



Chairman

Bill Horn
County Board of
Supervisors

December 5, 2016

7

Vice Chairman

Sam Abed
Mayor
City of Escondido

TO: Local Agency Formation Commission

FROM: Executive Officer
Chief Analyst, Policy Research

Members

Dianne Jacob
County Board of
Supervisors

SUBJECT: Unincorporated Island Annexation Program

Andrew Vanderlaan
Public Member

Direction from the Commission is requested on the establishment and initiation of an Unincorporated Island Annexation Program. If approved by the Commission, this program would address the number of unincorporated islands within and adjacent to incorporated cities in San Diego County.

Lorie Zapf
Councilmember
City of San Diego

Lorraine Wood
Councilmember
City of Carlsbad

Unincorporated islands are generally defined in State Law as unincorporated areas that are surrounded, or “substantially surrounded,” by the incorporated territory of an adjacent city or cities. The California Legislature has recognized that unincorporated islands create inefficiencies in the delivery of municipal services, support incompatible land use planning, and increase jurisdictional confusion and costs in the local delivery of services.

Jo MacKenzie
Vista Irrigation District

Ed Sprague
Olivenhain Municipal
Water District

Alternate Members

In response to these jurisdictional issues, the California Legislature has consistently supported legislation requiring Local Agency Formation Commissions (LAFCO) to approve annexations to cities of qualifying unincorporated islands, without protest or election, if certain conditions are met. These unincorporated island annexation provisions (Government Code Section 56375.3) were amended in 2005 to increase the maximum size of unincorporated islands that could be annexed by a city without formal protest to 150 acres.

Greg Cox
County Board of
Supervisors

Chris Cate
Councilmember
City of San Diego

Racquel Vasquez
Councilmember
City of Lemon Grove

Harry Mathis
Public Member

The Commission is requested to review and discuss the establishment of an Unincorporated Island Annexation Program, and provide direction to staff to return with a draft work program for FY 2017-18. Among other items, the draft work program will identify possible unincorporated island annexation areas; provide a detailed schedule of outreach and coordination with the affected agencies; address potential jurisdictional issues; and, include estimated LAFCO costs.

Judy Hanson
Leucadia Wastewater
District

Executive Officer

Michael D. Ott

Legal Counsel

Michael G. Colantuono

Existing Unincorporated Island Annexation Statutes

Existing statutes within the Cortese-Knox-Hertzberg Act (Government Code Section 56000, et seq.) that govern the annexation of unincorporated islands to a city are as follows:

Government Code Section 56744

This section prohibits the creation of islands of unincorporated territory surrounded by a city, via annexation or incorporation, unless the Commission determines otherwise, in accordance with Section 56375(m).

Government Code Section 56375(m)

This section allows the Commission to waive the restrictions of Section 56744 if it finds that the application of the restrictions would be detrimental to the orderly development of the community and that the area to be enclosed by the annexation or incorporation is located such that it could not reasonably be annexed to another city or incorporated as a new city.

Government Code Section 56375.3

This section provides streamlined procedural requirements for annexations of unincorporated islands to a city if the proposal meets specific criteria. Under this provision, LAFCO is required to: conduct a noticed public hearing on the proposal; approve the annexation of the qualifying unincorporated island; and waive protest proceedings, if the Commission determines that all of the following conditions are met:

- The annexation or reorganization of the unincorporated island is proposed by resolution of the annexing city.
- The unincorporated island does not exceed 150 acres in area, and that area constitutes the entire unincorporated island.
- The annexation territory constitutes an entire unincorporated island located within the limits of a city or constitutes a reorganization containing a number of individual unincorporated islands.
- The unincorporated island is surrounded or substantially surrounded by the annexing city or by the annexing city and adjacent cities, or by the annexing city and a county boundary or the Pacific Ocean.
- The unincorporated island is substantially developed or developing based on the availability of public utilities, presence of public improvements or the presence of physical improvements on the parcels within the area.
- The unincorporated island is not prime agricultural land as defined in the Cortese-Knox-Hertzberg Act (Government Code Section 56064).

- The unincorporated island will benefit from the annexation or reorganization or is receiving benefits from the annexing city.
- The unincorporated island is not a gated community where services are currently provided by a community services district.

Government Code Section 56375.3 also provides an opportunity for the annexing city and the county to negotiate a separate property tax transfer agreement for the annexation of the unincorporated island that would not affect any existing master tax sharing agreement between the annexing city and the county.

San Diego LAFCO Legislative Policy L-105 (Unincorporated Islands)

Following the enactment of the island annexation streamlining provisions in 2000, San Diego LAFCO adopted Legislative Policy L-105 (Unincorporated Islands) which established a local policy to govern the reduction in the size of existing unincorporated islands and other illogically configured areas, and to promote infill development and discourage urban sprawl.

Legislative Policy L-105 requires the following factors to be considered by the Commission for proposed annexations of unincorporated islands to a city, or to be considered by the Commission when determining to waive the restriction of the creation of an unincorporated island per Government Code Section 56375(m):

1. The consistency of the annexation proposal with the spheres of influence of all affected agencies.
2. Whether the unincorporated island that would be created is already substantially surrounded by the annexing city.
3. Whether the size of existing islands and other illogically configured areas will be reduced.
4. The effect of island prohibition provisions on creating secondary impacts, such as urban sprawl, inefficient service delivery, etc.
5. The ability to facilitate infill development within the annexation area.
6. The ancillary benefits associated with annexation that may offset disadvantages associated with the creation of unincorporated islands.
7. The environmental impacts that could be addressed through annexation of territory to a subject agency.
8. The existing or potential health or safety concerns that may be resolved through the annexation of island areas or other similar areas.

9. The need for essential city services within the annexation area.
10. The ability to consolidate and simplify the provision of public services.
11. The effect on the provision of public services within existing and newly created island area(s).
12. The completion of a survey of residents within the potential island or other illogically configured area to determine their willingness to be added to the annexation proposal.

The factors for Commission consideration in Policy L-105 provide direction for staff when processing proposed unincorporated island annexations; however, additional Commission direction regarding the application of undefined terms such as “substantially surrounded” will allow affected cities to better plan for addressing the various pockets of unincorporated territory that are surrounded or partially surrounded by their incorporated territory.

Unincorporated Island Annexations

Since the Commission’s establishment of Policy L-105, subsequent statutory changes have created new factors for LAFCO consideration when deliberating on proposed city annexations, such as disadvantaged unincorporated communities. Also during that time, many of the incorporated cities and the County of San Diego have completed updates to their General Plans, including the required identification within their Housing Elements of qualifying island, fringe, and legacy communities.

LAFCO staff has been coordinating with staff from the City and County of San Diego in anticipation of the submittal of a proposal to annex an unincorporated island to the City of San Diego that totals approximately 120-acres and contains the Greenwood Cemetery and adjacent unincorporated parcels. This unincorporated island annexation proposal represents the culmination of many years of discussion between the City and County and would result in the removal of the largest unincorporated island within the City of San Diego.

Draft Unincorporated Island Annexation Work Program

With the Commission’s support and direction, staff will return with a Draft Unincorporated Island Annexation Work Program for FY 2017-18 that will provide a detailed schedule of outreach and coordination with the affected agencies. Among other items, the work program will identify possible island areas, interest of affected cities, potential issues, and LAFCO costs. The primary components of the work program may involve the following tasks:

- Creating an GIS inventory of all unincorporated islands and substantially surrounded unincorporated areas in San Diego County.

- Identifying all qualifying unincorporated islands that may be subject to the streamlined unincorporated island annexation procedures.
- Identifying policy or procedural questions needing Commission clarification or direction for local implementation of the unincorporated island annexation provisions in the Cortese-Knox-Hertzberg Act.
- Potential updates to Legislative Policy L-105 (Unincorporated Islands) to codify policy direction from Commission regarding implementation of the unincorporated island annexation provisions.
- Conducting meetings with the Special Districts Advisory Committee and potentially convening the Ad Hoc Cities Advisory Committee to provide policy feedback and advisory input on the Draft Unincorporated Island Annexation Work Program.
- Conducting meetings and/or workshops with the affected agencies and interested parties to educate and encourage the cities to utilize the unincorporated island annexation provisions.

As the reduction and removal of unincorporated islands is in accordance with LAFCO priorities and policies to promote orderly development and the efficient provision of public services, it is anticipated that the establishment and implementation of an Unincorporated Island Annexation Program will encourage additional annexations of unincorporated islands to cities and help to promote infill development and discourage urban sprawl. Therefore, it is:

RECOMMENDED: That your Commission,

1. Review and discuss the establishment of an Unincorporated Island Annexation Program; and,
2. Provide direction to staff to return with a work program for FY 2017-18.

Respectfully submitted,



MICHAEL D. OTT
Executive Officer



ROBERT BARRY, AICP
Chief Analyst, Policy Research

MDO:RB:eb

Attachments

- 1) Legislative Policy L-105 (Unincorporated Islands)
- 2) Maps of San Diego County Unincorporated Islands

Subject

UNINCORPORATED ISLANDS

Purpose

To establish a policy governing the reduction in the size of existing unincorporated islands and other illogically configured areas that may promote infill development and the discouragement of urban sprawl.

Background

The Cortese-Knox Local Government Reorganization Act prohibits the annexation of territory to a city if the annexation would result in the creation of an unincorporated island. Unincorporated islands are defined as unincorporated territory completely surrounded by a city, or by territory of a city on one or more sides and the Pacific Ocean on the remaining sides. LAFCO may waive these restrictions if it finds that: (a) the application of the restrictions would be detrimental to the orderly development of the community, and (b) the area that would be enclosed is so located that it cannot reasonably be annexed to another city or incorporated as a new city.

Policy

It is the policy of the San Diego Local Agency Formation Commission to:

Consider the creation of unincorporated islands on a case-by-case basis and to balance the negative implications of unincorporated islands with the need to promote orderly development, the efficient provision of public services, and the reduction of the size of existing islands or other illogically configured areas. The following factors shall be considered in the Commission's determinations:

1. Consistency of the annexation proposal with the spheres of influence of all affected agencies.
2. Whether the unincorporated island that would be created is already substantially surrounded by the annexing city.
3. Whether the size of existing islands and other illogically configured areas will be reduced.

L-105 LEGISLATIVE POLICY

4. Effect of island prohibition provisions on creating secondary impacts, such as urban sprawl, inefficient service delivery, etc.
5. Ability to facilitate infill development within the annexation area.
6. Ancillary benefits associated with annexation that may offset disadvantages associated with the creation of unincorporated islands.
7. Environmental impacts that could be addressed through annexation of territory to a subject agency.
8. Existing or potential health or safety concerns that may be resolved through the annexation of island areas or other similar areas.
9. Need for essential city services within the annexation area.
10. Ability to consolidate and simplify the provision of public services.
11. Effect on the provision of public services within existing and newly created island area(s).
12. Completion of a survey of residents within the potential island or other illogically configured area to determine their willingness to be added to the annexation proposal.

Adopted: May 1, 2000

Cross-reference:

GOVERNMENT CODE:

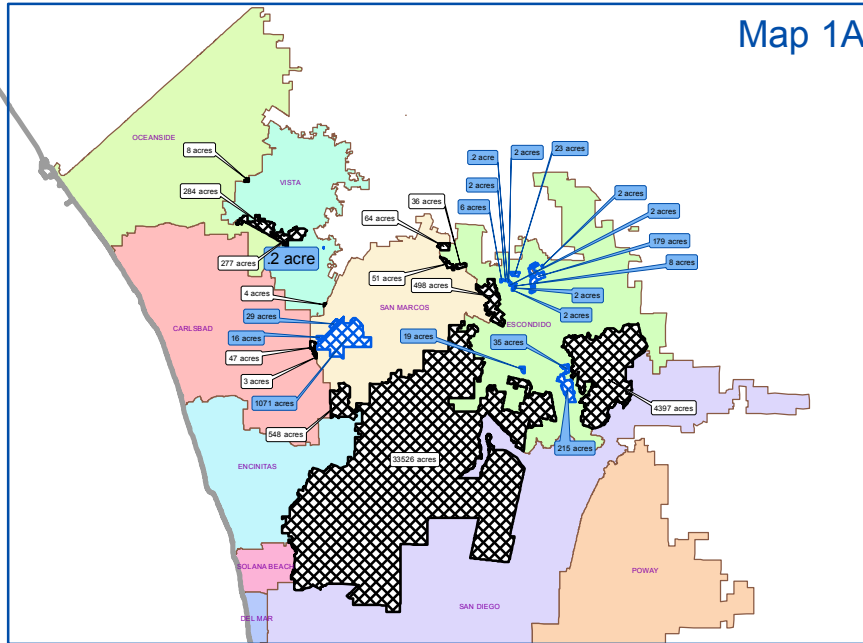
-SECTION 56001 LEGISLATIVE FINDINGS AND DECLARATIONS

SAN DIEGO LAFCO POLICY:

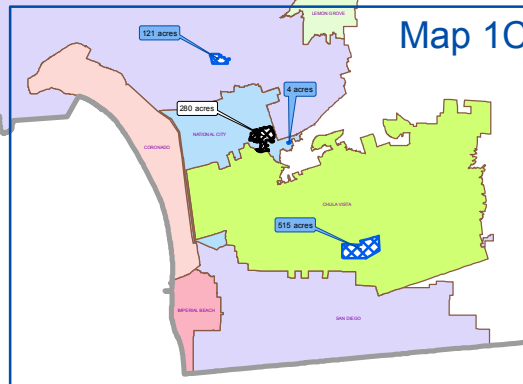
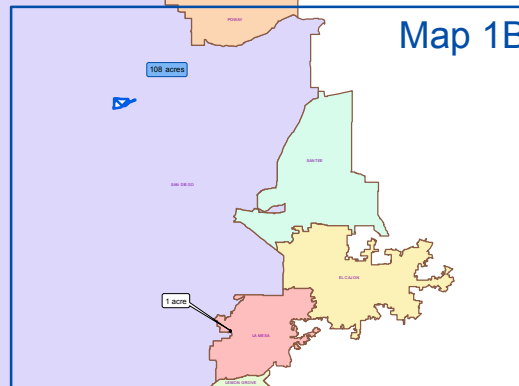
-L-100 CITY ANNEXATION OF UNINCORPORATED TERRITORY WITHIN SPECIAL DISTRICTS
-L-102 SPHERES OF INFLUENCE

SAN DIEGO LAFCO PROCEDURES:

- CITY ANNEXATIONS AND DETACHMENTS
- SPHERES OF INFLUENCE





San Diego County



Pacific Ocean

City of San Diego

Legend

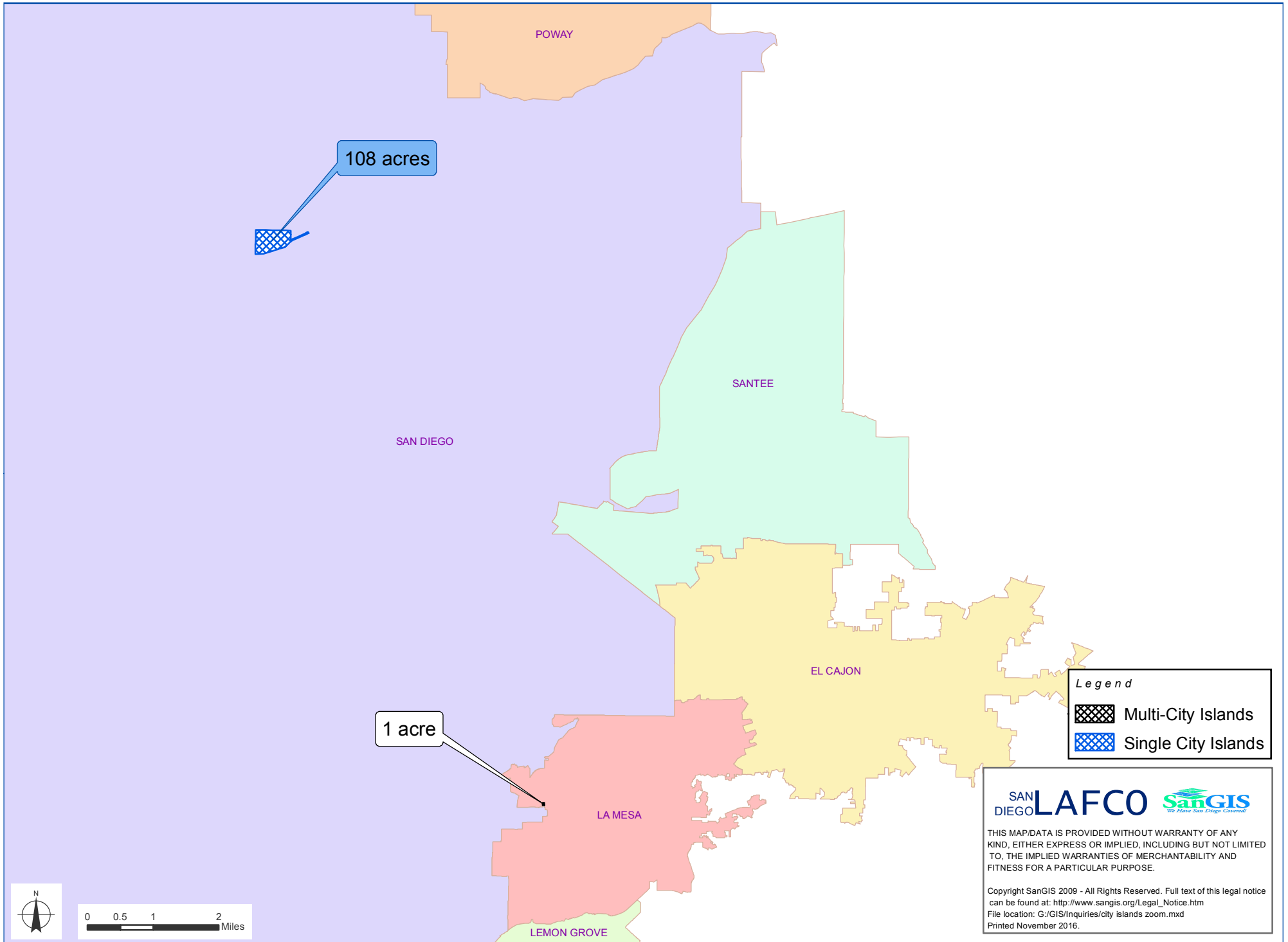
-  Multi-City Islands
-  Single City Islands

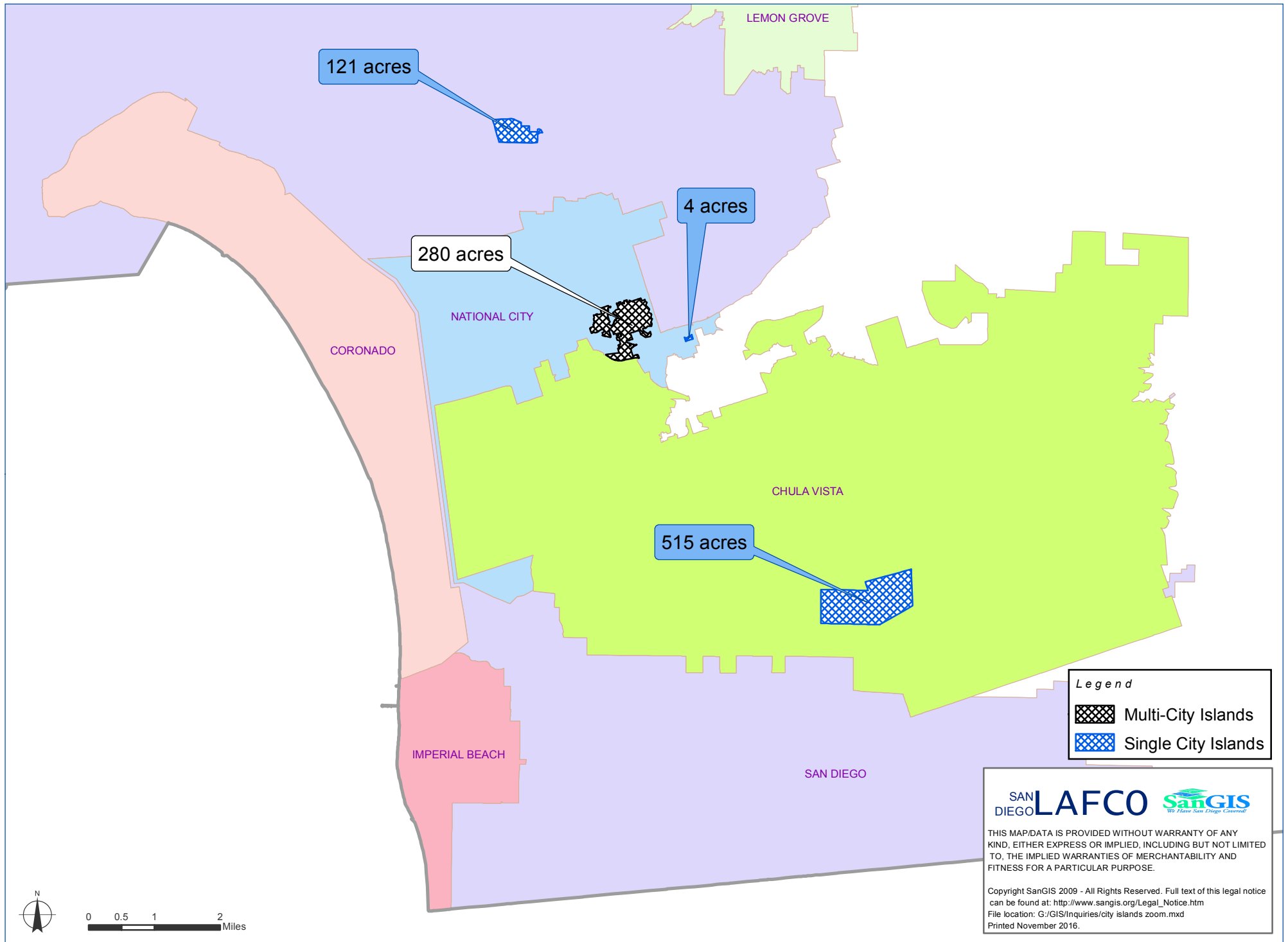
SAN DIEGO LAFCO 

THIS MAP/DATA IS PROVIDED WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

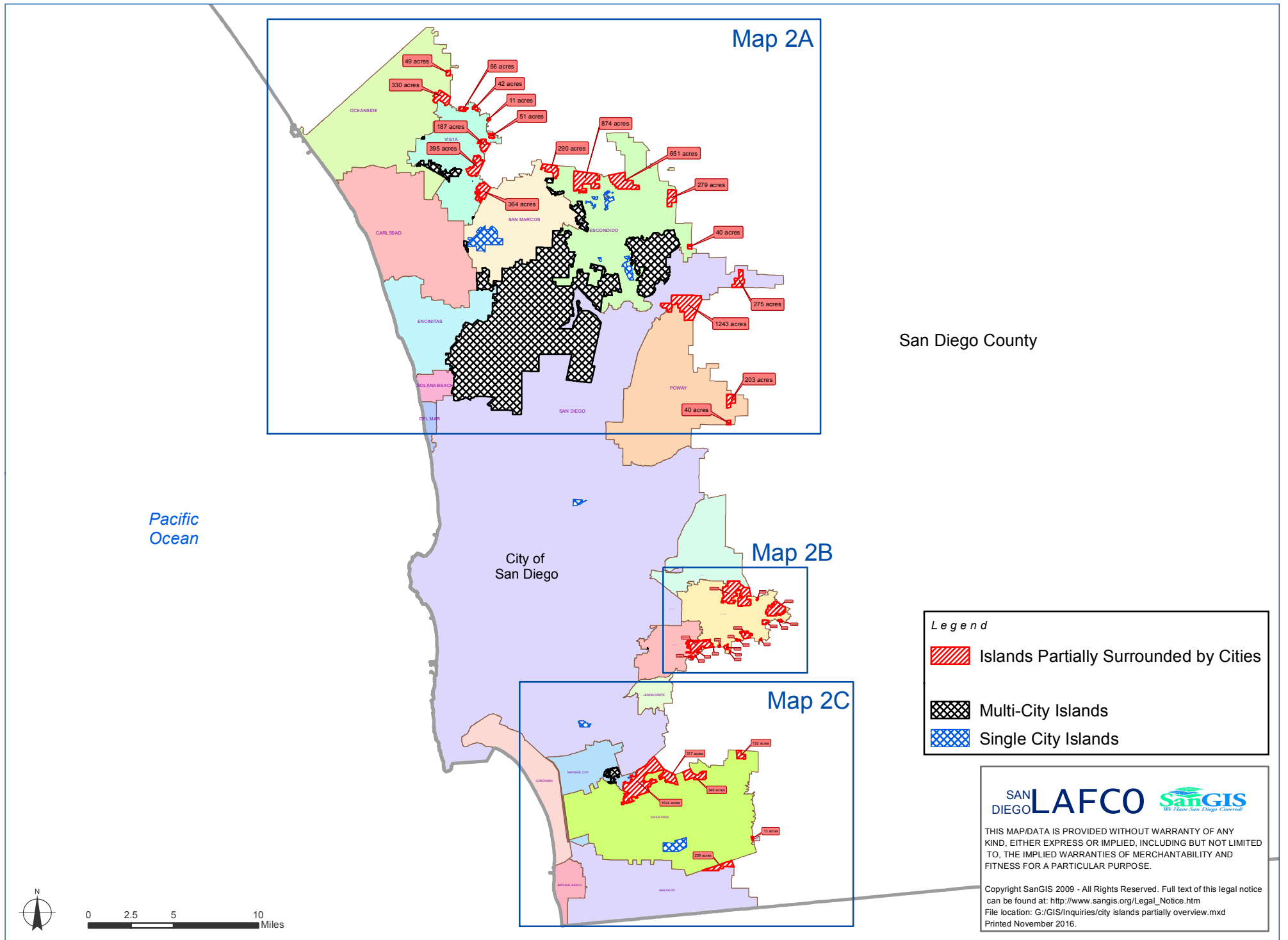
Copyright SanGIS 2009 - All Rights Reserved. Full text of this legal notice can be found at: http://www.sangis.org/Legal_Notice.htm
 File location: G:/GIS/Inquiries/city islands zoom.mxd
 Printed November 2016.

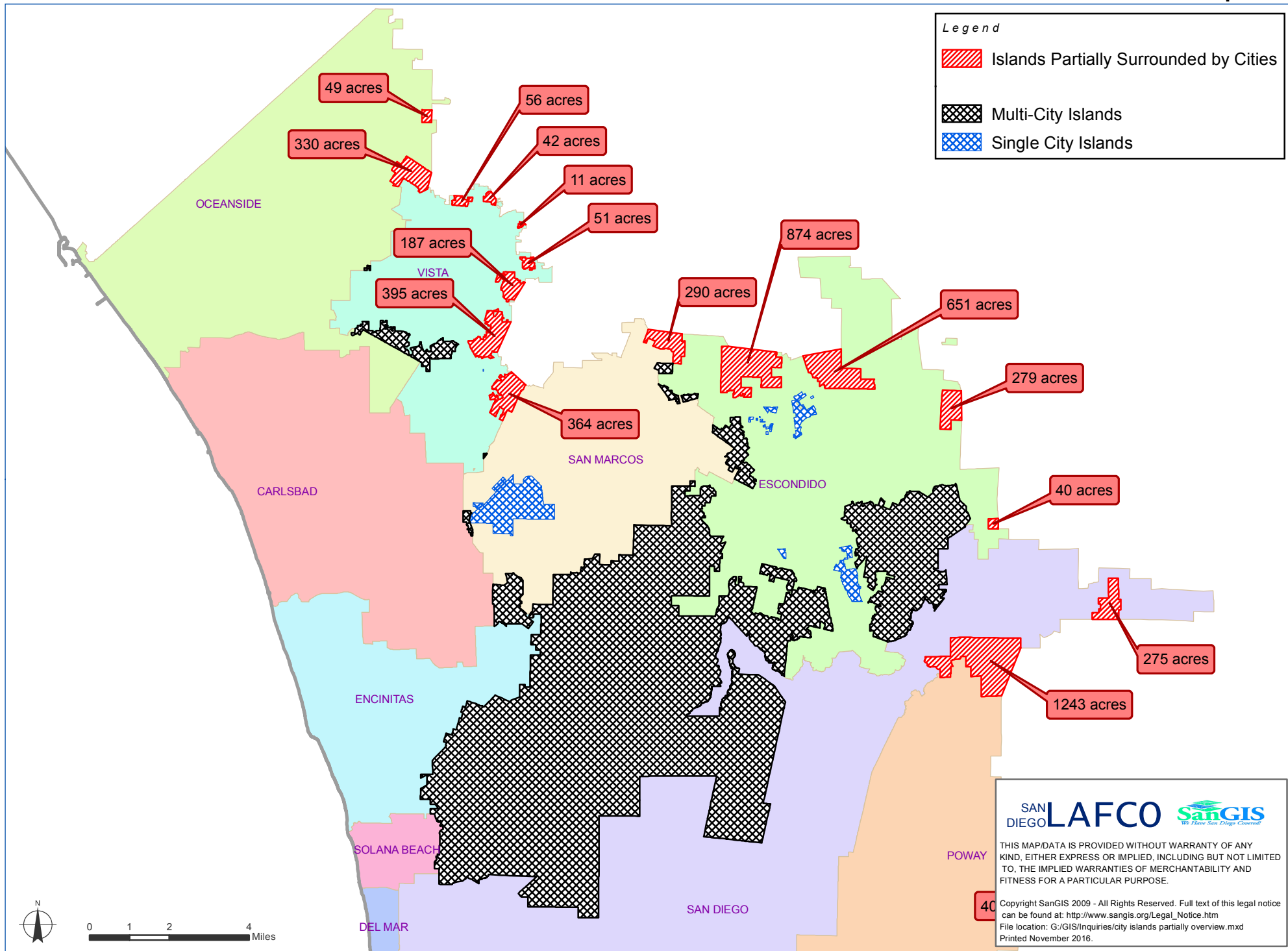






San Diego County Unincorporated Islands Partially Surrounded By Cities (Acreage) Map 2: Overview





San Diego County Unincorporated Islands Partially Surrounded By Cities (Acreage)

Map 2C

