I-55

Annexations and Incorporations

Purpose

The County of San Diego supports the concept that urbanizing areas should have the option to attain municipal status through annexation or incorporation, if so desired by area residents and not in conflict with County interests. The County also recognizes that San Diego County is an urban county accommodating a variety of communities, lifestyles and interests and that area residents may choose to remain under County government rather than become part of a city.

It is therefore necessary that each sphere of influence and reorganization proposal of fiscal, social, geographic, environmental or operational significance be reviewed by the County on its own merits under the guidance of this policy. Furthermore, it is County policy to provide assistance to residents of unincorporated areas in determining their preferred government structure alternatives.

Background

There are three general categories of local government services:

1. Regional services are provided by the County at a standard level to all County residents and properties. Regional services include public health, welfare and social service programs, the criminal justice system, property assessment, tax collection and many others.

2. Basic services are available Countywide, but are provided by cities within their boundaries and by the County in unincorporated areas. These basic services include law enforcement, road maintenance, animal control, land use planning, zoning and building inspection and others. Although service levels differ among jurisdictions, all cities and the County provide at least a basic level of these services.

3. Extended services are additional services beyond the basic service level. An extended service may either be a non-basic type of service (e.g., emergency medical service) or a higher service level (e.g., additional police protection). Extended services are provided by cities and by special districts, both dependent (governed by the Board of Supervisors) and independent (governed by an independently elected body). The County generally does not provide extended services out of general tax revenue, but can administer dependent taxing districts to support extended services. The cost of providing extended services should be fully borne by the benefiting property owners or residents, not by the

general County taxpayers.

Traditionally, city governments have been formed or have expanded their boundaries to encompass urbanizing areas because residents have desired either improved services, additional revenue sources, and/or more responsive self government. Both cities and the County have a wide range of powers to provide basic and extended services and capital improvements within their respective jurisdictions. However, within the unincorporated County, these services are provided by a combination of general County government and special districts. A city has access to additional revenue sources not available to the County or special districts.

While the County of San Diego recognizes the benefits provided by cities and generally supports city annexations and incorporations, considering the above factors, the County recognizes that some annexations and incorporations may be discouraged.

A. General Policies

1. It is the responsibility of the County to guide urban growth in such a manner that, should area residents desire incorporation, a well planned and fiscally sound city may be created. Similarly, should area-residents desire annexation, the unincorporated area should be easily assimilated into the adjacent city.

2. The County will guide urban growth through the use of the urban limit line in the General Plan, and will discourage urbanization outside of the urban limit line.

3. The County will review significant reorganization proposals that are submitted to the San Diego Local Agency Formation Commission (LAFCo), participate in any review committee meetings, and provide comments at LAFCo hearings on the consistency of proposals to this policy and other related County plans and policies.

4. As resources allow, the County may perform or participate in government structure or service financing studies to facilitate planning or reorganization to make services more efficient. However, the County will not initiate any incorporation studies or proposals.

5. In implementing this Policy, the County may encourage or discourage specific reorganization proposals based on the land use planning, pattern of development and adopted spheres of influence so as to avoid premature annexations or incorporations which would prejudice more favorable government structure patterns in the long run.

6. When analyses of costs and benefits indicate that certain land uses will provide a benefit to residents of the unincorporated County due to the nature of the land use, the sensitivity of an environmental resource, or the fiscal or operational benefits involved, their development and retention in the unincorporated County will be compared with the benefits of annexation. As part of the case-by-case review of significant annexation proposals, staff will consider regional needs in addition to the reasons for the proposed annexation.

7. The County supports revenue allocations that equitably reflect the County's regional service responsibilities as well as the responsibilities of cities, the County and special districts for basic and extended services.

8. The County supports the concept of providing positive options to residents of unincorporated areas

who desire a higher level of service, but prefer to remain unincorporated. Such options might include the use of assessment districts, the County budget process; local revitalization programs; special planning standards for individual communities or other mechanisms as needed.

B. Sphere of Influence Policies

1. Spheres of influence which are adopted by LAFCo are effective guides for annexations. San Diego County encourages LAFCo to actively maintain the sphere of influence program.

2. The County will work with cities, special districts and LAFCo on the preparation and establishment of spheres of influence. In reviewing sphere proposals, the County will consider the following factors: projected timing of development, the opportunities for alternative governmental structures for the area, and opportunities for joint City/County planning and development strategies within the proposed sphere of influence territory.

3. Once spheres of influence have been adopted by LAFCo, the County will work with the cities to determine an appropriate strategy for land use planning within the sphere territories. Any strategy must reflect the County's ability to provide services within the sphere territory. The territory within cities' sphere of influence represents a unique planning challenge best handled by a City/County joint planning effort. Cities lack land use authority until annexation occurs, thus they can only implement their advance plans on a piecemeal basis, as annexation occurs. They also rely on the County to preclude incompatible land uses in the non-adjacent territories of the sphere. The County, on the other hand, may only be the temporary caretaker of these territories.

Due to the location on the fringe of cities, it is difficult for the County to assess the impact of proposed development on city facilities and to consider the project's compatibility with the city's particular land use regulations and facility standards. Joint land use planning of sphere territory can best accommodate the interests of both the County and City and might involve agreement on land use and circulation systems, the phasing of development and annexation, facility financing arrangements, city review of proposed designs/facilities/plans for compatibility with city standards and/or other planning and fiscal arrangements to address the unique needs of the sphere territories.

C. Annexation Policies

1. Annexation of developed or developing areas which are adjacent to cities is generally encouraged when the following factors are appropriate and/or applicable for the particular area and situation:

(a) The proposed annexation area is within the adjacent city's adopted sphere of influence.

(b) The proposed annexation area represents an orderly extension of existing city boundaries.

(c) There is no natural geographic separation between an existing city and the unincorporated territory.

(d) The existing city can more efficiently provide basic and extended services to the annexing area at the present or higher level.

(e) The size of the area being annexed is in scale with the existing city (i.e., the existing city is sufficiently larger than the annexation).

(f) The community identity of the annexing area is compatible with the city.

(g) Annexing will not be a detriment to a future incorporation that would include this area.

(h) The annexation will not cause a significant adverse fiscal impact upon the County and will result in an equitable distribution of the revenues.

2. When any tentative map, tentative parcel map, or request for major use permit is submitted to the County which is adjacent to a city limit and meets the criteria below, the approving authority shall determine whether to impose the following condition in the Resolution of Approval for the Tentative Map, the Notice of Approval for the Tentative Parcel Map or the Conditions of Approval for the Major Use Permit: "This map/permit shall not be vested until this site is annexed to the City of _____, unless the application for annexation is denied by LAFCo or by the conducting authority".

The approving authority shall consider relevant planning considerations in making the determination on whether or not to impose the condition above. Development proposals will generally be made contingent on application for annexation when a site is adjacent to a city, when annexation is encouraged under Policy No. 1 above, when the County cannot efficiently provide an adequate level of services to the project, and when both of the following factors exist:

(a) The site is within the city's adopted sphere of influence; and

(b) The site could efficiently receive all basic and some extended services from the city.

D. Incorporation Policy

1. Generally, the County supports the principle of incorporation when the following conditions are present:

(a) The area has a sufficiently large population of adequate urban density or concentration, with good growth potential, exhibiting a need for urban services and the ability to pay for the costs of municipal government in relation to the population served.

(b) Incorporation would increase the efficiency of service provision.

(c) There are natural or regular geographical boundaries which encompass a community of interest and facilitate the adequate delivery of services.

(d) There is an adequate revenue base, with sufficient property tax, sales tax and/or other income potential in relation to population and service needs.

(e) Incorporation will result in an equitable distribution of revenues to reflect service responsibilities and the impact on operations of all agencies acquiring and relinquishing service responsibilities.

(f) There will be no adverse external impacts on nearby communities.

(g) There is broad community identity or political maturity expressed in strong leadership and high participation in community affairs.

2. Areas which are sparsely developed or developed in a rural or agricultural setting and lack a strong economic base will be discouraged from pursuit of incorporation. However, communities with a strong identity and geographic cohesiveness and resident desire for incorporation will be encouraged to consider eventual incorporation. Such eventuality will be considered-in long-range planning and in analyses of government structure alternatives.

Related to Board Policy: B-45

Sunset Date

This policy will be reviewed for continuance by 12-31-02.

Board Action

12-8-82 (8)

5-12-87 (82)

8-8-89 (33)

5-15-96 (11)
6/18/03 (9)

CAO Reference

1. Department of Planning and Land Use

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