City of Monte Sereno  
State of the City  
December 5, 2023  
Our City is Doing Well

The City of Monte Sereno is positioned well, as we close 2023. In this State of the City, we take a moment to reflect on where we are today, and how the City evolved in the past year. Also, we’ll explore key developments and initiatives in 2023 that will continue as we start 2024.

Monte Sereno is 100% residential with no commercial businesses. Our physical infrastructure includes our roads and storm drains; our service infrastructure includes police and fire safety, with water supply and sanitation sewers. Our recycling, organic waste and trash is collected every Thursday.

If all is well, then our City is very quiet and peaceful. **Resiliency Becomes Essential**

The winter storms in 2023 brought heavy rains with limited road closures and multiple power outages. While there was some property damage, the winter storms were largely an inconvenience.

Pacific Gas & Electric deployed new technology in 2023 that shuts off power in 1/10th of a second when certain conditions occur. By isolating power lines in Monte Sereno and Los Gatos, shutting off the electricity reduces wildfires ignited by power lines.

PG&E’s new approach resulted in “false positives” that shut off electricity multiple times in July and August. While no wildfires occurred in our area in 2023, losing power underscored the importance of resiliency to our community.

We heard that residents need a place to go when the power is off so they can charge their devices, have a cooling/heating place, and be with others.

**State to Certify Our Housing Element**

The City has expended an immense amount of time and energy in working with the State’s Department of Housing and Community Development (HCD) to certify our Housing Element. Monte Sereno responded to comments from HCD with another revision to our Housing Element. We believe that our Housing Element is in compliance with the State’s requirements.

**Monte Sereno Builds Staff Capabilities**

Monte Sereno is focused on providing our residents with a high level of customer service. We pride ourselves on being nimble and able to respond quickly to developing situations. To do so requires staff who are available and have a positive attitude toward helping our residents – we’re proud that all our employees have a “can do” attitude and want to meet your needs.

We appreciate our staff and thank them for their high quality of customer service.

**Raising Monte Sereno’s Stature**

Although Monte Sereno is a quiet, understated municipality, we have been enhancing our voice in Northern California so elected officials recognize, and appreciate, our perspective.

In August, we held our annual picnic in Vasona Lake County Park – the theme this year was “Building Community in Monte Sereno.” The picnic offered excellent food and a relaxed atmosphere for residents to meet their neighbors.

As well, we invited our service partners and regional elected officials to join us, which they did. The same opportunity to meet neighbors also allowed us to show our appreciation for our service partners and to interact and connect with elected officials who represent Monte Sereno.

**Increasing Community Involvement**

Monte Sereno has a rich history of volunteering to make things happen. We have a Youth Commission, Site & Architectural Commission and a Better Streets Commission, with a total of 35 volunteers.

In 2023, our Site & Architectural Commission reviewed and approved eight new homes and major renovations. As well, they provided insight and recommendations to City Council for changes to our municipal code for lot splits under SB-9.
Monte Sereno Awaits Housing Element Approval, Balancing Growth and Tradition

The City is at a pivotal moment, as we eagerly anticipate approval of our Housing Element. Throughout 2023, our residents, staff, Site & Architectural Commission and City Council were engaged in a spirited debate over balancing the preservation of our City with the pressing requirement by the State to increase housing.

We have a long-held commitment to preserving our setting and the unique charm that comes with it. However, California’s ever-increasing housing crisis has prompted us to grapple with the challenge of accommodating growth without losing what makes Monte Sereno special.

Our geographic location, with a backdrop of rolling hills and the Santa Cruz mountains combined with the constant threat of wildfires, makes development challenging. Many fear that increased density will lead to overcrowding, reduced privacy and increased traffic congestion in emergencies.

Monte Sereno’s Housing Element is a blueprint for addressing the housing needs of the City over the next eight years. Its primary goal is to ensure that Monte Sereno provides housing alternatives for residents of all income levels in compliance with State mandates. The State’s Regional Housing Needs Allocation (RHNA) process requires municipalities to plan for a specific number of new housing units based on projected population growth. Monte Sereno was assigned 193 units plus a ~15% cushion for a total of 225 units.

Monte Sereno continues to help residents remodel and renovate their homes, build ADUs and build the home of their dreams. In fiscal year 2023 (FY 2023), building permits declined in the City but remained strong overall. Reduced building permits may be attributed to rising interest rates.

At $5.0 million, our reserve fund remains healthy, allowing us to maintain our roads, address unforeseen emergencies and invest in our new Community Center.

Our reserve fund is currently above the $3.5 million recommended minimum level, providing a solid financial cushion.

The City is committed to maintaining fiscal responsibility and sound financial practices. Our outlook for 2024 is positive, with the following key priorities:

• We will continue to maintain a balanced budget, closely monitor expenses, and ensure that our expenditures align with our revenue.

• Infrastructure projects will remain a top priority, focusing on maintaining our roads and our stormwater drains.

Monte Sereno is ending calendar 2023 in a strong financial position, with a positive outlook for 2024. We remain committed to transparent financial management, fiscal responsibility, and providing the highest level of services to our residents.

* All amounts per Fiscal 2024 Adopted Budget

Financial Update and Positive Outlook for 2024

Our fiscal year is July 1, 2023 to June 30, 2024, so we are half way through our fiscal year.

City revenues of $5.5 million are primarily from property taxes, as collected by the County Assessor. The City received 6.35% ($2.8 million) of the $44.1 million paid by residents under the Proposition 13 assessed property values.

In 2023, assessed property values in the City increased by 8.25%, due to sales and residents expanding their homes/large renovation projects.

Our expenditures have been carefully controlled, with a focus on cost-effectiveness. In 2023, the City signed a multi-year agreement with our employee union that helps the City to continue to be a desirable employer of choice in the County.

The single biggest line item in our budget is police services ($1.2 million), which we contract for from the Town of Los Gatos. While the current contract ends on June 30, 2025, the City intends to negotiate a new contract by March 31, 2024.

At $5.0 million, our reserve fund remains healthy, allowing us to maintain our roads, address unforeseen emergencies and invest in our new Community Center.

Our reserve fund is currently above the $3.5 million recommended minimum level, providing a solid financial cushion.

The City is committed to maintaining fiscal responsibility and sound financial practices. Our outlook for 2024 is positive, with the following key priorities:

• We will continue to maintain a balanced budget, closely monitor expenses, and ensure that our expenditures align with our revenue.

• Infrastructure projects will remain a top priority, focusing on maintaining our roads and our stormwater drains.

Monte Sereno is ending calendar 2023 in a strong financial position, with a positive outlook for 2024. We remain committed to transparent financial management, fiscal responsibility, and providing the highest level of services to our residents.

* All amounts per Fiscal 2024 Adopted Budget
Community Center for a Quiet, Yet Vibrant, Future

Our City is embarking on an exciting journey to enhance our community. We are in the midst of designing and building a Community Center that promises to be a quiet, yet hub of activity, where residents can gather, learn, and engage with one another.

Monte Sereno is known for its understatement and privacy, as well as for its rural heritage and natural beauty. However, the absence of a dedicated Community Center has limited our ability to offer residents a central gathering space for various activities.

The Community Center will be resilient, with solar panels and batteries to provide power when the grid shuts down. We intend to have redundant communications, including a Starlink satellite connection, that will allow residents to have a safe and reliable location to charge their electronic devices while being connected to the internet, even if terrestrial communications in our area fail.

Monte Sereno values community input and has actively engaged its residents throughout the design process. The nine-person Community Center Committee provided a forum with digital surveys to gather ideas, preferences, and concerns from the community.

The design emphasizes sustainability, energy efficiency and an eco-friendly approach. The architects have incorporated flexibility in the design allowing for various uses of the space, from hosting community meetings to art exhibitions and induction cooking classes.

The City is creating a place to foster connections, inspire creativity and promote a sense of belonging – the new Community Center will become a cherished space which can be used by all.

Inspiration Behind John Steinbeck’s The Grapes of Wrath

One of America’s greatest literary talents, John Steinbeck, found a peaceful setting where he penned some of his most enduring and impactful works, completing “Of Mice and Men” and writing “The Grapes of Wrath.”

Steinbeck moved to Greenwood Lane in the mid-1930s, seeking a tranquil retreat from noise and distractions.

He and his wife, Carol Henning Steinbeck, built a modest house on Greenwood Lane that was surrounded by beautiful, natural landscapes.

Their house on Greenwood Lane was a place of refuge for Steinbeck, where he could immerse himself in his writing. Steinbeck’s experiences in the California countryside, his observations of the struggles of migrant workers during the Dust Bowl era, and his personal connection to the region heavily influenced his writing.

A noteworthy detail from Steinbeck’s time in Monte Sereno was the sign on his gate that read “Arroyo del Ajo,” which translates to “Garlic Gulch.”

The sign from his gate is a poignant reminder of the place where John Steinbeck found inspiration and solace.

In a heartwarming display of community spirit and generosity, Joel and Dena Gambord donated the historic Arroyo del Ajo sign to the City, so it can grace a prominent location in our Community Center for all to see.
Happy Holidays from
the City of Monte Sereno!

Everyone at City Hall wishes you a safe and happy holiday season, and all the best in 2024!

Vacation Checks

Los Gatos-Monte Sereno Police offers vacation checks to residents. While you are away on vacation, officers, police staff and/or Volunteers in Policing will periodically stop by your home to check for open doors, broken windows or any other suspicious circumstances. Please request a vacation check by going to:


Looking Ahead to 2024

Important items to watch for in 2024 include:

• With more people indoors during the winter, please remember that the risk of COVID increases. The City has instant tests that are available free of charge at City Hall.

• Preventing and preparing for wildfires will continue and become a focus in 2024. You will see more resources put into reducing vegetation-related fuel for wildfires and information on “hardening” homes in the coming year.

• Training and volunteer opportunities for Monte Sereno’s CERT program (Community Emergency Response Team).

New Online Permits

Please use our new online building permit system. You can access the system by going to:

https://www.epermits.MonteSereno.org

As always, City Council welcomes your participation in City Council meetings. We’re meeting in person and encourage you to join us on the first and third Tuesday of every month.

State of the City Statement of Purpose

The purpose of the State of the City is to outline key developments in 2023 while looking ahead to 2024.

Graphic Designer: Michele Kwong