

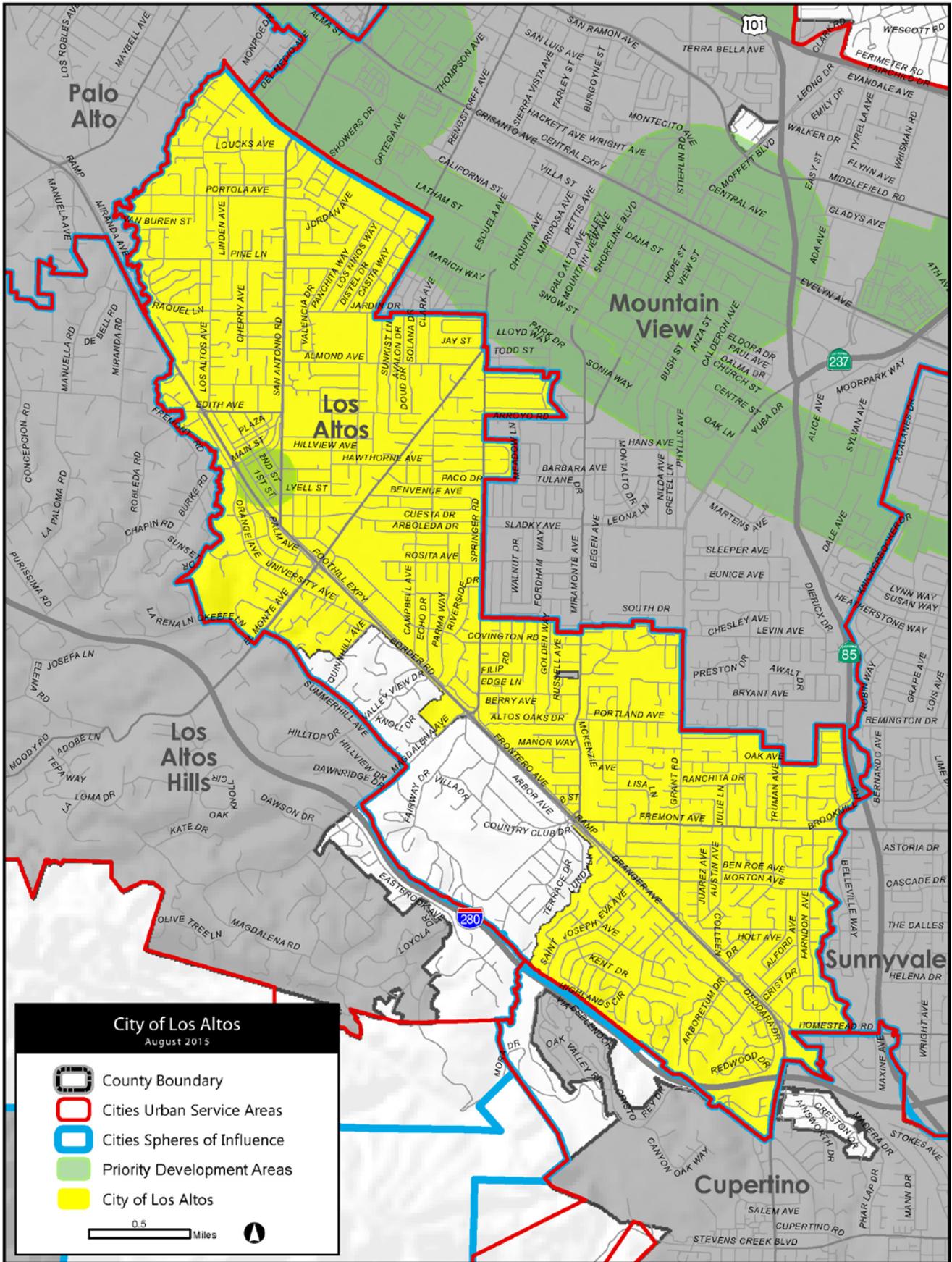
## 6 City of Los Altos



### 6.1 Agency Overview

The City of Los Altos was incorporated in December 1952. According to the DOF 2015 population estimates, the population of Los Altos is 30,036. As of 2015, the City's incorporated area spans 6.52 square miles. Bordered by the cities of [Cupertino](#), Los Altos Hills, Mountain View, Palo Alto and Sunnyvale, the City's predominant land use is residential. As of 2015, Los Altos's USA and SOI span 7.51 square miles. These boundaries can be seen in Figure 15.

Figure 15. City of Los Altos Existing Boundaries



### 6.1.1 City Staffing

In FY 2014, total City staffing included 130 FTE employees. As shown in Table 48, the greatest number of FTEs is assigned to the public safety function. As discussed in section 6.4 of this document, Los Altos uses contracts to provide select services (e.g., animal control, [fire protection](#)) or is served by special districts or other agencies with their own revenue sources (e.g., library).

Table 48. *City of Los Altos Staffing in Top Four Functions*

| City Staffing by Major Service Function | FY 2014 FTEs |
|---|--------------|
| Public Safety                           | 47.0         |
| Maintenance Services                    | 29.5         |
| Community Development                   | 24.0         |
| Administration                          | 15.0         |

Source: CAFR

### 6.1.2 Form of Government

Los Altos is a general law city that operates under a council-manager form of government. The City Council consists of five members who are elected at large. Council members serve four year terms and select a mayor and mayor pro tem annually.

### 6.1.3 Joint Powers Authorities

The City of Los Altos is a member of two JPAs, as shown in Table 49.

Table 49. *City of Los Altos's Joint Powers Authorities by Major Service Function*

| Name of JPA  | Major Service Function  |
|--|---|
| Santa Clara County Library District                | Library services  |
| Silicon Valley Regional Interoperability Authority | Identify, coordinate, and implement public safety communications interoperability |

Source: City website and City staff interviews

### 6.1.4 Awards and Recognition

The City of Los Altos has been the recipient of several awards between 2005 and 2015, as shown in Table 50.

Table 50. *City of Los Altos Recent Awards*

| Name of Award                                     | Issuer                                  | Year(s) Received        |
|---|---|-------------------------|
| Award for Excellence in Finance Reporting         | Government Finance Officers Association | 2005-current            |
| Certificate of Appreciation "Best Practices City" | ABAG                                    | approx. 2010            |
| Age-friendly City                                 | World Health Organization               | 2011                    |
| Bicycle-friendly Community                        | The League of American Bicyclists       | 2011-2015;<br>2015-2018 |

| Name of Award                   | Issuer   | Year(s) Received |
|---------------------------------|--|------------------|
| Site Design Award - Rosita Park | Santa Clara Valley Urban Runoff Pollution Prevention Program | 2012             |

Source: City of Los Altos staff

## 6.2 Growth and Population

### 6.2.1 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 jobs 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 Los Altos 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 51.

Table 51. City of Los Altos Population, Jobs and Housing Projections through 2040

|                         | 2010   | 2015   | 2020   | 2025   | 2030   | 2035   | 2040   |
|-------------------------|--------|--------|--------|--------|--------|--------|--------|
| <b>Population</b>       | 28,976 | 29,500 | 30,200 | 30,900 | 31,400 | 32,100 | 32,800 |
| <b>Total Jobs</b>       | 14,760 | 15,660 | 16,610 | 16,950 | 17,290 | 17,760 | 18,240 |
| <b>Total Households</b> | 10,745 | 10,930 | 11,170 | 11,400 | 11,530 | 11,660 | 11,850 |

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

City staff indicated that additional multiple-family developments are planned within Los Altos. As a result, staff expect the City's population to increase at a higher rate than is reflected in the ABAG numbers. Staff specified that the difference in population growth versus the ABAG projections will likely not be significant.

## 6.2.2 Jobs and Housing

In 2015, according to ABAG estimates, the City has 15,660 jobs within the community and 12,230 employed residents. Within Los Altos, there are 1.28 jobs for every employed resident. The U.S. Census American Community Survey 2013 estimates that Los Altos has 11,493 housing units; when combined with ABAG's estimate of 15,660 jobs within the City, jobs and housing balance is 1.36.

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 52 shows, the majority of housing units in Los Altos are owner-occupied single-family housing units. According to ABAG, between January 1, 2014 and October 31, 2022, the City of Los Altos's assigned housing need is 477 units. In May 2015, Los Altos adopted its 2015-2023 Housing Element and demonstrated that it has sites and housing opportunities available to accommodate 739 units, which is 262 units in excess of its assigned regional share of 477 units. ~~As of June 2015, the City of Los Altos's housing element had been conditionally~~ The City's Housing Element was certified by the State of California's Housing and Community Development Department in May 2015.

Table 52. City of Los Altos Housing Profile

| Housing Statistic                             | Number              |
|---|---------------------|
| <b>Number of total existing housing units</b> | 11,493              |
| Owner-occupied (SFR) housing units            | 9,335               |
| Renter-occupied housing units                 | 1,691               |
| <b>RHNA by income category</b>                | <b>2014 to 2022</b> |
| Above moderate                                | 97                  |
| Moderate                                      | 112                 |
| Low   | 99                  |
| Very Low                                      | 169                 |
| <b>Total</b>                                  | <b>477</b>          |

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

## 6.2.3 Planning and Building

In calendar year (CY) 2014, Los Altos issued a total of 1,757 residential and commercial building permits. Total building permit valuation is estimated at \$150,378,517.

The City's total assessed valuation for FY 2014 is approximately \$11.2 billion. This represents a 23% increase from FY 2009.

## 6.2.4 Priority Development Areas

The City has ~~no planned~~ one priority development areas. ~~The City is included in a~~ area: the VTA's potential El Camino Real Corridor PDA (see section 22.1.4 for complete definition) for a future mixed use corridor between Foothill Expressway, an area consisting of commercial and residential properties along El Camino Real and on North San Antonio Road. If pursued, this potential PDA would encompass 27 net acres within the Commercial Thoroughfare District.

## 6.2.5 Planning for an Aging Population

The City offers a robust selection of senior recreation programs and is designated by the World Health Organization as an aging-friendly city. The Hillview Community Center houses the majority of the City's senior programming. Additional drop-in programming is available once a week at the City's Grant Park Community Center. The senior population (over age 65) has remained stable at 21% over the past few decades.

# 6.3 Boundaries, Islands, and Disadvantaged Unincorporated Communities

## 6.3.1 Planning Boundaries

The City's USA and municipal boundaries are nearly contiguous with the exception of one unincorporated area. This island is discussed in section 6.3.2.

The City has no plans to amend its USA or SOI within the next five years.

## 6.3.2 Unincorporated Islands

One unincorporated island exists within the City of Los Altos's USA. Located on the west side of the City, this area (referred to as LA01 or the Country Club Area) consists of approximately 627 acres. The island area is comprised primarily of private residential development.

Since the island size exceeds 150 acres, it is not eligible for streamlined annexation. City staff indicated there has been no cohesive effort to annex this area as some residents prefer to remain in the County and others would prefer to become part of Los Altos Hills. According to City staff, homes in this island are connected to the Los Altos sewer system by virtue of an assessment district, established to construct sanitary sewer improvements serving properties within the district's boundaries, which includes this island's homes. While island residents do not receive direct municipal services from the City of Los Altos, residents identify with Los Altos and use the City's library and downtown amenities.

The City of Los Altos indicated interest in exploring annexation of this area incrementally once a fiscal impact analysis is completed. According to City staff, annexation would provide the City with greater control over hillside development density. Staff indicated that the County's development standards are less rigorous than the City's. Greater alignment of County and City development standards may facilitate annexation of this remaining island.

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

### 6.3.3 Disadvantaged Unincorporated Communities (DUCs)

No disadvantaged unincorporated communities were identified within the City of Los Altos.

## 6.4 City Services

In Los Altos core municipal services are delivered by a combination of City staff, JPAs and contract service providers. The primary service provider for the major municipal services discussed in this report is summarized in Table 53.

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

Table 53. City of Los Altos’s Service Delivery Model by Major Service Function

| Major Service Function                | Primary Service Provider           | Non-City Service Provider, if applicable                 |
|---------------------------------------|------------------------------------|--|
| <b>Animal Control</b>                 | Contract                           | City of Palo Alto  |
| <b>Law Enforcement</b>                | City                               |  |
| <b>Library</b>                        | JPA                                | Santa Clara County Library District                      |
| <b>Parks and Recreation</b>           | City                               |  |
| <b>Planning/Building</b>              | City                               |  |
| <b>Solid Waste</b>                    | Franchise Agreement                | Mission Trails Waste Systems                             |
| <b>Streets</b>                        | City                               |  |
| <b>Stormwater</b>                     | City                               |  |
| <b>Utilities</b>                      |                                    |  |
| <b>Electricity</b>                    | Franchise Agreement                | Pacific Gas and Electric                                 |
| <b>Gas</b>                            | Franchise Agreement                | Pacific Gas and Electric                                 |
| <b>Telephone, High-speed Internet</b> | Franchise Agreement                | AT&T, Comcast ( <a href="#">State-Issued Franchise</a> ) |
| <b>Wastewater Collection</b>          | City                               |  |
| <b>Wastewater Treatment</b>           | Partnership agreement <sup>1</sup> | City of Palo Alto  |

Source: City website and City staff interviews

<sup>1</sup>The Palo Alto Regional Water Quality Control Plant is a partnership agreement among several public agencies. The City of Palo Alto is the owner and operator of the Regional Water Quality Control Plant. The cities of Mountain View, Los Altos, Los Altos Hills along with Stanford University and East Palo Alto Sanitary District have agreements to use a portion of the plant’s capacity. Through this partnership agreement, all six agencies proportionately share in the costs of building and maintaining the facility.

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 Los Altos, City staff do 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.

### **6.4.1 Animal Control**

The City of Palo Alto is the contract service provider for animal control within the City of Los Altos. In FY 2014 total City expenditures for this function were \$214,158. Service level statistics are included in Attachment A.

### **6.4.2 Law Enforcement**

The City of Los Altos is the service provider for law enforcement and dispatch services within the City. The City operates one police station and has 30 sworn officers. During FY 2014, there were 6,378 emergency 911 calls for service. The City reports that response time for Priority One calls averaged 5 minutes and 13 seconds. The City's goal for response time for Priority One calls is 5 minutes.

In FY 2014, total City expenditures on this function were \$9,831,133. Approximately 34% of the City's General Fund is dedicated to law enforcement.

The cities of Los Altos and Mountain View provide shared SWAT team services.

### **6.4.3 Library**

The Santa Clara County Library District provides library services within the City of Los Altos. There are two facilities located within the City. Annual print circulation is nearly 1.4 million, and over 123,000 digital books are available for download to library patrons.

### **6.4.4 Lighting**

Lighting within the City is provided and maintained by the City. A summary of lighting infrastructure is provided in Attachment A.

### **6.4.5 Parks and Recreation**

The City is the primary service provider for parks and recreation. FY 2014 total expenditures for parks and recreation were \$2,186,361. The City has 10 parks and a total of 34 park acres. In addition, 127 acres of open space owned by the Los Altos are publicly accessible. The City reports 1.3 park acres per 1,000 population, which equals their goal of 1.3 park acres per 1,000 population. It was noted that City now requires a higher standard of 5.0 acres of park land per 1,000 residents for new subdivisions.

The City operates two community centers and one teen center.

### **6.4.6 Solid Waste**

The City of Los Altos receives solid waste services through a franchise agreement with Mission Trails Waste Systems. In FY 2014, City expenditures for public solid waste services were \$366,102.

In CY 2013, Los Altos disposed of 14,052 tons of solid waste. Los Altos 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 2.6 for its general population, meeting the state's goal for the community of 4.4 pounds. The pounds of solid waste per person per day for employees in the community was 8.5, meeting the state's goal for the community of

15.0 pounds. No solid waste disposal facility is located within Los Altos, but Mission Trail Waste Systems operates a transfer station located in the City of Santa Clara.

#### **6.4.7 Streets**

The City of Los Altos maintains 226 lane miles and 33.2 sidewalk miles. The City expends approximately \$1.45 million annually on street-related expenditures. Street sweeping is provided by contract. The City maintains approximately 5,000 street trees. The City's pavement condition index (PCI) is 78, which matches its PCI goal.

#### **6.4.8 Stormwater**

The City's stormwater system is managed and maintained by the City's Public Works Department. City staff noted they are still in the process of understanding the impact that the new regulation requirements will have on the City's stormwater budget and other resources.

Los Altos 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).

#### **6.4.9 Utilities**

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

Telecommunications providers (telephone, high speed internet and land-based video/cable services) serving Los Altos are AT&T and Comcast. Los Altos indicated no concerns about the availability or reliability of telecommunications services, including high-speed internet.

#### **6.4.10 Wastewater**

The City of Los Altos provides wastewater collection services. There are 141 miles of sewer within the City.

Los Altos is a partner agency of the City of Palo Alto's Regional Water Quality Control Plant (RWQCP). The RWQCP is operated by Palo Alto and provides wastewater treatment for six agencies (Los Altos, Los Altos Hills, Mountain View, Palo Alto, Stanford University and East Palo Alto Sanitary District). Palo Alto RWQCP incinerates sludge collected from its partner agencies, including the City of Los Altos. Palo Alto RWQCP is developing plans to move toward more environmentally conscious biosolid waste management practices. Recycled water is not available within the City.

## 6.5 Financial Information

The following section provides key financial data points related to Los Altos'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, Los Altos's total citywide expenditures exceeded \$32.2 million. Approximately 89% (\$28.6 million) of these expenditures constituted General Fund expenditures.

### 6.5.1 Revenues and Expenditures

The City's primary source of revenue is property tax. Since FY 2009 property tax revenue has increased by about \$2.8 million (22%), which is indicative of increased assessed valuation since the Great Recession. Sales tax revenue in Los Altos in FY 2014 is slightly above pre-Great Recession levels (see Table 54).

Table 54. City of Los Altos Tax Revenues

| Tax Revenue Type  | FY 2009      | FY 2014      |
|-------------------|--------------|--------------|
| Property Tax      | \$12,758,918 | \$15,586,329 |
| Sales Tax         | \$2,697,494  | \$2,809,489  |
| Utility Users Tax | \$2,530,162  | \$2,600,034  |

Source: CAFR

A summary of the City's General Fund revenues and expenditures is shown in Table 55.

Table 55. City of Los Altos Major Sources of General Fund Revenue and Expenditures

|  | FY 2009      | FY 2014      |
|--|--------------|--------------|
| <b>Total General Fund Revenues</b>                   | \$27,291,629 | \$36,015,028 |
| <b>Total General Fund Expenditures</b>               | \$26,282,744 | \$28,637,595 |
| <b>Top Four Sources of General Fund Revenues</b>     |              |              |
| Property tax   | \$12,758,916 | \$15,586,329 |
| Charges for services                                 | \$3,421,870  | \$4,378,177  |
| Licenses, permits and fees                           | \$2,531,792  | \$3,798,251  |
| Other tax  | \$2,146,465  | \$3,554,345  |
| <b>Top Four Sources of General Fund Expenditures</b> |              |              |
| Public safety  | \$13,127,786 | \$14,604,892 |
| Public works   | \$4,267,872  | \$4,352,933  |
| Community development                                | \$3,189,052  | \$3,840,949  |
| Admin/Community services                             | \$3,384,805  | \$3,551,716  |

Source: CAFR

## 6.5.2 Debt

A summary of the City's obligations, debt, and liabilities is provided in Table 56.

Table 56. *City of Los Altos Obligations, Debt and Liabilities*

| Obligations, Debt and Liabilities   | FY 2009  | FY 2014  |
|---|----------|----------|
| <b>General Bonded Debt</b>  | \$0      | \$0      |
| <b>Ratio of Direct Debt (General Bonded Debt) to Net Assessed Valuation</b>           | 0.0%     | 0.0%     |
| <b>Ratio of Combined Debt (Direct and Overlapping Debt) to Net Assessed Valuation</b> | 2.5%     | 2.1%     |
| <b>Unfunded pension liability</b>   | See note | See note |

Source: CAFR

Note: City's employees are in a CalPERS risk pool. Data in CAFR not provided separately for City.

## 6.5.3 Reserves

Los Altos's Economic Uncertainty Reserve Fund levels have almost doubled since FY 2009, with the City setting aside a greater level of reserves for use should another economic correction occur in future years. Such increases are a positive indicator of economic recovery from the Great Recession and proactive fiscal management practices employed by the City (see Table 57).

Table 57. *City of Los Altos Reserves*

| Line Item   | FY 2009     | FY 2014     |
|---|-------------|-------------|
| <b>Unassigned General Fund Reserve Levels</b>                                 | \$1,338,030 | \$1,432,915 |
| <b>Economic Uncertainty Reserve Fund (separate from General Fund Reserve)</b> | \$3,306,228 | \$6,405,000 |

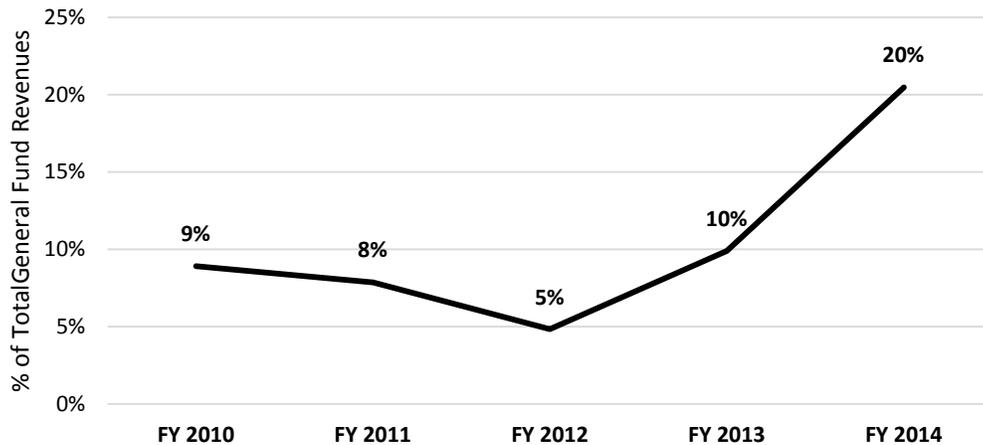
Source: CAFR

## 6.5.4 Financial Health Indicators

By applying a combination of industry best practices and select indicators from the League of California Cities' Financial Health Diagnostic Tool, we are able to determine that the City of Los Altos is fiscally healthy.

Over the past five years the City has accumulated annual surpluses in the General Fund. The City's General Fund surplus has increased by 11 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 16.

Figure 16. City of Los Altos Gross Annual General Fund Deficit/Surplus by year from FY 2010 to FY 2014



Source: CAFR

The City budgeted a surplus of nearly \$470,000 in its General Fund for FY 2015, and has a five-year financial plan that indicates it will maintain healthy General Fund reserve levels over that period. The City has generally been conservative in its budget estimations and actual performance typically exceeds budgeted forecasts.

Table 58 shows the City’s General Fund Fiscal Indicators. Not included in the City’s FY 2015 operational surplus is a transfer from the General Fund of \$350,000 to fund capital projects. The City’s liquidity ratio indicates the necessary cash to fund its liabilities. Los Altos finished FY 2014 with nearly \$28.6 million in General Fund reserves. While the City has assigned over \$18.5 million of these amounts towards funding future capital projects, it nevertheless has unreserved General Fund reserves of 100.2% of annual operating expenditures, which greatly exceeds the GFOA-recommended minimum reserve of 17% (or two months).

Table 58. City of Los Altos General Fund Fiscal Indicators

| Fiscal Year | Indicator  | Value  |
|-------------|--|--------|
| FY 2015     | Net Operating Deficit/Surplus                        | 5.3%   |
| FY 2014     | Liquidity Ratio <sup>1</sup>                         | 14.8   |
| FY 2014     | Fund Balance as percent of Expenditures <sup>2</sup> | 100.2% |

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

### 6.5.5 Financial Reporting

The City's CAFR is prepared in a timely manner and audited by an independent CPA that issued an unqualified opinion on the CAFR (see Table 59).

Table 59. City of Los Altos Financial Reporting

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

## 6.6 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 Los Altos.

### 1. GROWTH AND POPULATION PROJECTIONS

As of 2015, the City of Los Altos serves 30,036 residents within its 6.52 square mile incorporated area. ABAG projects that the City's population will grow steadily by approximately 0.4% per year, leading to a population of 32,800 in 2040.

The City has one unincorporated island that is approximately 627 acres. Due to its size, this island is not eligible for streamlined annexation.

The City has identified sufficient housing opportunities to meet its RHNA of 477 housing units between 2014 and 2022. The City's borders cannot expand, so Los Altos does not have the potential for growth beyond its existing USA. No PDAs are planned within Los Altos for infill development.

The City's most recent general plan was adopted in November 2002.

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 or contiguous to Los Altos' 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 still in the process of understanding the impacts that state mandates will have related to stormwater infrastructure maintenance on budgetary and operational resources.

The City of Los Altos 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 Priority One Police response rate of 5 minutes and 13 seconds exceeds the goal response time of 5 minutes that it has established.

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

Los Altos’ General Fund has consistently operated at a surplus over the past five years, and the City has a five-year financial plan that maintains a healthy level of General Fund reserves. Los Altos’ General Fund reserves of 100.2% 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 15:1 indicates the necessary cash to fund its short-term obligations with sufficient cash flow.

The City of Los Altos 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 Los Altos is engaged in service sharing agreements as identified in Table 60 below.

Table 60. Summary of Shared Services in the City of Los Altos

| Service Area                           | Type of Sharing Arrangement            | Partnering Entity                                     |
|--|--|---|
| Animal Control                         | Contract                               | City of Palo Alto                                     |
| Law Enforcement – Dispatch             | Interoperability Partnership Agreement | Shared between Los Altos, Palo Alto and Mountain View |
| Law Enforcement – Radio Communications | JPA                                    | SVRIA   |
| Library Services                       | JPA                                    | SCCLD   |

| Service Area         | Type of Sharing Arrangement | Partnering Entity |
|----------------------|-----------------------------|-------------------|
| Stormwater           | MOU                         | SCVURPPP          |
| Wastewater Treatment | Partnership Agreement       | City of Palo Alto |

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

Los Altos 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 Los Altos promotes accountability for its community service needs.

## 6.7 Sphere of Influence Recommendations and Determinations

### SOI BOUNDARY RECOMMENDATION

The City's existing SOI is coterminous with the City limits to the north, east and south. The City of Los Altos is bounded by the City of Palo Alto to the north; by the Cities of Mountain View and Sunnyvale to the east; by the City of Cupertino to the south. On its western side, the City is bounded by the Town of Los Altos Hills' SOI and therefore does not have the ability for growth beyond its existing USA.

The existing Los Altos SOI is coterminous with the City limits on the north, south and east and with the Town of Los Altos Hills' SOI to the west, thus no further outward expansion is possible. Therefore, it is recommended that LAFCO reaffirm the existing SOI for the City of Los Altos.

### SOI DETERMINATIONS FOR THE CITY OF LOS ALTOS

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 Los Altos' 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

The Los Altos SOI is substantially 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 type of public services and facilities required within Los Altos' SOI boundary is not expected to change, although the level of demand will increase slightly.

**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, Los Altos 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**

There exist social and economic conditions that cause interaction and interdependence between the City and the areas within its SOI boundary.

**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.