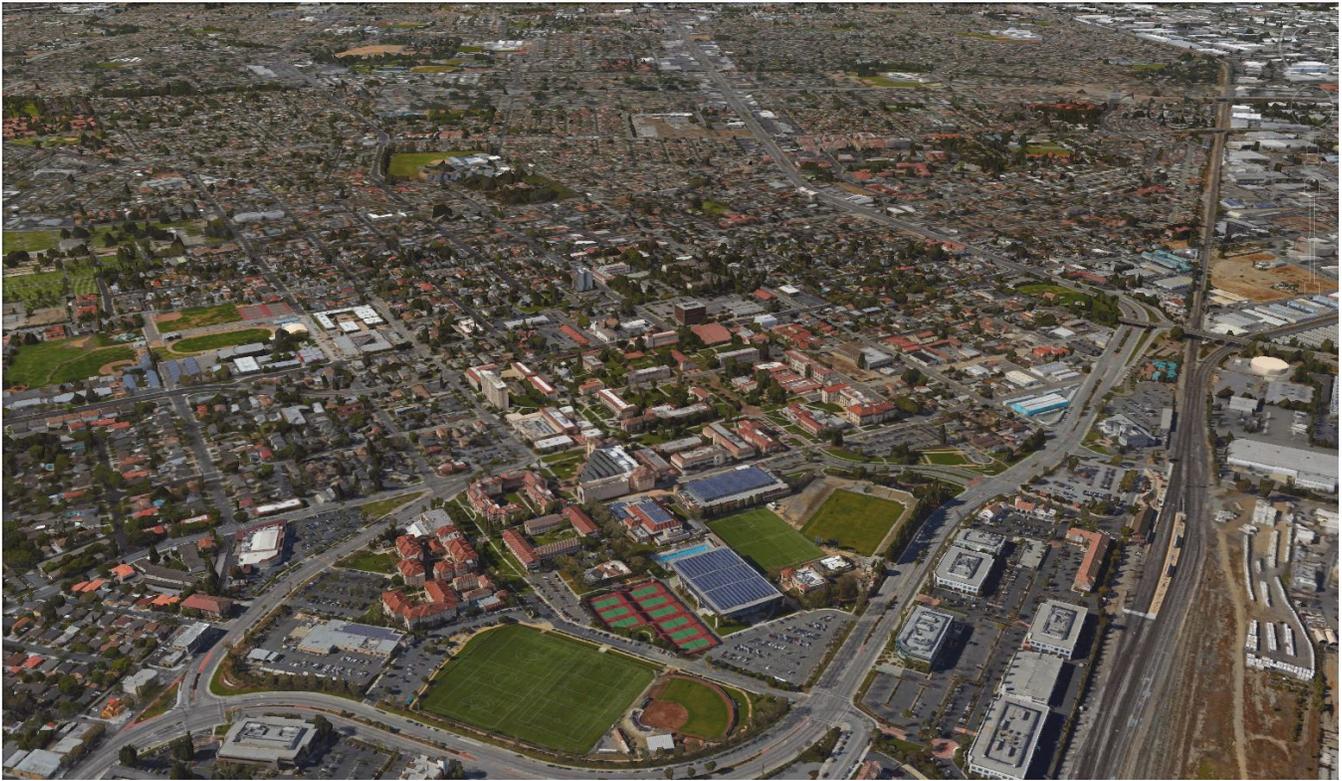


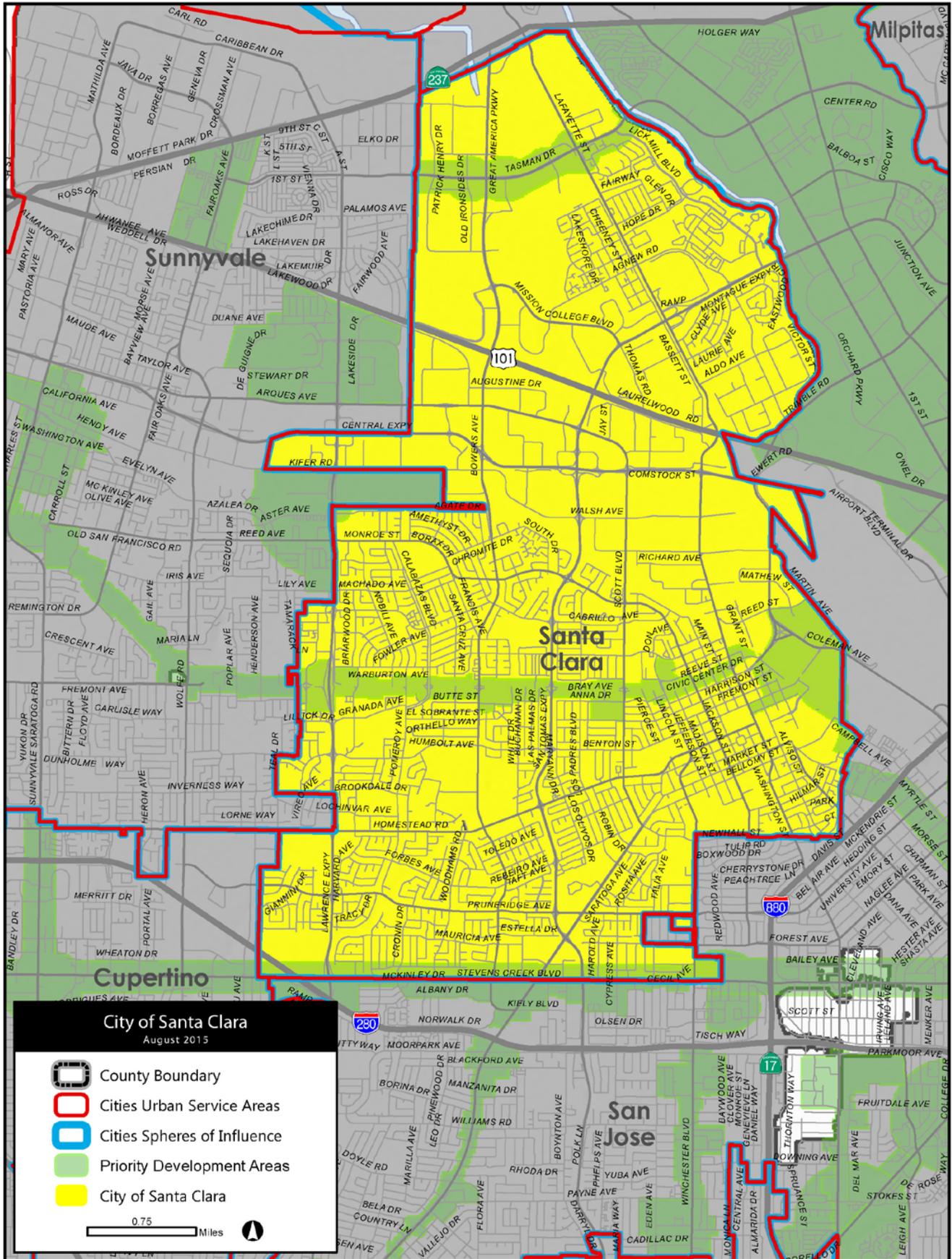
## 15 City of Santa Clara



### 15.1 Agency Overview

The City of Santa Clara was incorporated in July 1852. According to the California DOF 2015 estimates, the population of Santa Clara is 120,973. As of 2015, the City's incorporated area spans 18.18 square miles. Levi's Stadium, home of the San Francisco 49ers and future site of Super Bowl 50 in 2016, opened in the City in 2014. The stadium is having a significant impact on development, economic growth, transportation, and service delivery for the City. As of 2015, Santa Clara's USA and SOI both encompass 19.3 square miles. These boundaries can be seen in Figure 37.

Figure 37. City of Santa Clara Existing Boundaries



### 15.1.1 City Staffing

In FY 2014, total City staffing included 933.5 FTE employees. As shown in Table 167, the greatest number of FTEs is assigned to the police function.

~~Table 168.~~ Table 167. *City of Santa Clara Staffing in Top Four Functions*

City Staffing by Major Service Function	FY 2014 FTEs
Police	211.0
Fire	179.5
Electric Utility	142.0
Parks and Recreation	82.0

Source: CAFR

### 15.1.2 Form of Government

Santa Clara is a charter city that operates under a council-manager form of government. The Mayor is elected at large and serves a four-year term. The City Council consists of six members who are elected at large. Council members serve four-year terms and select a Vice Mayor annually.

### 15.1.3 Joint Powers Authorities

The City of Santa Clara is a member of three JPAs, as shown in Table 168.

~~Table 169.~~ Table 168. *City of Santa Clara Joint Powers Authorities by Major Service Function*

Name of JPA	Major Service Function
Bayshore North Project Enhancement Authority	Enhance economic development opportunities
Silicon Valley Animal Control Authority	Animal control
Silicon Valley Regional Interoperability Authority	Identify, coordinate, and implement public safety communications interoperability

Source: City website and City staff interviews

### 15.1.4 Awards and Recognition

The City of Santa Clara has been the recipient of two awards between 2010 and 2015, as shown in Table 169.

~~Table 170.~~ Table 169. *City of Santa Clara Recent Awards*

Name of Award	Issuer	Year(s) Received
Bicycle Friendly Community (Bronze)	League of American Bicyclists	2010 and 2014
Recycled Water Agency of the Year	WaterReuse	2014
E Source Award of Excellence	Solar Electric Power Association	2010 and 2012

Source: City of Santa Clara staff

## 15.2 Growth and Population

### 15.2.1 Growth and Population Projections

State law requires the ABAG to prepare an SCS that considers how the region will accommodate projected growth over a long period while also reducing the region's generation of GHGs consistent with state goals for GHG reduction. "Plan Bay Area" is this region's SCS, adopted by ABAG and the MTC in July 2013.

The fundamental thrust of Plan Bay Area is to accommodate the majority of growth in PDAs. PDAs include infill areas within a city usually served by transit, such as historic downtowns and underutilized commercial strips. This approach is consistent with and supportive of LAFCO's goals to encourage orderly boundaries, discourage urban sprawl, and preserve agricultural and open space lands. Plan Bay Area includes projections for the region's population, housing, and job growth within existing urbanized areas. These projections demonstrate that the region has the capacity to accommodate expected growth over the next 30 years without sprawling further into undeveloped land on the urban fringe.

Many Bay Area cities use ABAG's projections as the basis for long-range planning. When ABAG prepared Plan Bay Area in 2013, it made projections for population and housing for 2015 for each city in the region. However, some cities believe that the state DOF estimates for population (based on information received on housing development and other current information) are more accurate. The City of Santa Clara uses the ABAG population projections for its long-term planning. ABAG's projections for population, households (occupied housing units), and jobs are shown in Table 170.

*Table 170. City of Santa Clara Population, Jobs and Housing Projections through 2040*

	2010	2015	2020	2025	2030	2035	2040
<b>Population</b>	116,468	122,500	128,700	135,000	141,700	149,000	156,500
<b>Total Jobs</b>	112,890	121,950	131,960	134,650	137,480	141,700	146,180
<b>Total Households</b>	43,021	45,350	47,760	50,050	52,490	54,830	57,260

Source: 2010 population from US Census. ABAG data used for 2015 to 2040 projections.

### 15.2.2 Jobs and Housing

In 2015, according to ABAG estimates, the City has 121,950 jobs within the community and 58,730 employed residents. Within Santa Clara, there are 2.08 jobs for every employed resident. The U.S. Census American Community Survey 2013 estimates that Santa Clara has 44,632 housing units; when combined with ABAG's estimate of 121,950 jobs within the City, jobs and housing balance is 2.73.

State law requires that ABAG quantify and allocate housing needs to each jurisdiction within the Bay Area. In periodic updates to the general plan's Housing Element, each Bay Area jurisdiction must then demonstrate how it will meet that need over the next planning period. The current Housing Element update cycle is from 2015 to 2023.

As Table 171 shows, the majority of housing units in Santa Clara are owner-occupied single-family housing units. According to ABAG, between January 1, 2014 and October 31, 2022, the City of Santa Clara’s assigned housing need is 4,093 units. In December 2014, Santa Clara adopted its 2015-2023 Housing Element and demonstrated that it has sites and housing opportunities available to accommodate 6,077 units, which is 1,984 units in excess of its assigned regional share of 4,093 units. The City of Santa Clara’s housing element was certified by the State of California’s Housing and Community Development Department in February 2015.

*Table 172-Table 171. City of Santa Clara Housing Profile*

Housing Statistic	Number
<b>Number of total existing housing units</b>	44,632
Owner-occupied (SFR) housing units	19,079
Renter-occupied housing units	23,264
<b>RHNA by income category</b>	<b>2014 to 2022</b>
Above moderate	1,593
Moderate	755
Low	695
Very Low	1,050
<b>Total</b>	<b>4,093</b>

Sources: U.S. Census American Community Survey 2013 (number of total housing units); ABAG (housing needs)

### 15.2.3 Planning and Building

In FY 2014, Santa Clara issued a total of 6,650 residential and commercial building permits. Total building permit valuation is estimated at \$562.5 million.

The City’s total assessed valuation for FY 2014 is approximately \$27.0 billion. This represents a 10% increase from FY 2009.

### 15.2.4 Priority Development Areas

The City has two planned PDAs. The first PDA, known as the El Camino Real Focus Area, is approximately 236 net acres and is categorized as a future mixed-use corridor served by VTA’s existing and planned bus rapid transit network. Santa Clara’s plans for the El Camino Real PDA are detailed in the general plan; staff are currently working on a Precise Plan for the PDA. MTC recently awarded the City a grant to prepare a plan for this PDA.

The second planned PDA, known as the Santa Clara Station Focus Area, is approximately 217 net acres and is categorized as a future city center area. The Santa Clara Station will eventually be the terminus of the BART station, connecting riders to the Cal Train and Altamont Corridor Express (ACE) train networks. City staff indicated there is some community opposition to the development of these PDAs. Residents are well-informed and engaged in the process. Plans for both PDAs are detailed in the City’s general plan.

The City is also included in VTA's potential PDA (see section 22.1.4 for complete definition) for a future mixed use corridor along De Anza Boulevard. If pursued, this potential PDA would encompass 385 net acres and connect to CalTrain, ACE, and VTA's bus rapid transit and light rail networks.

### **15.2.5 Planning for an Aging Population**

Several measures to accommodate the needs of the aging population within Santa Clara have been adopted. These include offering robust senior center programs, assisting in aging-in-place programs and Americans with Disability Act (ADA) improvements. Additionally, Santa Clara has actively sought out developers that provide assisted living and senior housing.

## **15.3 Boundaries, Islands, and Disadvantaged Unincorporated Communities**

### **15.3.1 Planning Boundaries**

The City's USA and municipal boundaries are nearly contiguous with the exception of seven unincorporated areas. These islands are discussed below in section 15.3.2.

The City has no plans to amend its USA or SOI within the next five years. It is not currently providing services to the area outside of its city boundaries.

### **15.3.2 Unincorporated Islands**

Seven unincorporated islands exist within the City of Santa Clara's USA. Together, these islands comprise approximately 31.5 acres. Six islands (SC01: 14.0 acres, SC02: 0.9 acres, SC03: 2.3 acres, SC04: 1.2 acres, SC05: 12.1 acres, SC07: 0.5 acres) are located primarily along the Santa Clara/San Jose border along the Guadalupe River and a small segment of Tasman Drive. The island known as SC06 is 0.5 acres in the western part of the City. SC06 includes a residential development and portion of Saratoga Creek. Given their small sizes, all seven islands are eligible for streamlined annexation through LAFCO. The City did not indicate interest in pursuing annexation of these islands at the time of the Cities Service Review.

As mentioned in chapter 17, an island known as SV02 is located along the City of Sunnyvale's border with Santa Clara. SV02 is parallel to the CalTrain/Union Pacific railroad tracks and right-of-way. Ongoing discussions regarding SV02 are taking place between Sunnyvale and Santa Clara concerning which jurisdiction should annex the island given its location. However, a change to the common SOI would be needed for the island to be annexed by Santa Clara.

Maps of each city's unincorporated islands are included in Attachment B.

### **15.3.3 Disadvantaged Unincorporated Communities (DUCs)**

No disadvantaged unincorporated communities were identified within the City of Santa Clara.

## 15.4 City Services

In Santa Clara core municipal services are primarily delivered by City staff. The primary service provider for the major municipal services discussed in this report is summarized in Table 172.

Unless specifically noted, the City of Santa Clara did not anticipate difficulty in continuing to provide services or maintain infrastructure or facilities related to service delivery in the following areas.

*Table 173-Table 172. City of Santa Clara Service Delivery Model by Major Service Function*

Major Service Function	Primary Service Provider	Non-City Service Provider, if applicable
<b>Animal Control</b>	City	
<b>Law Enforcement</b>	City	
<b>Library</b>	City	
<b>Parks and Recreation</b>	City	
<b>Planning/Building</b>	City	
<b>Solid Waste</b>	Franchise Agreement	Mission Trail Waste Systems (solid waste), Recology Santa Clara (recycling)
<b>Streets</b>	City	
<b>Stormwater</b>	City	
<b>Utilities</b>		
<b>Electricity</b>	City: Silicon Valley Power	
<b>Gas</b>	Franchise Agreement	Pacific Gas and Electric
<b>Telephone, High-speed Internet</b>	Franchise Agreement City (dark fiber)	AT&T, Comcast ( <a href="#">State-Issued Franchise</a> )
<b>Wastewater</b>	City	

Source: City website and City Staff interviews

In the past five years the City has not stopped or started providing any municipal services. Given the expected population growth for the City of Santa Clara, City staff does not anticipate any difficulty providing municipal services to its community.

A summary of key service level statistics is compiled as part of Attachment A to this report.

### 15.4.1 Animal Control

The City is the primary service provider for animal control within the City of Santa Clara. FY 2014 total City expenditures for this function were not available at the time of the Cities Service Review. Service level statistics are included in Attachment A.

### 15.4.2 Law Enforcement

The City is the primary service provider for law enforcement and dispatch services within the City of Santa Clara. Santa Clara has one police building and a substation, and 142 sworn officers. During FY

2014, there were 59,158 calls for service. The City reports that response time for Priority One calls averaged 4 minutes and 35 seconds.

In FY 2014, total City expenditures on this function were \$45,418,607. Approximately 31% of the City's General Fund is dedicated to law enforcement.

### **15.4.3 Library**

The City is the service provider for library services within the City of Santa Clara. There are three facilities located within the City. Annual print circulation is about 2.26 million and there are 50,727 digital books available for download to library patrons.

### **15.4.4 Lighting**

Lighting within the City is provided and maintained by the City's electric department, known as Silicon Valley Power (SVP). A summary of lighting infrastructure is provided in Attachment A.

### **15.4.5 Parks and Recreation**

The City is the primary service provider for parks and recreation. FY 2014 total expenditures for parks and recreation were \$14,033,525. The City has 32 parks and a total of 273 park acres. The number of acres of open space owned by the City and publicly accessible was not available at the time of the Cities Service Review. The City reports 2.2 park acres per 1,000 population, which falls below their goal of 3.0 park acres per 1,000 population.

The City operates two community centers, one senior center, one teen center, one golf course, and five swimming pools.

### **15.4.6 Solid Waste**

The City has a franchise agreement with Mission Trail Waste Systems for solid waste services, and a franchise agreement with Recology Santa Clara for recycling services within the City. In FY 2014, City expenditures for public solid waste services were \$18,492,480.

In CY 2013, Santa Clara disposed of 120,563 tons of solid waste. Santa Clara offers green waste and yard trimming disposal and recycling of mixed paper, bottles, cans and other recyclable materials. In 2013, the City's amount of pounds of solid waste disposed per person per day was 5.5 for its general population, meeting the state's goal for the community of 8.2 pounds. The pounds of solid waste per person per day for employees in the community was 6.0, meeting the state's goal for the community of 9.0 pounds. Solid waste collected in Santa Clara is taken to the Newby Island Landfill through a service agreement that expires in 2024.

### **15.4.7 Streets**

The City of Santa Clara maintains 593 lane miles of streets and 420 miles of sidewalk. The City expends between \$2 and \$3 million annually on street-related expenditures. Street sweeping is provided by the City. The City maintains approximately 11,117 street trees. The City's pavement condition index (PCI) is 75.

### **15.4.8 Stormwater**

The City's stormwater system is managed and maintained by the City's Public Works Department. Santa Clara's stormwater system is approximately 60 years old. The City is in the process of conducting a condition assessment and writing a master plan for the system. Upkeep of the storm drain system is a challenge for the City, as revenue from parcel fees does not cover maintenance costs. Upon completion of the master plan, the City expects stormwater system maintenance needs may justify an increase in fees.

Santa Clara participates in the SCVURPPP along with several other cities and the County to address water pollution on a regional basis (more information on SCVURPPP is included in the Shared Services chapter of this document). SCVURPPP members share a common NPDES permit, allowing member agencies to discharge stormwater into the San Francisco Bay (see the Shared Services chapter for more information).

### **15.4.9 Utilities**

PG&E is the gas provider within Santa Clara. PG&E did not respond to requests to identify the total number of PG&E gas meters in the City of Santa Clara. The City did not indicate concerns about PG&E's ability to serve Santa Clara's existing population or its future demand for natural gas.

The City's Electric Department, known as Silicon Valley Power, or SVP, is the electricity provider within the City of Santa Clara. There are 52,775 electric meters in the City. City staff did not indicate concerns about SVP's ability to serve Santa Clara's existing population or its future energy demand. SVP serves a peak load of 482 MW, and both produces and imports electricity.

AT&T and Comcast both provide telecommunications (telephone, high speed internet and land-based video/cable services) to Santa Clara. Additionally, most of the City is covered by a free, outdoor Wi-Fi network provided by SVP called MeterConnect. SVP also operates a dark fiber ring that a number of commercial users tap into. Santa Clara staff indicated no concerns about the availability or reliability of telecommunications services, including high-speed internet.

### **15.4.10 Wastewater**

The City of Santa Clara's Sewer Utility provides wastewater service. In FY 2014 total expenditures for this function were \$17,271,837.

Santa Clara co-owns and co-operates a wastewater treatment plant, called the San Jose-Santa Clara Regional Wastewater Facility. Santa Clara's controlled share of the wastewater facility is 25%. The plant has sufficient capacity to meet existing demand, and the cities have begun planning improvements to accommodate future demand. In 2013, the San Jose and Santa Clara City Councils adopted the PMP, which identified more than 100 capital improvement projects totaling over \$2.1 billion to be implemented at the wastewater facility over the next 30 years. In 2014, the cities adopted a process to update and prioritize the recommended PMP projects into 33 construction packages to be initiated in the next ten years. At the time of the Cities Service Review, staff representing the cities of San Jose, Santa Clara, and Tributary Agencies (Campbell, Cupertino, Los Gatos, Milpitas, Monte Sereno, and Saratoga) are discussing a funding strategy for the prioritized capital improvements.

Sludge is treated and processed (converted to biosolids) and used as alternate daily cover for landfills. Recycled water is available within Santa Clara through SBWR, a program of wastewater facility that is administered by the City of San Jose. Nine partner agencies, including the cities of Milpitas and San Jose, also receive recycled water through SBWR. In Santa Clara, recycled water is primarily used for commercial landscaping. The recycled water system has capacity to grow and, as a result, the City is trying to increase the number of commercial and industrial users.

## 15.5 Financial Information

The following section provides key financial data points related to Santa Clara’s municipal operations based on the most recent audited financial statements available from FY 2014. Select information is provided from FY 2009 for trend and comparative information.

In FY 2014, Santa Clara’s total citywide expenditures exceeded \$173.2 million. Approximately 85% (\$147.1 million) of these expenditures constituted General Fund expenditures.

### 15.5.1 Revenues and Expenditures

The City’s primary source of revenue is sales tax. Sales tax revenue in Santa Clara in FY 2014 is significantly above pre-Great Recession levels. Sales tax revenue has increased about \$11.8 million (34%) since FY 2009. During the same period, property tax revenue has increased by about \$9.4 million (31%). This now includes the excess property tax increment previously collected by the City’s former redevelopment agency that was dissolved by the state in 2012 (see Table 173).

~~Table 174.~~ Table 173. City of Santa Clara Tax Revenues

Tax Revenue Type	FY 2009	FY 2014
Sales Tax	\$34,893,918	\$46,735,959
Property Tax	\$29,832,933	\$39,187,491
Utility Users Tax	N/A	N/A

Source: CAFR

A summary of the City’s General Fund revenues and expenditures is shown in Table 174.

~~Table 175-Table 174.~~ City of Santa Clara Major Sources of General Fund Revenue and Expenditures

	FY 2009	FY 2014
<b>Total General Fund Revenues</b>	\$132,168,321	\$171,941,349
<b>Total General Fund Expenditures</b>	\$140,853,167	\$147,137,416
<b>Top Four Sources of General Fund Revenues</b>		
<b>Sales Tax</b>	\$34,893,918	\$46,735,959
<b>Property Tax</b>	\$29,832,933	\$39,187,491
<b>Charges for Service</b>	\$20,608,165	\$31,795,529
<b>Contributions in-lieu of Taxes</b>	\$15,149,536	\$16,591,452
<b>Top Four Sources of General Fund Expenditures</b>		
<b>Public Safety</b>	\$76,927,900	\$78,527,531
<b>Public Works</b>	\$15,143,468	\$15,172,213
<b>Parks &amp; Recreation</b>	\$12,437,488	\$14,033,525
<b>General Administration</b>	\$12,330,571	\$12,690,769

Source: CAFR

### 15.5.2 Debt

A summary of the City's obligations, debt, and liabilities is provided in Table 175.

~~Table 176-Table 175.~~ City of Santa Clara Obligations, Debt and Liabilities

Obligations, Debt and Liabilities	FY 2009	FY 2014
<b>General Bonded Debt</b>	\$55,655,000	\$26,209,769
<b>Ratio of Direct Debt (General Bonded Debt) to Net Assessed Valuation</b>	0.3%	0.1%
<b>Ratio of Combined Debt (Direct and Overlapping Debt) to Net Assessed Valuation</b>	2.4%	2.2%
<b>Unfunded pension liability</b>	\$142,766,199	\$378,539,879

Source: CAFR

### 15.5.3 Reserves

Santa Clara's unassigned General Fund reserve levels have increased since FY 2009, however the City had designated over \$15.8 million in FY 2009 as working capital in its CAFR. Since that time, the City Council adopted a revised fund balance policy and is now reporting such reserves as unassigned in accordance with government accounting standards. The increases in General Fund reserves are a positive indicator of economic recovery from the Great Recession and proactive fiscal management practices employed by the City (see Table 176).

~~Table 177.~~ Table 176. *City of Santa Clara Reserves*

Line Item	FY 2009	FY 2014
Unassigned General Fund Reserve Levels	\$0	\$23,910,296
Economic Uncertainty Reserve Fund (separate from General Fund Reserve)	\$0	\$0

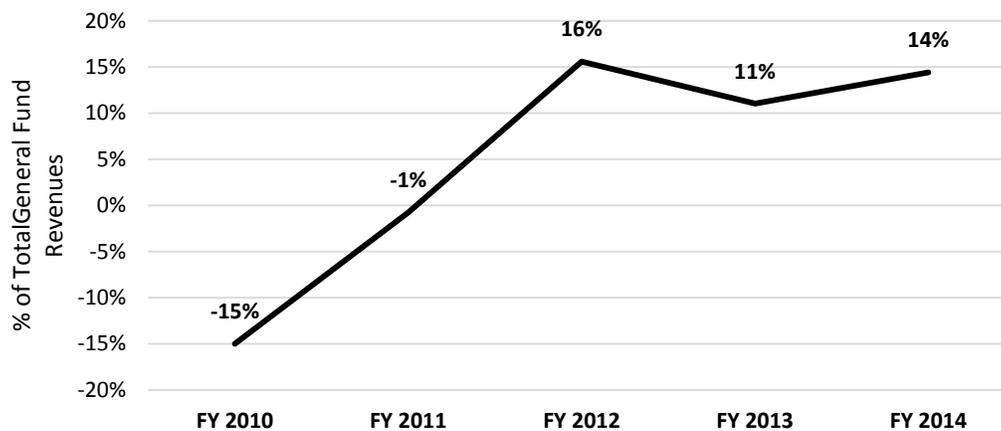
Source: CAFR

### 15.5.4 Financial Health Indicators

Using select indicators from the League of California Cities’ Financial Health Diagnostic Tool, the City of Santa Clara is in positive fiscal health.

Over the past three years the City has accumulated annual surpluses in the General Fund. The City’s General Fund deficit/surplus has increased by 29 percentage points since FY 2010, an indicator of positive fiscal health. The trend of the City’s General Fund deficit/surplus is shown in Figure 38.

Figure 38. *City of Santa Clara Gross Annual General Fund Deficit/Surplus by year from FY 2010 to FY 2014*



Source: CAFR

The City approved an operating budget surplus in its General Fund for FY 2015, and has a five-year financial plan that provides for maintaining a healthy level of General Fund reserves over that period. The City has generally been conservative in its budget estimations, and actual performance typically exceeds budgeted forecasts. The City’s policy is to transfer a portion of year-end surplus General Fund reserves to the Capital Projects Reserve fund to provide funding for future capital projects. The City anticipates a transfer of year-end reserves from the General Fund of \$3.3 million.

Table 177 shows the City’s General Fund Fiscal Indicators. The City’s liquidity ratio indicates the necessary cash to fund its liabilities. General Fund reserves of 19.5% exceed the GFOA-recommended minimum reserve of 17% (or two months) of annual operating expenditures.

~~Table 178.~~ Table 177. City of Santa Clara General Fund Fiscal Indicators

Fiscal Year	Indicator	Value
FY 2015	Net Operating Deficit/Surplus	2.3%
FY 2014	Liquidity Ratio <sup>1</sup>	2.9
FY 2014	Fund Balance as percent of Expenditures <sup>2</sup>	19.5%

Source: CAFR, City Finance Staff

<sup>1</sup>Calculated by combining cash and short-term investments and then dividing by current liabilities

<sup>2</sup>Unreserved (unassigned and assigned) General Fund Reserves as a percent of annual operating expenditures

### 15.5.5 Financial Reporting

The City's CAFR is prepared in a timely manner and audited by an independent CPA. See Table 178.

~~Table 179.~~ Table 178. City of Santa Clara Financial Reporting

Financial Reporting Indicator	Status
Unqualified opinion from independent CPA	Yes
Publication of CAFR within six months of fiscal year	Yes

## 15.6 Service Review Determinations

LAFCO is required to prepare a written statement of determination with respect to six key areas as specified by Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. Using criteria described in section 2.4, the following determinations are provided for the City of Santa Clara.

### 1. GROWTH AND POPULATION PROJECTIONS

As of 2015, the City of Santa Clara serves 120,973 residents within its 18.18 square mile incorporated area. ABAG projects that the City's population will grow steadily by approximately 1% per year, leading to a population of 156,500 in 2040.

Seven unincorporated islands exist within the City of Santa Clara. Together, these islands comprise approximately 31.5 acres. Because they are smaller than 150 acres, all seven islands are eligible for streamlined annexation.

The City has identified sufficient housing opportunities to meet its RHNA of 4,093 housing units between 2014 and 2022. The City's borders cannot expand, so Santa Clara does not have the potential for growth beyond its existing USA. Two PDAs are planned within the City for infill development.

The City's most recent general plan was adopted in November 2010.

The City's existing boundaries accommodate the level of growth projected by ABAG in Plan Bay Area.

## **2. LOCATION AND CHARACTERISTICS OF ANY DISADVANTAGED UNINCORPORATED COMMUNITIES WITHIN OR CONTIGUOUS TO THE SPHERE OF INFLUENCE**

No DUCs were identified within the City of Santa Clara's SOI.

## **3. PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES, ADEQUACY OF PUBLIC SERVICES, AND INFRASTRUCTURE NEEDS OR DEFICIENCIES, INCLUDING THOSE RELATED TO SEWERS, WATER AND FIRE IN ANY DUCS WITHIN OR CONTIGUOUS TO THE SOI**

City staff noted that, given new regulations coming into effect, the City is concerned about unfunded state mandates related to stormwater infrastructure maintenance, as the maintenance of the storm drain system is not fully funded through the existing parcel fees. Funding needs will need to be addressed in the near future.

The City of Santa Clara does not anticipate obstacles to maintaining existing service levels or meeting infrastructure needs in the next five years, given the growth and population increases projected.

The City's number of park acres per 1,000 population of 2.23 is below the goal of 3.0 that it has established.

## **4. FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES**

Santa Clara's General Fund operated at a deficit in FY 2010 and 2011, but has operated at a surplus since that time as economic recovery from the Great Recession and reductions in service levels took effect. The City has a five-year financial plan that maintains a healthy level of General Fund reserves. Santa Clara's General Fund reserves of 19.5% exceed the minimum reserve threshold of two months of operating expenditures (17%) as recommended by the GFOA, indicative of the City's ability to meet future service needs in the event of an economic downturn. In addition, the City's liquidity ratio of 3:1 indicates the necessary cash to fund its short-term obligations with sufficient cash flow.

The City of Santa Clara has sufficient financial resources to accommodate infrastructure expansion, improvements or replacement based on the agency's capital improvement plans. One area of potential concern is stormwater, as discussed under Determination Three.

The City prepared its CAFR in a timely manner, which was audited by an independent CPA with an unqualified opinion.

## **5. STATUS AND OPPORTUNITIES FOR SHARED FACILITIES**

The City of Santa Clara is engaged in service sharing agreements as identified in Table 179 below.

~~Table 180.~~ Table 179. Summary of Shared Services in the City of Santa Clara

Service Area	Type of Sharing Arrangement	Partnering Entity
Animal Control	JPA	SVACA
Economic Development	JPA	Bayshore North Project Enhancement Authority
Law Enforcement – Radio Communications	JPA	SVRIA
Stormwater	MOU	SCVURPPP
Wastewater Treatment	Partnership Agreement	City of San Jose

Further opportunities to share services were identified in the area of expanded recycled water treatment and distribution provided by its wastewater treatment plant.

## 6. ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

Santa Clara provides comprehensive information about core municipal operations on its website, including public hearing notices, agendas, and minutes for the City Council and its various advisory commissions and committees; annual budget; CAFR; general plan; and various master plans.

Through the publication of these documents, the City of Santa Clara promotes accountability for its community service needs.

## 15.7 Sphere of Influence Recommendations and Determinations

### SOI BOUNDARY RECOMMENDATION

The City's existing SOI is coterminous with its boundary. The City of Santa Clara is completely bounded by the City of Sunnyvale to the west and the City of San Jose to the north, south, and east. Since its SOI is coterminous with its boundary and no further outward expansion is possible, it is recommended that LAFCO reaffirm the existing SOI for the City of Santa Clara.

### SOI DETERMINATIONS FOR THE CITY OF SANTA CLARA

Government Code §56425(e) requires written determinations with respect to the following four factors to update an agency's SOI. Based upon the information contained within Santa Clara's service review profile in this chapter, the following determinations are provided to update the City's existing SOI:

- 1. The Present and Planned Land Uses in the Area, Including Agricultural and Open-Space Lands**

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The Santa Clara SOI is coterminous with the boundaries of the City. Planned land uses in the City are consistent with existing land uses.

**2. The Present and Probable Need for Public Facilities and Services in the Area**

The need for a full range of public facilities and services is expected to grow modestly in the future.

**3. The Present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or is Authorized to Provide**

The present capacity of public facilities appears to be adequate. However, Santa Clara is still in the process of addressing the impacts that state mandates will have related to stormwater infrastructure maintenance on budgetary and operational resources, as indicated in the City's service review determination #3 above.

**4. The Existence of Any Social or Economic Communities of Interest in the Area if the Commission Determines That They are Relevant to the Agency**

All communities of interest within the USA and City limit are included within the SOI.

**5. For Those Cities that Provide Public Facilities or Services Related to Sewers, Water or Fire Protection, the Present and Probable Need For Those Public Facilities and Services in Any DUCs within the Existing SOI**

Not applicable.