

7.0 TOWN OF LOS GATOS

The services that are evaluated in this service review include:

- Wastewater
- Solid Waste
- Parks and Recreation
- Storm Water Drainage
- Law Enforcement
- Library

7.1 TOWN LOCATION

The Town of Los Gatos (Town) is located in the southwestern portion of Santa Clara County. The Town covers approximately 14 square miles and is bounded by the City of San Jose to the north and east; the City of Campbell to the north; the Cities of Monte Sereno and Saratoga to the west; and unincorporated lands to the south. A map showing the City's boundaries is located after Section 2.0 of this Service Review.

7.2 GOVERNANCE AND PUBLIC PARTICIPATION

The Town was incorporated in 1887 as a General Law City. The Town of Los Gatos operates under the Council/Manager form of government. The Town Council is comprised of five members who are elected to serve staggered 4-year terms. The Town Clerk and Town Treasurer are also elected for 4-year terms. Each year in November, the Council elects one of its members annually to serve as Mayor and Vice Mayor.

The Town Council meets regularly on the 1st and 3rd Monday of each month at 7:00 p.m. in the Town Council Chambers, located at 110 E. Main Street. Meetings are broadcast live on the local cable channel. Council meeting schedules and current and past agendas and minutes are available online or can be reviewed at Town Hall. Council agendas are generally posted on Thursday afternoons prior to the Monday Council meeting; they will always be posted by Friday.

The Town Council appoints members to the Town boards, committees, and commissions, the primary responsibility of which is to act as advisory bodies to the Council. Commission members identify issues of interest to the community, make policy recommendations to the Council, and initiate programs that benefit the community. The following commissions and boards, which may provide recommendations on direction to the Town Council, exist in the Town:

- Architectural Standards Committee

- Art Selection Panel
- Arts Commission
- Building Board of Appeals
- Community Services Commission
- General Plan Committee
- Historic Preservation Committee
- Library Board
- Parks Commission
- Personnel Board
- Planning Commission
- Rent Advisory Committee
- Transportation and Parking Commission
- Youth Commission

7.3 FINANCE

The Town adopts an annual budget. The budget process begins with the Town Council and Town Manager's cooperative development and refinement of initiatives and directives for the upcoming budget year. The Town's Capital Improvement Plan (CIP) is also reviewed during this time to determine new initiatives, project priority, and to refine project workplans. Although the CIP budget document is prepared separately from the Operating and Capital Budget, the CIP information is incorporated into the operating budget document through resulting operating functions and service level requirements. In January the budget preparation process begins officially for staff with a budget kickoff meeting. Through rounds of budget briefings and revisions, staff's final program budget and workplans are developed by the end of April. During the month of May, the Finance/Budget staff prepares financial summary information for Town Council review in addition to the departmental budgets and workplans. Afterwards, public hearings are conducted to obtain taxpayer comments. Ultimately, the budget will be legally enacted through adoption of Town resolution by the Council.

Revenues and Expenditures

Table 7.A presents the Town's sources of operating revenues and expenses for the end of fiscal year (FY) 2005. As shown, the Town's revenue is largely gained from property taxes, sales taxes, and charges for services.

Table 7.A: Town of Los Gatos Statement of Activities for FY 2005

Program Revenues	2005	2004
Charges for services	\$7,488,518	\$7,226,220
Operating grants and contributions	\$1,407,865	\$1,399,185
Capital grants and contributions	\$867,951	\$1,166,929
General Revenues		
Property tax	\$11,931,215	\$9,645,339
Sales tax	\$7,904,130	\$6,914,526
Other taxes	\$1,864,997	\$1,823,019
Motor vehicle in lieu	\$314,041	\$1,298,455
Investment earnings	\$1,286,433	\$(92,621)
Proceeds from sale of property	-	-
Other	\$372,315	\$25,415
Total Revenues	\$33,437,465	\$29,406,467
Expenditures		
Police department	\$10,524,840	\$9,980,927
Parks and public works	\$5,953,319	\$6,179,328
General government	\$4,341,526	\$4,246,133
Community development	\$2,494,689	\$2,229,686
Library services	\$1,786,696	\$1,807,662
Redevelopment	\$2,133,008	\$1,828,924
Interest and fees	\$696,265	\$662,867
Community services	\$920,562	\$1,046,351
Sanitation	\$834,525	\$832,538
Total Expenses	\$29,685,430	\$28,814,416
Revenues over Expenses	\$3,752,035	\$592,051

Source: Town of Los Gatos Comprehensive Annual Financial Report, for FY 2005

Table 7.B presents a summary of the revenues and expenditures for FY 2004 and 2005. As indicated, the Town's revenues have exceeded expenditures for the last two fiscal years.

Table 7.B: Summary of Statement of Activities for FY 2005

	Government Activities	
	2005	2004
Total Revenues	33,437,465	29,406,467
Total Expenses	29,685,430	28,814,416
Net Change	3,752,035	592,051

Source: Town of Los Gatos Comprehensive Annual Financial Report for FY 2005

According to the Town of Los Gatos Comprehensive Annual Financial Report for FY 2005, the town experienced signs of moderate recovery from the recent economic downturns experienced locally since FY 2001–2002. Since that time, the Town has implemented a number of strategies to keep operating revenues in balance with ongoing operating expenditures. These steps included hiring freezes, strategic expenditure slowdowns, and departmental cost saving efficiencies among other strategies that have allowed the Town to remain fiscally balanced in challenging economic times.

Investment Policy

The Town invests funds in individual investments and investment pools. The Town participates in the local agency investment fund (LAIF). The Town's Policy states that, with the exception of U.S. Treasury securities and LAIF, no more than 50 percent of the Town's total investment portfolio will be invested in one single security type or with a single financial institution.

Debt Administration

As stated in the Comprehensive Annual Financial Report 2005 at the end of the current fiscal year, the Town had total bonded outstanding debt of \$11,745,000. The entire liability is comprised of debt backed by the Town's obligation to pay lease payments to the Town's Redevelopment Agency.

Rates For Services

Rates for services are adjusted annually by the December Consumer Price Index or by the percentage increase in actual operating costs for the current year, whichever is higher. Other adjustments may be made to maintain consistency with the surrounding municipalities within the Town's region, but in no case are fees charged in excess of service delivery costs. The Town has a policy to ensure that fees provide for cost recovery based on the cost to provide service.

Reserves

The Town's reserves are established, dedicated, and maintained annually to meet known and estimated unknown future liabilities (Table 7.C). Fund balance reserves are used only for nonrecurring "one-time" and capital projects and not for ongoing operations. The specific Fund Balance reserve accounts include but are not limited to a restricted reserve for:

- A fully funded worker's compensation and unemployment insurance
- Liability insurance, including one year's premium payment to the insurance carrier or pool

A reserve will be maintained annually to fund all vested hours of vacation earnings. A reserve will be maintained annually to fully fund the retirement program for all covered Town employees. The Economic Uncertainty Reserve will be maintained at a minimum of \$2.5 million. A reserve will be maintained for the depreciation and replacement of equipment. A reserve will be maintained for the maintenance of buildings.

Table 7.C: Reserve Funds

Reserve	Fund
Total Reserve Fund Balance	\$2,128,872.78
Total Undesignated Fund Balance	\$67,009.23
Total Designated Fund Balance	\$15,921,342.24
Total Unreserved Fund Balance	\$15,988,351.47
Total Fund Balance	\$18,117,224.25
Total General Fund	\$18,117,224.25

Source: Town of Los Gatos, Balance Sheet, March 2007

Joint Powers Authority

The Town participates in the Association of Bay Area Governments (ABAG) PLAN Corporation. This is a public entity risk pool that is a not-for-profit organization established to provide certain levels of liability insurance coverage, claims, and risk management services, as well as legal defense to San Francisco Bay area cities. The Town is also a member of Local Agency Workers' Compensation Joint Powers Authority for workers' compensation claims coverage.

7.4 LAND USE AND PROJECTED GROWTH WITHIN THE TOWN

The Town is a predominantly built-out community. Table 7.D shows the Town's land use categories and approximate acreages within those land use categories.

Table 7.D: Town of Los Gatos General Plan Use Acreage

General Plan Category	Number of Parcels	Acreage
Public	14	15.4
Schools	17	118.6
Open Space	159	548.3
Agriculture	20	221.2
Mid-Peninsula Open Space District	13	798.2
Total	223	1,701.7

Source: Los Gatos General Plan

Table 7.E shows the Town's inventory of vacant land and underutilized land, both of which have no infrastructure constraints and could be developed.

Table 7.E: Vacant Land Inventory: No Infrastructure Constraints

Vacant Land Inventory: No Infrastructure Constraints		Underutilized Land Inventory: No Infrastructure Constraints	
Land Use	Acres	Land Use	Acres
Residential	228.52	Residential	215.14
Nonresidential	4.15	Nonresidential	1.07
-		Open Space	80.87
Total	232.67	Total	297.08

Source: Town of Los Gatos 2007

There is currently 529.75 acres of vacant land within the Town. Due to this, there is some opportunity for future development on vacant land as well as redevelopment projects. It should be noted that the Town does not have growth projections, which are different than those of the Association of Bay Area Governments (ABAG) nor does the Town project redevelopment trends. Therefore, it is difficult to detail what potential affects future redevelopment projects could have on existing infrastructure.

Unincorporated Pockets

There are several unincorporated pockets within or adjacent to the Town. The Local Agency Formation Commission (LAFCO) has provided maps of the islands to the Town, and they are also available on the LAFCO Web site. As discussed in Section 1.2.5, the County and LAFCO have adopted policies that state that urban islands and pockets should be annexed. As of this date, the Town Council will only initiate annexations if initiated by the pocket residents.

7.5 WASTEWATER

The West Valley Sanitation District of Santa Clara County is the sole provider of sewer collection service to the Town. The West Valley Sanitation District Service Area Map can be found in Appendix D of this document. Sewage is ultimately treated at the San Jose/Santa Clara Water Pollution Control Plant. Refer to Section 22.0 for a detailed discussion regarding West Valley Sanitation District and the services it provides to the Town.

7.6 SOLID WASTE

Solid waste service is provided by the Town via contract with West Valley Collection & Recycling (WVC&R), which is a joint venture between Green Team of San Jose and Green Waste. The solid waste that is collected within the Town is hauled to the landfills listed below. Additional detail regarding these facilities can be found in Appendix A.

- Altamont Landfill Resource and Recovery Facility
- Arvin Sanitary Landfill
- Forward Landfill, Inc.
- Guadalupe Sanitary Landfill

- Kirby Canyon Recycling and Disposal Facility
- Newby Island Sanitary Landfill
- Vasco Road Sanitary Landfill
- Zanker Material Processing Facility
- Zanker Road Class III Landfill

According to the most recent information posted by the California Integrated Waste Management Board (CIWMB), the Town disposed of 28,075 tons of solid waste in 2005. CIWMB shows that the solid waste disposal generation factor for the Town is 2 pounds per resident per day and 6.2 pounds per employee per day.

Diversion rates are defined as the percentage of total solid waste that a jurisdiction diverted from being disposed in landfills through reduction, reuse, recycling programs, and composting programs. The California Public Resources Code (PRC 41780) required all jurisdictions to achieve 50 percent solid waste diversion after 2000. Per the CIWMB, the Town exceeded this goal with a 56 percent diversion rate in 2004; however, in 2005 which is the most recent data posted, the Town had a 51 percent diversion rate.

The Town has varying rates for residential solid waste services, which are dependent on the size of the container (e.g., 35-, 65-, 95-gallon). Commercial rates are based on the larger refuse bin size and by number of pickups per week. Table 7.F provides a comparison of Town solid waste service rates.

Table 7.F: Monthly Solid Waste Rates

Residential	Size	Cost
Regular	0.6720 gallon/32 gallon lifeline	\$13.69
	1 35-gallon	\$17.88
	2 65-gallon	\$35.76
	3 95-gallon	\$53.64
Hard to Serve	1.072 20-gallon	\$18.80
	1.6 35-gallon	\$25.50
	3.2 65-gallon	\$50.99
	4.8 95-gallon	\$76.49
Commercial	Varies by size and frequency of pick up	

Source: Town of Los Gatos, 2007/2008 Solid Waste Rates

The Town is an active member of the West Valley Solid Waste Management Authority, a joint powers authority comprised of the Town of Los Gatos and the cities of Saratoga, Monte Sereno and Campbell. The joint powers body contracts for solid waste collection, recycling, and disposal services that serve both residential and commercial customers. In FY 2005–2006, the Authority executed a new agreement with West Valley Collection and Recycling for collection and recycling services, effective March 2007. Staff will work with the Authority, its Executive Director, and the new hauler to assist with the transition to improved and expanded services. These include but are not limited to residential single-stream commingled recycling.

7.7 PARKS AND RECREATION

The Town provides several park and recreational facilities, which are listed in Table 7.G.

Table 7.G: Town of Los Gatos Parks

Park and Location	Amenities	Acreage
Bachman Park 401 Bachman Ave.	Playground, picnic tables, basketball court, lawn area	3.6
Belgatos Park 308 Belgatos Road	Two miles of trails, playground, restroom, picnic tables, lawn areas	17.0
Blossom Hill Park 16300 Blossom Hill Road	Six lighted tennis courts, a baseball field, playground area and picnic tables, B-B-Q pits, restroom facilities, large lawn areas	9.2
Fairview Plaza End of Fairview Avenue	Small landscaped area	0.27
Howes Play Lot Near Union Avenue, between Thomas and Howes Drives	Playground	0.5
La Rinconada Park Corner of Wedgewood Drive and Granada Way	0.5-mile trail, a non-lit tennis court, lawn areas, picnic tables and barbeque pits, and a playground	14.0
Live Oak Manor Park Corner of Carlton Avenue and Gateway Drive	Playground, basketball court, picnic tables, and large lawn areas	4.09
Los Gatos Creek Trail Parallel to Los Gatos Creek	Functional and highly traveled multiuse/subregional trail bike path, providing residents access to community and regional open space; acts as a link to a regional trail system	4.0
Novitiate Park End of Jones Road	No information available.	8.0
Oak Hill Play Lot Off of Oak Park Drive, West of Garden Hill Drive	Playground and small lawn	0.64
Oak Meadow Park 233 Blossom Hill Road	Large grass field, large playground, decommissioned United States Air Force (USAF) T-33 jet, bocci ball courts, BBQ and picnic facilities, carousel	12.0
Pageant Grounds 110 E. Main Street	Waterfall and small lawn	0.35
Town Plaza Corner of East Main Street and Santa Cruz Avenue	Water fountain, planters, benches, lawn area, walkways	0.6
Worcester Park	Three trails	11.0

Park and Location	Amenities	Acreage
Worcester Loop		
Total		81.25

Source: Town of Los Gatos 2007

The Town has stated it has adopted a standard of providing a minimum of 2.7 acres of open space per 1,000 residents. Based on the State Department of Finance 2006 population estimate for the Town (28,989), the Town is currently providing 2.80 acres of parkland per 1,000 population, which is above the Town's standard.

Table 7.H lists the recreational activities offered by the Town.

Table 7.H: Recreation Activities Offered by the Town

Softball leagues	Culinary arts	Fitness	Nature trips	Tennis
Aerobics	Dance and music	Golf	Personal growth	Baby and toddler programs
Art and design	Language classes	Gym	Potpourri	Senior classes
Business/computer	Adult education	Mountain area classes	Sports	Teen activities

Source: Town of Los Gatos Web site: <http://www.town.los-gatos.ca.us>

7.8 STORM WATER DRAINAGE

The Town of Los Gatos is located south of San Francisco Bay within the South Bay Drainage Unit. Within the limits of the Town there are several major open channel facilities, including: Los Gatos Creek, Ross Creek, San Tomas Aquinas Creek, and Smith Creek. Other unnamed natural water courses are also located within the Town limits.

A Storm Drain Master Plan has been prepared for the Town. The Plan outlines drainage design criteria to establish the baseline requirements. This will ensure that the required level of protection is provided that will meet various jurisdictional agency requirements in the Town.

Much of the Town's storm drainage system is very old, shallow, and undersized. Additionally, the Town has several areas where public waters flow through private property without benefit of any easements. The Town is trying to locate and upgrade these systems as resources are programmed and allocated.

According to the Comprehensive Annual Financial Report for 2005, one of the major initiatives taken by the Town was improvements to the storm drain system. The improvements were completed at Causay Lane and North Santa Cruz, improving the drainage of storm water where street flooding tended to occur during heavy rain periods, improving the access to the Downtown business district during winter season.

The Parks and Public Works Department has a storm response program. After a storm event, flooded areas are evaluated to determine the reason for flooding. There is one area that has had minor flooding during times of peak rainfall intensity. Drainage improvements made by the neighboring golf course have partially eliminated this problem. Additional improvements to the storm drainage system are proposed. However, no new storm water improvement projects are currently planned.

Per the Los Gatos Municipal Code (Section 24.60.035), fees are collected on new buildings, improvements (including but not limited to paving), and subdivisions. Fees are those established by the Town Council. Storm drainage improvements are financed through fees collected on new construction. The fees collected are deposited in an account, depending upon the drainage basin where the new construction occurs. This money can only be used in the basin where development occurs. In addition, developers must install drainage improvements to serve their development. If improvements to the Town's existing system are made, the cost of those improvements is deducted from the drainage fees (Section 24.60.045).

7.9 LAW ENFORCEMENT

Police protection within the Town is provided by the Los Gatos Police Department. The Los Gatos Police Department also provides law enforcement services to the City of Monte Sereno. This section addresses law enforcement services provided to both Los Gatos and Monte Sereno. The Los Gatos Police Department is separated into two main branches: the Operations Division and the Support Services Division. The Operations Division oversees a Disaster Aid Response Team, the Traffic Bureau, as well as the morning, day, and evening watches. The Support Services Division is responsible for the Detective Bureau, Records and Communications Bureau, and Personnel and Community Service Bureau. The department is a full-service organization with the following bureaus, units, and specialized teams:

- Detective Bureau
- Records and Communications Bureau
- Personnel and Community Services Bureau
- Crime Analysis
- School Resource Officer
- Traffic and Motorcycle Unit
- Canine Team
- SWAT and Hostage Negotiation Teams
- Bicycle Patrol Team
- Evidence Team

The police department is part of the Town's civic center complex located at 110 East Main Street in Los Gatos. The police department is approximately 5,100 square feet and provides work area for nearly all department personnel. Due to limited space, the department also makes use of two residential houses that are owned by the Town and are adjacent to the civic center complex. One of the two houses was condemned after the 1989 Loma Prieta earthquake and is now used solely for the

purpose of storing archived police documents and some police evidence. The second residential property provides work space for the department's Personnel and Training Unit, the Administrative Sergeant, and the System Specialist.

The police department includes an authorized staff of 64 sworn and civilian personnel, plus over 150 volunteers. On average, shift personnel include three officers, one corporal and one sergeant. The swing shift personnel overlap both the day and midnight shifts, allowing for short periods of additional officers available to respond to calls for service.

During FY 2005–2006, the department altered its patrol team configuration, downsizing from six teams to five and spreading more officers across one fewer patrol team. This restructure proved to be successful, demonstrating both internal and external benefits. However, a combination of retirements, long-term disabilities, and resignations resulted in the equivalent of one full patrol team being vacant for a substantial portion of last year. Although these vacancies were not concurrent, the impact was cumulative and resulted in a substantial amount of required overtime to meet minimum staffing across all shifts. In FY 2006–2007, the department also experienced several personnel losses that necessitated the transfer of police officers from specialized assignments to the patrol division in order to maintain a minimum staffing level on all patrol shifts.

The Town, recognizing the impact of personnel shortages and its effect on service delivery to the community, agreed to put into place funds to help the department hire ahead for anticipated vacancies. These funds would be used specifically for temporary over-hire situations and are designed to reduce some of the negative impacts of extended vacancies. These funds will be used to bridge the gap between the time the vacancy occurs and the time the replacement employee is capable of filling the vacancy. The department expects that these funds will help reduce its reliance on overtime to meet staffing needs and will allow the department adequate time to hire and train quality personnel.

Calls for Service

The Police Department Communications Center handles the vast majority of all incoming phone calls to the department on a daily basis. Of significant importance is answering all 911 emergency calls for service to the department, including newly routed cellular phone calls. In addition to answering these incoming calls, dispatchers are responsible for assigning the appropriate police personnel needed to respond to the incident or transferring the call to a designated County agency. The Communications Center functions as the central point of contact for all department personnel and the critical needs of the community.

All calls received by the department are categorized into three “priority” rankings: Priority One, Priority Two, and Priority Three. Priority One calls command immediate assignment; any available unit is dispatched. Priority Two calls are dispatched as soon as possible (immediate assignment), and any available unit dispatched. Priority Three calls are dispatched as available manpower/criteria indicate (delayed assignment). Priority Three calls are all other calls not categorized as Priority One or Priority Two. Table 7.I provides a summary of the number of calls the department received in the past 3 fiscal years.

Table 7.I: Number of Emergency Calls

Priority	FY 2003–2004	FY 2004–2005	FY 2005–2006	FY 2006–2007 (Estimated)
I	370	328	312	292
II	5,200	4,678	4,465	4,282
III	6,300	5,801	5,537	5,678

Source: Los Gatos/Monte Sereno Police Department, Captain Scott Seaman and Nancy Dawn, Survey, March 30, 2007

Response times within the Town vary depending on the priority of the calls. Table J represents response time goals and average response time for the past 3 fiscal years. As shown, the department meets its response time goals for Priority One, Priority Two, and Priority Three calls.

Table 7.J: Response Time to Priority Calls

	Response Time Priority One Calls (minutes)	Response Time Priority Two Calls (minutes)	Response Time Priority Three Calls (minutes)
Response time goal	5:00	8:00	20:00
2003–2004	5:23	8:08	13:50
2004–2005	5:01	8:37	14:48
2005–2006	4:49	8:37	15:32

Source: Los Gatos/Monte Sereno Police Department, Captain Scott Seaman and Nancy Dawn, Survey, March 30, 2007

Facility needs are evaluated each year as part of the budget preparation cycle. Requests for nonemergency type of repairs or minor building modifications are submitted to the Town budget review committee. The committee will determine what requests can be filled based on needs and available funding. Equipment needs are also evaluated as part of the budget cycle. If approved, equipment can either be purchased out of the current year budget or identified as a purchase for the next year. Any associated replacement and maintenance costs will be added to the ongoing budget.

The Town has been through a series of budget reduction strategies in order to meet decreased revenue for the past 3 years. The police department has been the focus of attention for the Town Council due to an identified need for additional space and to improve a number of police functions that were noted in a recent grand jury report. Specifically, the lack of adequate space for processing and storage of evidence and the lack of security for processing, interviewing, and monitoring suspects were highlighted. The Town Council is currently exploring alternatives for moving the police department to an off-site facility, or to retain it at its current location and rebuild it as part of an upgrade to the civic center complex. Both alternatives are being evaluated on the basis of space needs and funding sources.

The Los Gatos Police Department is very involved with the community; therefore, new programs that would enhance services are routinely explored. However, due to the past several years of budget reduction strategies that were necessary to meet reduced revenue for the Town, no new programs have been implemented.

The department routinely evaluates opportunities to share resources, programs, and equipment with other entities or law enforcement agencies in an effort to reduce costs to the Town and increase services to the community. The sharing of a training manager and property and evidence management are currently under consideration.

In 2006, the Los Gatos Police department entered into an agreement with the City of Campbell Police Department to share resources for a combined SWAT (special weapons and tactics) team. Both departments share a similar vision in terms of management style and service to the community. The department currently partners with the Campbell Police Department for SWAT services and occasionally shares traffic services.

Also in 2006, both departments engaged in joint traffic enforcement opportunities by commingling motor units. A team of four motor officers, two from each jurisdiction, were periodically assigned to work traffic enforcement at an identified problematic location. This arrangement was very successful but had to be put on hold when a Los Gatos motor officer took disability leave. It is anticipated that these joint enforcement efforts will be reactivated soon.

The Town’s Emergency Operations Center (EOC) is worthy of note in this service review. The EOC is located in the Neighborhood Center, which is highly utilized by the Town and community for classes and social service. The EOC is in need of being updated to a contemporary service standard through the relocation to a dedicated facility and upgrade of old communication equipment. The EOC is managed by the department but would incorporate all critical services of the Town when activated. Until recently, no specific funds have been set aside for equipment purchase and maintenance of this critical operation.

The EOC has been identified as a specific need for the Town, and it is currently being considered within the evaluation process of police department facilities. The Town has also applied for and received some funding from Homeland Security grants to help with equipment purchases.

7.10 LIBRARY

The Town of Los Gatos provides library services through the Los Gatos Public Library. The Town’s facility is located at the Town Civic Center (110 E. Main Street). The current library facility is 12,125 gross square feet. The library facility has approximately 110,000 volumes. Table 7.K shows the library activity.

Table 7.K: Library Activity

Activity and Workload Highlights	2002–2003 Actual	2003–2004 Actual	2004–2005 Actual
Circulation: adult	126,135	119,000	108,000
Circulation: youth	136,9556	135,000	122,000
Circulation: videos/dvd	72,542	93,000	83,000
Circulation: audio books	23,931	21,000	24,000
Circulation: CDs	21,302	25,000	22,000

Activity and Workload Highlights	2002–2003 Actual	2003–2004 Actual	2004–2005 Actual
Door count	236,846	229,000	208,000
Number of new patrons registered	3,341	2,800	2,500
Hours of public service per week at circulation	62	62	54

Source: FY 2006/07 Operating and Capital Budget for the Town of Los Gatos and the Los Gatos Redevelopment Agency

The library facility is not adequate for existing or future needs. Space constraints create collection restrictions and staff spaces are overcrowded. There are no meeting spaces available for the public or staff and no adequate area for computer instruction. Space for programming of all kinds is severely limited. There is no quiet reading or study area. The building is generally not Americans with Disabilities Act (ADA) compliant, and there is only one bathroom for each sex in a building that has approximately 800 visitors per day.

The Town is nearing completion of a Civic Center Master Plan, which includes plans for a new library of approximately 40,000 square feet with 69 parking spaces. The new building, as planned, would solve the inadequacies listed above and provide adequate library services for the future.

Los Gatos Public Library belongs to the Silicon Valley Library System, a cooperative and resource-sharing organization for area libraries. Some purchasing of library materials is undertaken through Silicon Valley Library System, especially electronic resources. Los Gatos Public Library often takes advantage of the training opportunities offered through the cooperative. Materials can be sent from one library system to another by means of Interlibrary Loan, a delivery system based at Santa Clara County Library. The library also cooperates with the Museums of Los Gatos in the area of local history.

7.11 SERVICE REVIEW DETERMINATIONS FOR THE TOWN OF LOS GATOS

The service review guidelines prepared by the State Office of Planning and Research recommend that issues relevant to the jurisdiction be addressed through written determinations called for in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 1985 (CKH Act). Based on the above information, following are the written determinations for the Town.

Infrastructure Needs and Deficiencies

1. The existing library is inadequate for existing and future needs. The Town is nearing completion of a Civic Center Master Plan, which includes plans for a new library of approximately 40,000 square feet with 69 parking spaces. The new building, as planned, would provide adequate library services for the future.
2. The Police Department is in need of additional space for employees. The Town Council is currently exploring alternatives for moving the police department to an offsite facility, or to retain it at its current location and rebuild it as part of an upgrade to the civic center complex.

3. Much of the Town's storm drainage system is very old, shallow, and undersized. The Town is trying to locate and upgrade these systems as resources are programmed and allocated.

Growth and Population

1. The Town has stated that its population projections are consistent with ABAG, which are expecting a growth rate of 0.42 percent.
2. The Town is essentially built out but has vacant and underutilized land. Due to this, there is opportunity for future development and growth within the Town. Therefore, it is difficult to detail what potential affects future development or intensification could have on existing infrastructure.

Financing Constraints and Opportunities

1. The Town's revenues have exceeded expenditures for the last two fiscal years. Since FY 2001–2002, the Town has implemented a number of strategies to keep revenues in balance with expenditures. These steps included selected hiring freezes, strategic expenditure slowdowns, and departmental cost-saving efficiencies among other strategies that have allowed the Town to remain fiscally balanced in challenging economic times.

Cost-Avoidance Opportunities

1. The Town has several cooperative arrangements with other agencies that provide services at a reduced cost.
2. The Town participates in public entity risk pools that provide insurance coverage at reduced costs.

Opportunities for Rate Restructuring

1. Each year the Town reviews and revises rates for services to ensure consistency with the cost to provide the services. Through this review, the Town evaluates the relationship between fee revenue and the costs to provide service.

Opportunities for Shared Facilities

1. The Town's Police department routinely evaluates opportunities to share resources, programs, and equipment with other entities or law enforcement agencies in an effort to reduce costs to the Town and increase services to the community. The sharing of a training manager and property and evidence management are currently under consideration.
2. The department has explored resource sharing with the City of Campbell Police Department, which serves an adjacent community. In 2006, the Los Gatos/Monte Sereno Police Department entered into an agreement with the City of Campbell Police Department to share resources for a combined SWAT team.

Government Structure Options

1. LAFCO identified several unincorporated pockets within or adjacent to the Town. In order to implement more efficient planning boundaries and take advantage of the current streamlined annexation opportunity, the Town should consider pursuing annexation of the remaining unincorporated island areas.

Evaluation of Management Efficiencies

1. The Town's cooperative agreements with other agencies provide management efficiencies in the provision of services.

Local Accountability and Governance

1. The Town ensures that local accountability and governance standards are met by holding Town meetings pursuant to the Brown Act, having them shown on the local cable television channel, and having them available for download on the Town's Web site.

7.12 SOI RECOMMENDATION FOR THE CITY OF LOS GATOS

Current SOI Boundary

The Town's existing SOI, which was adopted in June 1984, is coterminous with its Town limits to the north, east, and west. The southern portion of the Town's SOI includes unincorporated and incorporated hillside territory located outside of the Town's USA boundary. Some of this area sustains very low density residential development, while some of the area is undeveloped, and has little or no roads or other infrastructure. This southern portion also includes lands in which the Midpeninsula Regional Open Space District has an ownership interest (i.e. El Sereno Open Space Preserve, St. Joseph's Hill Open Space Preserve, and Sierra Azul Open Space Preserve).

The Town is bounded by the Cities of San Jose and Campbell to the north, the City of Monte Sereno to east, and the City of Saratoga to the northwest. The Town's 1984 SOI boundary includes lands that are planned for both urban uses, as well as, lands planned for permanent open space uses and also includes areas in which the City and the County have shared interests in preserving non-urban land uses. Since 1984, Los Gatos' SOI boundary has remained significantly unchanged.

SOI Boundary Recommendation

It is recommended that LAFCO re-affirm the Town of Los Gatos' existing SOI boundary because the Town of Los Gatos' SOI boundary serves multiple purposes including serving as:

- A long range planning tool to help LAFCO evaluate USA boundary changes and annexation requests.
- Areas that will not necessarily be annexed to the Town of Los Gatos or will not necessarily receive services from Los Gatos, but are areas in which the County and Los Gatos may have shared interests in preserving non-urban levels of land use. Specific examples include the

foothills and ridgelines located south and west of the Town. Furthermore, both the Town and the County share a mutual interest in protecting view sheds and natural resources.

- Areas where Los Gatos and the County have significant interaction. A specific example of such interaction includes areas where the City receives discretionary planning application referrals from the County.
- Areas that contain social or economic communities of interest to Los Gatos, such as areas within the Town's jurisdiction.

In making this recommendation, it should be made clear that inclusion of an area within the Town's SOI boundary should not necessarily be seen as an indication that the Town will either annex or allow urban development and services in the area. The Town's USA boundary is the more critical factor considered by LAFCO and serves as the primary means of indicating whether the area will be annexed and provided urban services.

7.13 SOI DETERMINATIONS FOR THE TOWN OF LOS GATOS

As detailed in Section 1.1, Government Code Section 56425 requires written determinations with respect to the following four factors to update an agency's SOI. Based on the information above, the following determinations are provided to update the Town's existing SOI.

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

Land outside of the Town's USA boundary but within the Town's SOI boundary is largely undeveloped and designated either park and open space or hillsides. The Town does not intend to extend services to the SOI area and planned land uses within the SOI are the same as existing land uses.

The Town of Los Gatos is a predominantly built-out community. However, there is currently 529 acres of vacant and underutilized land within the Town's USA boundary. Due to this, there is some opportunity for future development on vacant land as well as redevelopment projects. The current and projected absorption rate of this vacant land is very low.

The Town is a largely residential community. However, there are significant areas of commercial uses and smaller areas of light industrial and office professional uses within the Town. Planned land uses in the City include a similar mix of land uses.

Finding: A variety of urban uses are planned within Los Gatos' USA boundary. Both the County of Santa Clara and the Town of Los Gatos General Plans call for the continuation of non-urban uses beyond these boundaries.

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

Although, a majority of the Town is developed, the Town is expected to experience modest growth mostly through in-fill development, redevelopment of underdeveloped parcels, and very low-density residential development within the hillsides. Similarly, the need for a full range of public facilities and services is expected to grow modestly in the future. The portion of the City's SOI which is located beyond the City's USA boundary has limited development potential due to having steep slopes, limited infrastructure, and/or in some cases being permanently preserved as open space. Therefore, there is a low probable need for public facilities and services in this portion of the City's SOI boundary.

Finding: The type of public services and public facilities required in the proposed Los Gatos SOI boundary will not change, although the level of demand will increase modestly.

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

The properties within the Town receive a full range of public services from the Town. For the most part, the present capacity of public facilities appears to be adequate. However, some specific inadequacies were identified, including: (1) the existing library facility is inadequate to meet existing and future needs; (2) the Police Department is in need of additional space for employees; and (3) the Town's storm drainage system is very old, shallow, and undersized. The Town is nearing completion of a Civic Center Master Plan, which includes a new library and parking and may address the Police Department's need for additional space. The Town is also trying to locate and upgrade storm drainage infrastructure as resources are programmed and allocated.

Finding: The present capacity of public facilities and public services is generally adequate. However, improvements to storm water drainage are needed, the Police Department needs additional space for employees, and the Town's existing library is inadequate to meet the needs of the community.

4. Existence of Any Social or Economic Communities of Interest in the Area if the Commission Determines that they are Relevant to the Agency

The Town's USA boundary contains numerous unincorporated pocket areas that are developed with urban land uses. The Joint Urban Development Policies of the cities, the County, and LAFCO call for islands or pockets of unincorporated land to be annexed to the applicable city.

Additionally, Los Gatos has annexed territory that may never be in the City's USA Boundary, but which is within the proposed SOI. These areas are to the south of the urban area and include portions of lands owned by the Midpeninsula Regional Open Space District and hillside lands that are difficult to access. While these areas will not generally be considered for urban development, they are none the less located within the jurisdiction of the Town.

Finding: There exist social and economic conditions that cause interaction and interdependence between the Town of Los Gatos and the areas within the City's SOI.