

535 Insights



Santa Cruz County - California



WHERE Santa Cruz County - California

WHAT

535 Insights quantifies economic opportunity for American workers and families for all 20,000+ municipalities, counties, congressional districts, states and across a variety of measures. For each datapoint, you can see how a chosen geography fares in comparison to the rest of the country, ranked by desirability. Each page includes written analysis that explains the datapoints within a broader policy context.

WHY

Financial security and the opportunity to build wealth and rise up the income ladder is the foundation of the American Dream.

Learn how **Santa Cruz County - California** fares in core areas of wealth and economic security.

Top 31%
ABOVE AVERAGE



12%

Chance to become high-income with low-income parents¹

Top 4%
FAR ABOVE AVERAGE
High confidence estimate



\$458K

Median household net worth²

Top 15%
FAR ABOVE AVERAGE



\$46K

Median earnings for population without a college degree³

37 out of 50
ABOVE AVERAGE



52%

Share of working-age adults with \$0 retirement savings (state level)⁴



Housing Supply

By increasing supply, affordability, and access to homeownership, we can help build strong communities where families thrive.



Renter Wealth

By creating opportunities for renters to build wealth where they live, we can help reduce the opportunity cost of renting and strengthen neighborhoods.



Employee Ownership

By expanding employee ownership through ESOPs, we can create generational wealth for American workers while enhancing U.S. competitiveness.



Job Quality

By expanding and improving workplace benefits, we can build good jobs that help workers thrive and communities prosper.

Santa Cruz County - California faces housing supply and affordability challenges. This is contributing to unsustainable financial burdens for families and creates barriers to economic opportunity.

Bottom 0%
FAR ABOVE AVERAGE ↑

9.3x

Median home value to median household income⁵

Top 22%
BELOW AVERAGE ↘
High confidence estimate

49

Foreclosures per 100,000 mortgage holders⁶

Top 47%
AVERAGE →

11%

Residents living in high-poverty areas⁷

Bottom 13%
FAR BELOW AVERAGE ↓

4%

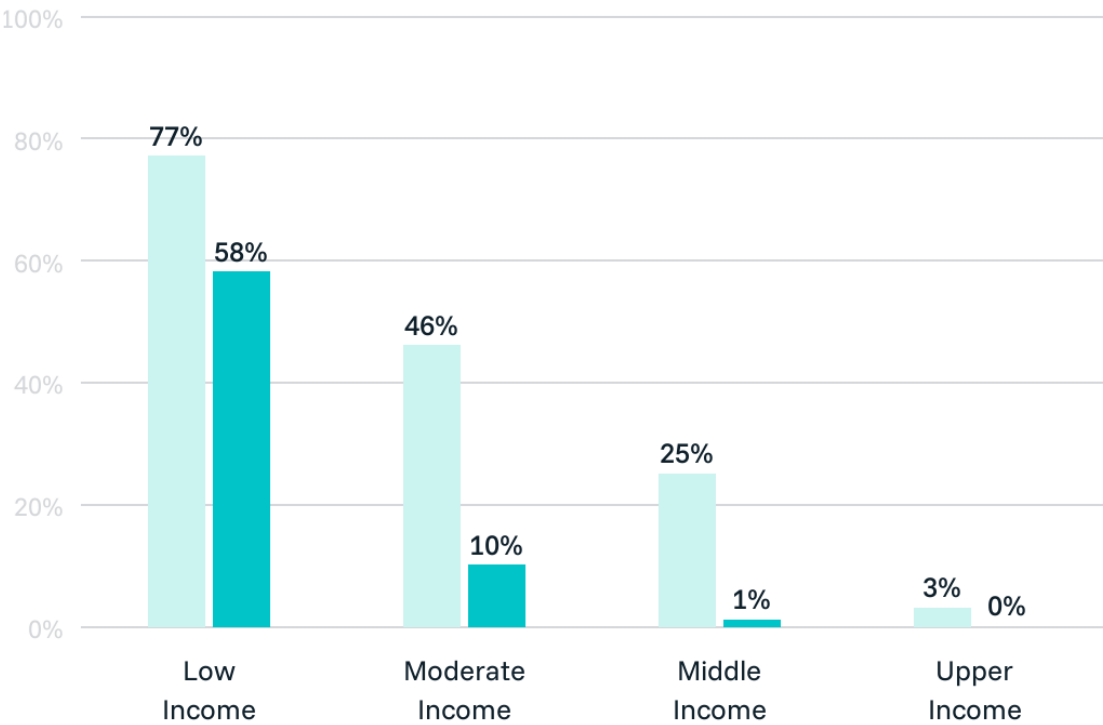
Housing units built since 2010⁸

The United States is 4 million homes short of meeting national demand, a shortfall that almost doubled over the past decade. California has a shortfall of 839,774 units.⁹ This undersupply contributes to rising housing costs which force working-class families to spend an unsustainable portion of their income on rent, increasing eviction risk and pushing many households into neighborhoods with high poverty rates.¹⁰ Research demonstrates that concentrated poverty poses obstacles to children's ability to access economic mobility.¹¹ Housing cost burdens are also rising for middle-class families, making the American Dream of homeownership increasingly unattainable—narrowing pathways for families to build wealth.

Of the over \$200 billion invested annually in housing, only a fraction supports projects affordable for working-class families.¹² Innovative models capable of significantly boosting the supply of affordable housing exist but struggle to attract capital to scale. New policies, programs and financing tools are needed to redirect private capital into projects that promote financial stability and homeownership, and help build strong, resilient communities.

Rent Burden: Santa Cruz County - California¹³

- Burdened 30% or more of income
- Severely Burdened 50% or more of income



Bottom 0%
FAR ABOVE AVERAGE ↑

\$2264

Median rent¹⁴

Bottom 0%
FAR ABOVE AVERAGE ↑

\$1M

Median home value¹⁵

Bottom 7%
FAR BELOW AVERAGE ↓

60%

Homeownership rate¹⁶

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Housing Supply & Access



Santa Cruz County - California faces growing pressures that leave many renters with too little room to save, overcome setbacks, and build a financial foundation for their futures. These conditions can prevent households from achieving upward mobility, putting homeownership out of reach for most renters.

26 out of 50
AVERAGE →

44.9x

net worth of family owning vs.
renting (state level)¹⁷

1 out of 50
FAR ABOVE AVERAGE ↑

\$21.4K

median renter net worth
(state level)¹⁸

Bottom 20%
ABOVE AVERAGE ↗

52%

of renters are burdened by
housing costs¹⁹

Bottom 9%
FAR ABOVE AVERAGE ↑

27%

of renters are severely
burdened by housing costs²⁰

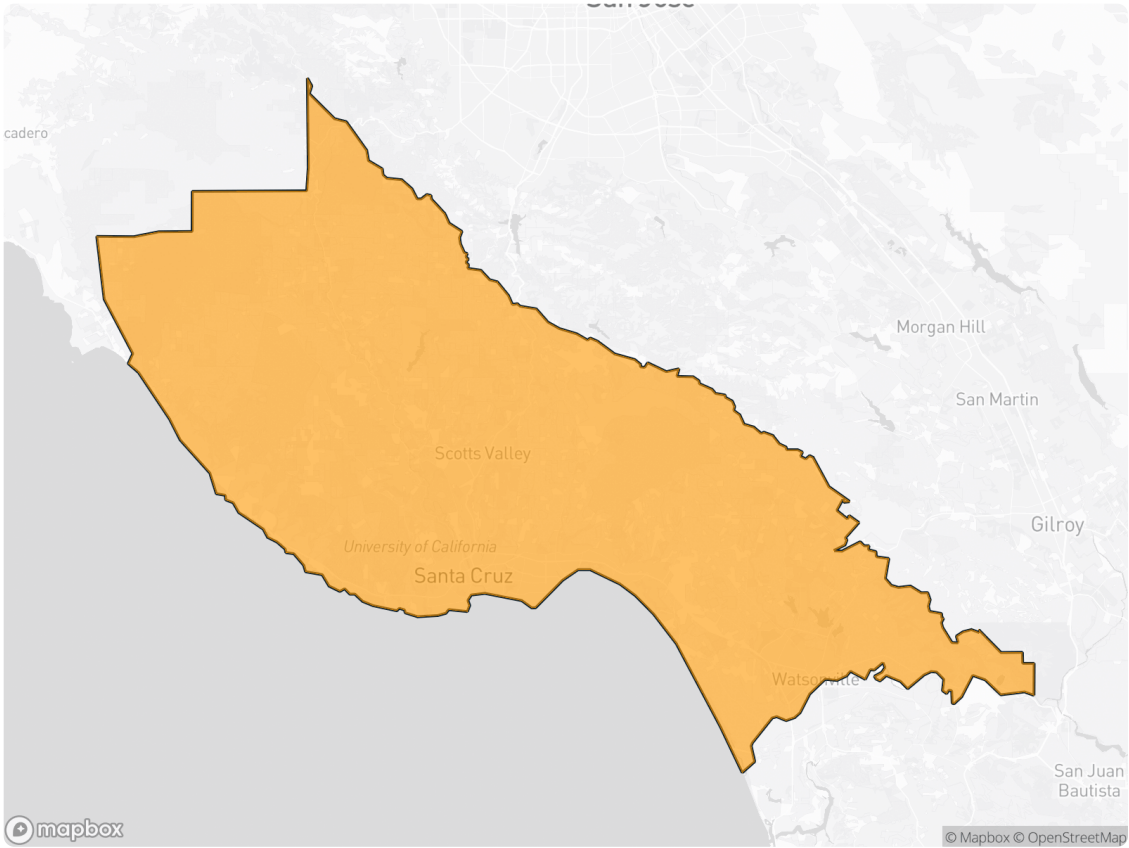
Renter wealth is a critical but often overlooked driver of household financial stability. High rent burdens and poverty rates leave many households with little room to absorb financial shocks or invest in their futures. Higher renter churn may reflect instability, displacement, or rapidly changing local housing markets; while higher overcrowding can signal that affordability pressures are forcing renters into housing that does not adequately meet their needs. Median renter household net worth in the U.S. is less than \$10,000 and represents a small fraction of the typical owner household net worth,²¹ underscoring how difficult it can be for renters to build long-term financial security, through homeownership or otherwise. Roughly two-thirds of all renting households today do not believe they could ever become homeowners.²²

The Renter Wealth Index developed by Lafayette Square Institute helps identify where these pressures are most acute. By combining multiple indicators of renter financial stress, housing instability, affordability, and housing quality, the index highlights places where targeted renter wealth initiatives could have an outsized impact on economic mobility. New policies, programs, and financing tools are needed to support approaches that help renters build savings, reduce short-term financial precarity, and create stronger pathways to long-term financial security, enabling every family to thrive.

Renter Wealth Index: **Santa Cruz County - California**²³

Rating: **1.8** Low Renter Wealth

Low Low 1.8 High High



Top 11%
FAR BELOW AVERAGE ↓

11%

of renters live below the
poverty line²⁴

Top 47%
AVERAGE →

10%

of renters moved within
county in the last year²⁵

Bottom 3%
FAR ABOVE AVERAGE ↑

13%

of renters live in overcrowded
situations²⁶

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Renter Wealth



Santa Cruz County - California faces a wave of retiring business owners preparing to sell over the next 5-10 years, while too many workers are unprepared for retirement. Employee ownership is a proven succession option that preserves local jobs, strengthens U.S. competitiveness, and builds retirement security.

Top 25%
BELOW AVERAGE ↘

52%

of businesses have an owner
aged 55 or older²⁷

Top 7%
FAR ABOVE AVERAGE ↑

173

manufacturing firms with
owners over 55²⁸

Top 44%
AVERAGE →
High confidence estimate

55%

of workers have access to a
retirement plan at work²⁹

37 out of 50
ABOVE AVERAGE ↗

52%

of working-age adults have
no retirement savings (state
level)³⁰

Without a policy strategy to address business succession, we risk the loss of American businesses and their local jobs. Too often, the sale of a business to an out-of-state or foreign buyer results in the loss of local jobs and investment. With many businesses in critical industries, e.g., those with implications for national and economic security, facing the challenges of business succession,³¹ promoting employee ownership can be part of a broader competition framework to maintain our leadership in strategic sectors while investing in American workers.

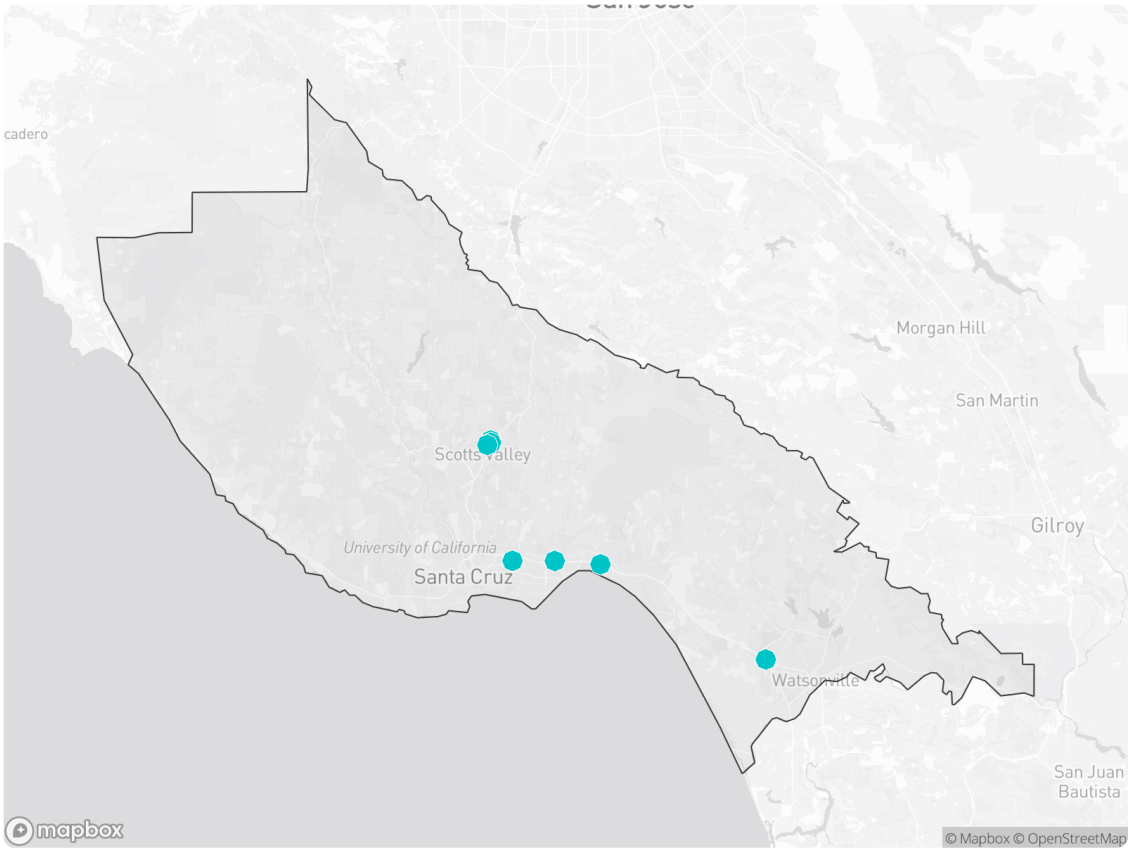
What is an ESOP? An Employee Stock Ownership Plan (ESOP) is both a retirement plan and corporate finance vehicle that allows retiring business owners to sell their business to employees. Employees do not pay for their shares, employee ownership is instead an incremental benefit on top of wages and benefits. ESOPs have been demonstrated to create over 2.5 times more retirement wealth for workers, in addition to superior pay and benefits, compared to traditional companies.³² Employee-owned businesses have also been shown to innovate more frequently and exhibit greater resilience during an economic downturn.³³

As baby boomers prepare to retire and sell their businesses, ESOPs can play an important role in maintaining domestic ownership and productive capacity across manufacturing and other strategic sectors, a win-win for U.S. economic security and for American workers across the country.

Privately Held ESOP Companies in Santa Cruz County - California³⁴

Total shown on the map

7



Top 5%
FAR ABOVE AVERAGE ↑

7

privately held ESOP
companies³⁴

Top 14%
FAR ABOVE AVERAGE ↑

519

employee owners in local
ESOP companies³⁵

Top 11%
FAR ABOVE AVERAGE ↑

\$175K

average ESOP balance per
employee³⁶

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Employee Ownership



Santa Cruz County - California faces gaps in access to workplace benefits, leaving too many workers without health coverage or retirement savings. These gaps drive economic insecurity and limit workers' ability to build savings for the future.

Top 30%
BELOW AVERAGE



7%

full-time workers without health insurance³⁷

Bottom 19%
FAR ABOVE AVERAGE



13%

childcare costs as a share of median family income³⁸

Top 10%
FAR BELOW AVERAGE

High confidence estimate



18%

residents unable to cover a \$2,000 emergency³⁹

Top 29%
ABOVE AVERAGE



63%

labor force participation⁴⁰

Too many workers lack access to benefits that make work secure and sustainable. Across the country, employer-sponsored benefits like health insurance and retirement savings are out of reach for millions of working people. Gaps in access to these benefits lead to rising rates of medical debt, student loan default, and underinsurance. These effects are even more pronounced among lower income workers who are 3-4 times less likely to participate in medical and retirement benefits.⁴¹

The growing benefits gap leaves working families vulnerable to economic insecurity, with limited tools to build savings and assets. As a result, many workers make tradeoffs between immediate needs and long-term financial stability. The workplace benefits gap is particularly acute for small and medium-sized businesses, which employ 46 percent of the private American workforce.⁴² These small and mid-sized employers often face challenges in navigating the cost, complexity, and suitability of available benefit options for their employees.

Strong worker benefits drive economic growth. Businesses that offer competitive benefits keep workers longer and see better performance. Workers with access to health coverage, retirement savings, and childcare are less burdened by financial stress and able to invest in their futures. The whole economy benefits from a more stable and productive workforce.

Living Wage in Santa Cruz County - California⁴³

Medium confidence estimate

Rank: **Bottom 0%**

	1 Adult	1 Adult 1 Child	2 Adults 1 Child	2 Adults 2 Children
Living Wage	\$38.99	\$69.66	\$62.09	\$67.11
Median Wage	\$22.10	\$22.10	\$44.21	\$44.21
Annual Difference	↘ -\$35,124.41	↘ -\$98,918.01	↘ -\$37,197.62	↘ -\$47,639.22

By annual difference for one adult, assuming a full-time 2080 hours worked per year, 2024 data, see footnote for details.

Top 39%
BELOW AVERAGE



10%

residents aged 65+ in poverty⁴⁴

Top 11%
FAR BELOW AVERAGE



1%

residents with medical debt in collections⁴⁵

Top 15%
FAR BELOW AVERAGE



9%

residents with student loan debt⁴⁶

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Job Quality



Lafayette Square Institute is a nonprofit policy and data analytics platform committed to aligning private capital with the public interest. Through deep bipartisan relationships, innovative finance tools, and data analysis we mobilize investment in the people and places that need it.

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30. See (4). Share of working-age adults with \$0 retirement savings.

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46. See (45). Student loan debt.

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LSI Imputation Methods

All sub-national metrics labeled as estimates are produced with LSI imputation methods built on [Geocorr 2022](#): Geographic Correspondence Engine (Missouri Census Data Center), mapping 2020 Counties and 2010 PUMAs to Congressional Districts of the 119th Congress, weighted by population.

LSI PUMA to Congressional District and County Imputation Method. Applies to the Urban Institute Financial Health and Wealth Dashboard metrics (median household net worth, mortgage foreclosure, retirement plan access, and emergency savings). PUMA-level values are allocated to Congressional Districts using 2010 PUMA-to-119th-CD population-allocation factors, and to Counties using PUMA-to-county population-allocation factors. Where no single county captures at least 50 percent of a PUMA's population, the state-level estimate is substituted for the county value.

LSI County to Congressional District Imputation Method. Applies to county-level sources (childcare prices, medical debt, student loan debt, and the living-wage estimate). County-level values are allocated to Congressional Districts using 2020 county-to-119th-CD population-allocation factors.

Confidence — High. Districts where at least 75% of the population comes from counties or PUMAs that contribute at least 80% of their population to the district, and the largest county or PUMA contribution is at least 85%.

Confidence — Medium. Districts where either at least 40% of the population comes from well-aligned counties or PUMAs (contributing at least 80% of their population), or the largest county or PUMA contribution is at least 60% with fewer than 4 poorly aligned counties or 3 poorly aligned PUMAs (contributing <50% of their population).

Confidence — Lower. All remaining districts with lower alignment.

Use County Data. Districts where at least 85% of the district population comes from a single county that contributes less than 80% of its population to the district (for example, Los Angeles County, which spans 17 districts).

***Note on jam values for medians in the Census:**

For some median variables, the Census limits the range of possible values between two numbers. These variables include personal and household income (\$2,500 - \$250,000), home value (\$10,000 - \$2,000,000), and rent (\$100 - \$3500). Any values that fall outside of these ranges are placed in bins. For example, a median household income value of \$260,000 will be expressed as \$250,001, while a median home value of \$9,000 will be expressed as \$9,999. To learn more, read the Census's [technical documentation](#).

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