ensures that all Planning Department and Code Compliance desk interactions, phone calls, emails, text messages, complaints, and any other interactions with the public are entered into a searchable database by the end of 2023. (F3)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Code Compliance cannot be responsible for creating a log system for the entire Community Development and Infrastructure Department. The department has hundreds, possibly thousands, of interactions with the public every day. Creating a searchable log of all phone calls, emails, text messages and verbal interactions is beyond the expertise of the Code Compliance Section. Each Code Compliance Investigator has been trained in using the current database (INFOR) to track phone calls, e-mails, case notes, parcel information/history, case status, case attachments, site visits, and other correspondence. The Code Compliance Section also maintains an extensive data drive with additional documentation such as photos, administrative hearing packets, recordings, County Counsel referrals, receiverships, and other public records.

All counter appointments are saved to a searchable database, including the “staff notes” section which is intended to memorialize determinations made during the appointment and/or to track meaningful information that could be useful in a subsequent appointment. Consistent with Code Compliance staff, Development Review staff track all complex determinations made at the counter or via email in INFOR (Log Notes). Countywide, all emails are retained for a period of 60 days.

**R6.** Data regarding public complaints about Code Compliance Investigators actions should be discussed at staff meetings. Data collected by the log system should be reviewed by Code Compliance Department management no less than quarterly. This should be instituted by October 1, 2023. (F3)

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**HAS BEEN IMPLEMENTED** – summarize what has been done

—x—

**HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe

—

**REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)

—

**WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

Discussion of formal complaints can be inserted as a standard line item for Code Compliance staff meetings by the end of 2023. Public complaints that allege a violation of procedural or ethical standards can be noted and tracked by the Code Compliance Manager; however, it must be noted that the Code Compliance Investigator role is to inform a person they are in violation of an ordinance and staff are often the target of rage, anger, frustration and even aggression. When staff are subject to verbal abuse and physical intimidation, they are encouraged to step away or hang up. Though uncommon, most informal complaints received in the past five years regarding Code Compliance staff stem from this type of interaction.

**R7.** The Code Compliance Department should institute monthly staff meetings by October 1, 2023. Meetings should include relevant educational materials, data regarding monthly activity, new challenges such as policy changes, and resolution of or issues regarding active complaints about the department. (F2)

**HAS BEEN IMPLEMENTED** – summarize what has been done

**HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe

**REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)

**WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Code Compliance Manager position was filled in August 2023, and monthly (or bi-weekly) staff meetings will be established by the end of 2023.

- R8.** The Code Compliance Department should formalize training and staff development requirements of Code Compliance Investigators through California Association of Code Enforcement Officers (CACEO), use staff meetings to encourage cross training and continuing education, document staff development in employee files, and formalize it in the employee evaluation protocol by October 1, 2023. (F2)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

California Association of Code Enforcement Officers (CACEO) training has been standard in the Code Compliance Section since it became available, and investigators are encouraged to (and do) regularly attend.

Training outside of California Association of Code Enforcement Officers (CACEO) on other aspects of Code Compliance or career advancement are discussed annually and set as goals through the confidential annual employee evaluations. This is currently documented in those records. Additionally, Code Compliance staff regularly organize and provide training on specific topics to other code staff and/or other department sections. Recent trainings include stop-work procedures, data entry into INFOR, and receiverships.



**R9.** The Planning Department should increase the hours that are open to the public and enforce their 24-hour policy of returning phone calls from the public by the end of 2023 (F4)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Planning Division is open from 8 AM to 5 PM daily, and the counter is open from Monday through Thursday from 8 AM to 12 PM. To date, the volume of appointments has not demonstrated a need to expand counter service hours. By the end of 2023, the division will evaluate the demand for increasing in-person appointment hours and staffing levels to ensure same-day appointments are available. The intent is also to add afternoon appointments one or more days per week.

Planning intends to retain the current practice of staffing a general inquiry phone line Monday through Friday from 8 AM to 5 PM as well as general inquiry email service Monday through Friday from 8 AM to 5 PM. Current division policy is that response times for initial calls and emails from a member of the public shall be 24 hours. Planning staff will continue to make every effort to continue to meet this requirement. To date, there have been short periods of time where response times have been more than 24 hours due to staffing issues. Follow-up calls from the same member of the public will be addressed as staff availability allows, based upon the nature of the call and staff workload.

**R10.** The Code Compliance Department should add recommended time frames for the Flow Chart described in the policy and procedure manual by the end of 2023. (F4)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

A flow chart with timeframes currently exists. It will be added to the revised procedural manual with the review of the entire manual in 2024.

**R11.** Conflict of Interest policy should be rewritten to include relationships of a personal nature by the end of 2023. Use the counties of Mendocino and San Bernardino policies as a reference. (F6)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

As discussed in the response to F6, the County has standard practices for addressing personal relationships, and the Board does not believe revisions are needed to Santa Cruz County Code Chapter 3.40 Conflicts of Interest and Incompatible Activities.

- R12.** The Board of Supervisors and Community Development and Infrastructure Department Management should focus on the organizational culture within the planning department and refocus the culture in a way that fosters public trust. (F7)

- HAS BEEN IMPLEMENTED** – summarize what has been done
- HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IN THE FUTURE** – summarize what will be done and the timeframe
- REQUIRES FURTHER ANALYSIS** – explain the scope and timeframe (not to exceed six months)
- WILL NOT BE IMPLEMENTED** – explain why

**Required response explanation, summary, and timeframe:**

The Board of Supervisors and Community Development and Infrastructure (CDI) Department are bound by the policies and directives that have been developed and implemented through public engagement and transparent public processes. This includes federal, state, and local laws and requirements that require uniform and equal application. Under this environment, one of CDI's primary focuses is fostering public trust. The department is dedicated and motivated to improve the customer experience. To that end, one major process improvement CDI is in the process of implementing is the Unified Permit Center (UPC), which will be fully operational by the end of 2024.

One of the primary goals of the UPC is to improve responsiveness and continuity of the information provided at the public counter. Over the course of the past few years, several process improvements have already been implemented to make way for the UPC and improve customer service more immediately. These include a staff training program, updated procedures and public information documents, web site improvements, flexible Counter appointment options, increased accessibility to public meetings, an electronic submittal system, and more.



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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**(2023.8bl) Invited response to Grand Jury report was due on September 21,2023.**

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**Matt Johnston** <Matt.Johnston@santacruzcountyca.gov>  
To: "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>

Wed, Oct 4, 2023 at 2:35 PM

Hi Kimberly,

My input was provided to the Planning Director, along with that of other Planning Department staff. That input was forwarded to the CAO and then to the Board of Supervisors who incorporated it into their response.

Matt Johnston  
Environmental Coordinator  
Principal Planner for Environmental Planning  
County of Santa Cruz  
(831) 454-5357

The Department's Building, Zoning, and Environmental Planning counters are open  
**BY APPOINTMENT, Monday through Thursday from 8:00 to 11:30 AM** in-person or telephone.  
Self-schedule your appointment [here](#).



SANTA CRUZ  
COUNTY  
GRAND JURY

Grand Jury <grandjury@scgrandjury.org>

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**(2023.8cl) Invited response to Grand Jury report was due on September 21,2023.**

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**Matt Machado** <Matt.Machado@santacruzcountyca.gov>  
To: "grandjury@scgrandjury.org" <grandjury@scgrandjury.org>

Thu, Oct 5, 2023 at 10:49 AM

Hi,

Our response was as adopted by the Board of Supervisors.



Matt Machado, PE, LS

Deputy County Administrative Officer  
Director of Community Development  
& Infrastructure

831.454.2368

[701 Ocean Street, Room 410](#)

[Santa Cruz, CA 95060](#)

