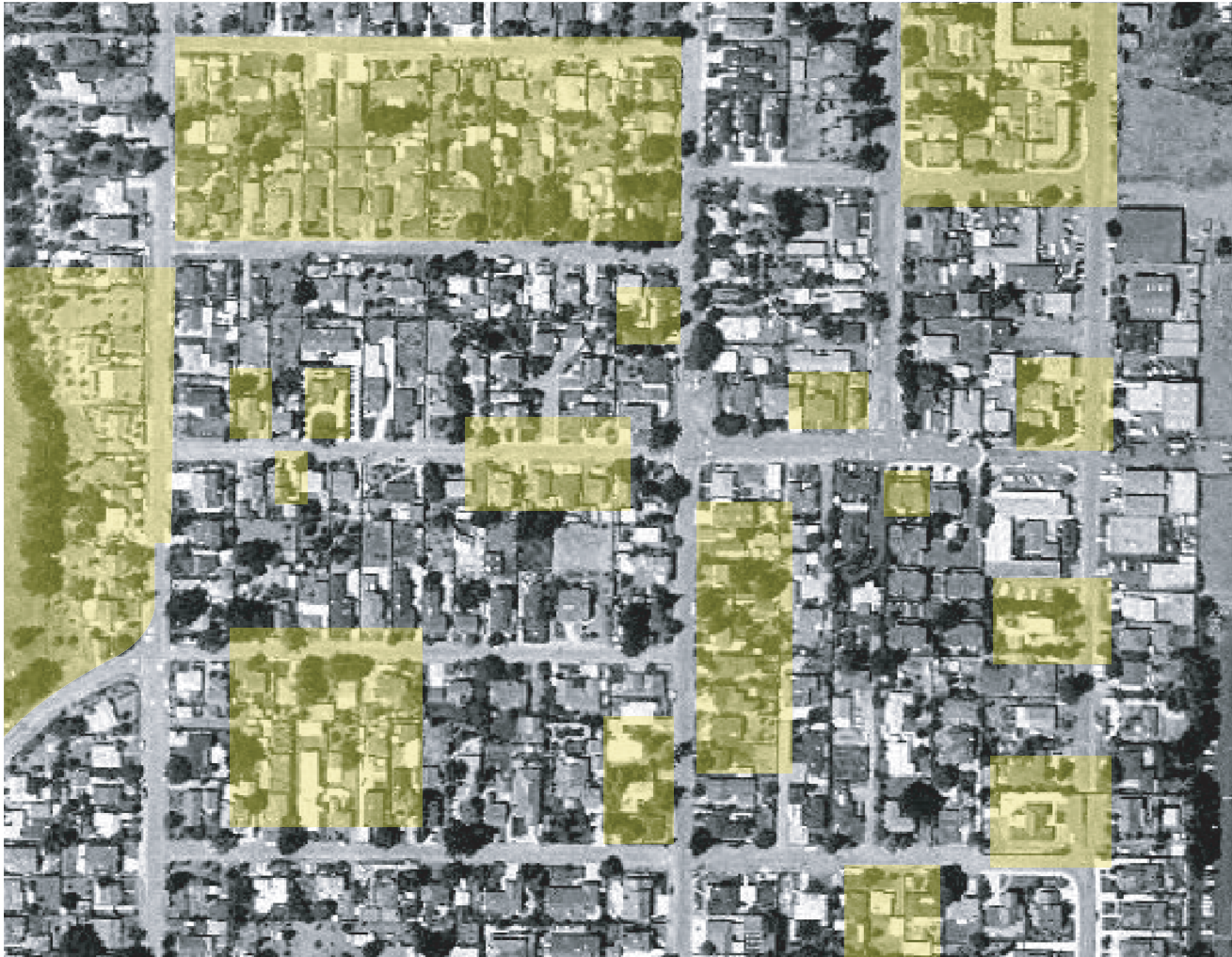


# MAKING YOUR CITY WHOLE:

**Taking Advantage of the Current Opportunity to Annex  
Urban Unincorporated Pockets**



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*We would like to thank Don Weden, Former Principal Planner, Santa Clara County, for his assistance in developing this report which contains excerpts from various documents prepared by him on the topic of Pocket Annexations. The excerpts have been updated to reflect current laws and policies on annexations.*



# A SPECIAL OPPORTUNITY FOR CITIES

## PART 1: INTRODUCTION

### **Purpose of This Report**

The California Legislature has enacted a special law that greatly simplifies the task for cities seeking to annex certain, inefficient, unincorporated urban island within them. Some of the provisions of this law will be “sunsetting” out of existence soon. This report is intended to help your city and community take advantage of this special legislation, before some of its provisions expire.

This report provides background information and advice to community and local government leaders and local agency staff who may become involved in issues and projects involving annexation of the remaining urban unincorporated islands in Santa Clara County.

### **Urban Pockets: An Ongoing Problem Left Over from the 1960s**

Unincorporated urban pockets completely or substantially surrounded by cities are a byproduct of the annexation and land use policies that existed in Santa Clara County back in the 1960s.

Ever since the early 1970s, it has been city, County, and Local Agency Formation (LAFCO) policy that urban development should occur only within cities and that these islands of unincorporated lands should be annexed into cities. And, over the past 35 years, the vast majority of the land within pockets that existed in 1970 has, in fact, been annexed into cities.

Nonetheless, there still remain today more than 180 unincorporated urban pockets in Santa Clara County, 89% of which are smaller than 150 acres.

They are scattered all the way from Gilroy to Mountain View and from Los Gatos to Milpitas. They remain, in large part, due to inertia and the somewhat cumbersome annexation procedures that existed until recently.

The continued existence of these unincorporated pockets creates problems for cities, the County, pockets residents, adjacent city residents, and various agencies and special districts responsible for providing them with urban services and facilities.

Annexation of these remaining pockets would result in more efficient and responsive local government, greater consistency of planning and development within urban areas, and increased ability of local residents to participate in and affect the decisions that most impact their neighborhoods.

### **Amended State Law Makes Annexation of Urban Islands Easier**

In recognition of the greater problems caused by urban pockets, the California Legislature enacted special legislation in 2001 that made it easier for local governments to annex small urban pockets that are 75 acres or less. This legislation was amended in 2005 to apply to urban pockets that are 150 acres or less.

The law allows cities to annex urban pockets through a streamlined process that does not require protest proceedings or elections, provided the island meets special criteria and is 150 acres or less.

To encourage local governments to accelerate their efforts to annex small urban pockets, the Legislature included provisions that portions of the law would “sunset” (i.e. go out of existence) after January 1, 2007. In particular, the provision that eliminated formal protest would cease to be in effect.

By moving forward and annexing these pockets now, cities can take advantage of these streamlined provisions of state law, before some of them go out of existence.

#### **LAFCO and County Provide New Incentives to Cities for Annexing Pockets**


As an incentive for cities to actively pursue the annexation of entire pockets, LAFCO is waiving its filing fees for pockets annexations and the County has committed to:

- Covering annexation mapping costs, Surveyor’s review costs, Assessor’s review costs,
- Paying State Board of Equalization filing costs, and
- Budgeting for needed road improvements in unincorporated islands approved for annexation.

In addition, LAFCO has committed to collaborating with the cities and the County in facilitating annexation of pockets. LAFCO’s fiscal year 2005-2006 Budget includes some funds for LAFCO to provide assistance to cities in developing annexation plans, gathering technical information, developing or participating in community outreach programs, and assisting in annexation process/project management.

However, all of these incentives are only available for the next 18 months (i.e. until January 1, 2007). Therefore, now is the best time for cities to annex the pockets.





## PART 2: HOW URBAN ISLANDS (i.e. POCKETS) WERE CREATED

### What Is an “Urban Unincorporated Island”?

For purposes of this report, an “urban unincorporated island” is defined as unincorporated land that is located within a city’s urban service area (USA). It may be either completely or substantially surrounded by incorporated lands, i.e. lands already annexed to a city. Despite the fact that they are completely or substantially surrounded by a city, they remain under the land use authority of the County, which is responsible for providing them with basic urban services.

In Santa Clara County “unincorporated islands” are sometimes also referred to as unincorporated “pockets.” However, state law refers to these areas as “islands.” The terms “pockets” and “islands” are used interchangeably in this report.

### How Were Pockets Created?

Most of the unincorporated pockets in Santa Clara County are a product of urban development policies and practices that existed in the county back in the 1950s and 1960s.

At that time, before the urban areas of our cities had grown together as they are today, there were still substantial areas of unincorporated agricultural land separating them. During the 50s and 60s, most of our cities competed actively with one another to annex and develop as much land as they could, based on the assumption that the larger the city,

the larger its tax base, and the more prosperous it would be.

As the cities competed to annex lands, most of the current state laws governing annexations did not exist. As a result, the patterns of annexation were often based more on opportunity than on rational planning and orderly urban development and provision of urban services.

If, for example, a property owner a mile or so out of town wanted to be annexed and the intervening property owners did not, the city would sometimes annex the road leading out to the willing property owner, and bypass the closer in lands through which the road passed. As a result, by the late 1960s, the incorporated areas map of Santa Clara County looked like a piece of Swiss cheese, with unincorporated urban pockets scattered throughout the northern Santa Clara Valley from San Jose to Palo Alto. (It existed to a lesser extent in the South County around Morgan Hill and Gilroy where rapid urban development was just beginning).

Some of these annexations passed over unincorporated lands that were developed “in the county”, i.e. under the County’s zoning and development regulations.

Until the late 1960s, the County functioned much like a city in approving urban development. Sanitation districts provided sewer service to urban

development approved in unincorporated areas. Consequently, there was little incentive for urban subdivisions approved by the County to annex to the adjacent or surrounding city.

### **Why Do Pockets Still Exist?**

A few of the pockets in Santa Clara County remain unincorporated because they have not been developed for urban purposes and thus have not needed development approvals nor urban services that would have required them to annex to cities.

Most of the remaining pockets, however, were developed back in the 1950s and 1960s and remain unincorporated for a variety of reasons. These include: opposition to annexation by some pocket residents and/or property owners, cumbersome annexation procedures, and limited effort by cities in recent years to annex them.

Most cities have actively pursued annexation of smaller pockets on a parcel-by-parcel basis as they have been developed or redeveloped. Statelaws have, until recently, made it difficult for them to annex parcels that aren't located around the immediate periphery of the pocket, which is another one of the reasons why most of the larger pockets still remain unincorporated.



## PART 3: STREAMLINED PROCESS FOR ANNEXING POCKETS

### **Amended Law Makes Annexation of Certain Pockets Easier**

In recognition of the greater problems caused by urban pockets, the California Legislature enacted special legislation in 2001 that made it easier for local governments to annex small urban pockets that are 75 acres or less. This legislation was amended in 2005 to apply to urban pockets that are 150 acres or less.

### **No Protest Hearings or Elections Required for Annexation of Certain Pockets**

The normal procedure required under state law for the annexation of pockets includes provisions that may require elections if there is sufficient formal protest with the area proposed for annexation.

The new streamlined island annexation process eliminates these provisions for protest and election for pockets that are 150 acres or less.

### **“Pockets” Referred to as “Islands” in State Law**

Government Code 56375.3 refers to urban pockets as “islands.” Its basic provisions with regard to island annexations are summarized in the following section.

### **Basic Provisions of Government Code 56375.3**

An island annexation may be approved without protest and election if all of the following requirements are met:

- Annexation is proposed by resolution of the annexing city.
- The island is 150 acres or less.
- The island is surrounded or substantially surrounded by the annexing city or by the annexing city and adjacent cities.
- The island is not a gated community where services are currently provided by a community services district.
- The island is substantially developed or developing based on the availability of public utility services, presence of public improvements or the presence of physical improvements on the parcels within the area.
- The island is not prime agricultural land as defined in Government Code Section 56064.
- The island is receiving benefits from the annexing city or will benefit from the city.
- The island was not created after January 1, 2000.

### **City Councils Hear Island Annexations**

In Santa Clara County, city councils, not LAFCO, hold the public hearings for island annexations.

### **Sunset Provisions in Government Code Section 56375.3**

To encourage local governments to accelerate their efforts to annex small urban pockets, the Legislature included provisions that portions of the law would “sunset” (i.e. go out of existence) after January 1, 2007.

After January 1, 2007, protest proceedings will be required for island annexations initiated under Government Code Section 56375.3.

However, if a majority protest is not received to defeat the annexation proposal, the annexation is ordered without an election.

### **Why State Law Allows Annexation of Certain Unincorporated Islands to Occur Without Protest and Elections**

As mentioned earlier, the California Legislature enacted special legislation that made it possible for certain unincorporated islands to be annexed without a protest hearing or an election. In approving this legislation, the Legislature recognized that:

- Urban unincorporated islands continue to represent a serious and unnecessary statewide governmental inefficiency and that this inefficiency would be resolved if these islands were annexed into the appropriate surrounding city,
- Property owners’ ability to vote on boundary changes is a statutory privilege and not a

constitutional right, and

- Urban unincorporated islands are inherently inefficient and that these inefficiencies affect not just pocket residents, but also those residing in the city and the entire County.

In theory, if all residents affected by the urban island issue were to vote, then that vote would need to be held countywide. Furthermore, the County Board of Supervisors represents pocket residents and the Board demonstrated its support for island annexations by recently providing new incentives for cities to annex urban unincorporated islands.

If cities annex the pockets, County resources that are currently directed toward serving pocket residents could be directed towards addressing countywide service needs (e.g. health care, social services, and courts and criminal justice).



## FLOW CHART: Streamlined Annexation Process

**Recommended ISLAND ANNEXATION PROCESS (Section 56375.3)**  
For Islands 150 acres or less, that meet certain criteria (See Page 5)  
**Without Protest Proceedings or Elections**

**PREPARE TO INITIATE ISLAND ANNEXATIONS**  
1. Contact LAFCO staff to discuss process, timeline and mapping requirements.  
Then, obtain Surveyor's Report & any required annexation mapping from County Surveyor  
2. Apply pre-zoning designation to proposal area, determine if proposal includes Williamson Act lands, prepare CEQA Analysis  
3. Obtain County Assessor's Report and determine which special districts to detach

**COMMUNITY OUTREACH**  
Optional but Recommended when Appropriate

**FIRST PUBLIC HEARING WITH 21-DAY NOTICE**  
City Council Adopts Resolution to INITIATE Annexation pursuant to Government Code Section 56375.3  
Set date for Second Public Hearing

**SECOND PUBLIC HEARING WITH 21-DAY NOTICE**  
City Council Adopts Resolution to APPROVE Annexation

**FINALIZATION OF ANNEXATION BY LAFCO STAFF**  
Forward Certified Resolution and other required information to LAFCO  
Annexation becomes effective on the date that LAFCO records the Certificate of Completion  
(Generally, within 7-10 days of LAFCO receiving the complete application from city)



## PART 4: REASONS FOR CITIES TO ANNEX POCKETS

Cities have a variety of reasons for annexing unincorporated urban pockets within their urban service areas. These range from the philosophical to the practical.

### **It's the "Right Thing to Do"**

At the philosophical end of the spectrum, most city officials simply feel that annexing pockets and bringing their residents into the social fabric and political life of the city that surrounds them is "the right thing to do." It is consistent with their basic desire to meet the needs of their communities and improve their cities.

### **Urban Development Responsibilities**

They also realize that annexing pockets is one of their responsibilities under the basic urban development policies the cities and the County agreed to and have been implementing for many years.

By performing complementary roles with regard to urban development, our cities and the County have avoided the kinds of city-county competition and conflict that exist in many other counties in California.

### **Inherent Inefficiencies of Pockets**

From a practical perspective, they are aware that the existence of scattered, unincorporated pockets in the midst of cities is inherently inefficient both to the city and to the County.

Some of these inefficiencies arise in conjunction with the delivery of basic urban services, where there often are two different departments – one city, one County – providing the same kinds of services to different portions of the same neighborhood, and crisscrossing each other's territory on their way to provide them.

Other inefficiencies result from the substantial cumulative daily effort required just to determine whether customers calling in to a city or County department seeking assistance in an area where pockets exist actually lives in the city or the county.

The existence of pockets in the cities also means that city and County staffs need to spend considerable time in coordination activities that would be unnecessary if the pockets were annexed to the city. These include the staff effort that goes into administering inter-jurisdictional referral processes related to land development proposals within urban pockets. (These inter-jurisdictional referral processes can also be inefficient and time-consuming for the applicants who find their development applications caught up in these processes.)

### **Impacts of Pockets on Surrounding Neighborhoods**

Cities also recognize the impacts that unincorporated pockets can sometimes have on surrounding city neighborhoods.

Some of the remaining urban pockets in Santa Clara County are older, primarily residential neighborhoods that have aging infrastructure, housing stock in need of rehabilitation, and various other problems.

Since the County does not provide the same level and array of services to urban pockets that the cities provide to incorporated areas, problems that arise in pockets may not receive the same degree of attention by the County that they would if they were in the city. These problems have the potential to become worse and to spread to surrounding city neighborhoods.

The cities generally recognize that the most cost-effective way for them to minimize these negative impacts on city neighborhoods is by annexing them and addressing their problems and needs through existing city programs.

### **Consistency of Development with City Plans and Policies**

Another reason cities annex pockets is to be able to regulate development and land uses in a manner consistent with their plans, policies, and standards.


Since County development standards and other regulations are often less rigorous than those of the cities, annexation is the best way for cities to assure that development within the pockets in the midst of their neighborhoods is consistent with basic city policies and standards.

### **Pockets Residents Use City Facilities But Don't Pay City Taxes**

Another reason is that pockets residents often use city facilities including streets and parks, but pay no taxes to the city to help support the upkeep

of these city facilities. Similarly, cities do not receive the benefit of additional state and federal funds that are allocated on a per capita basis based on the city's incorporated area population.





## **PART 5: BENEFITS OF ANNEXATION TO POCKETS RESIDENTS AND PROPERTY OWNERS**

### **Why Should Pockets Annex: From a Resident's Perspective**

Pockets residents sometimes ask, Why should we annex? What will we gain by annexing that we don't currently have? The simplest answers to these questions are:

1. Improved services and programs to benefit your neighborhood,
2. Greater ability to influence the decisions that are most likely to affect the quality of life in your neighborhood, and
3. Increased governmental accountability for the provision of services

### **Annexation Benefit #1: Better Neighborhood Services**

With regard to services and programs to neighborhoods, it should be noted that one of the primary reasons that cities exist is to provide neighborhood services and programs to residents of urban areas.

That, in fact, is what the vast majority of their budgets go toward providing.

By comparison, the primary reason that Santa Clara County government exists is to provide and administer services relating to health and human services and law and justice. This is what the overwhelming majority of the County's budget goes to.

Although the County does provide some urban services to unincorporated pockets, it does not provide the same level or array of neighborhood services that cities provide. And given how relatively few pockets remain and the recent increase in city interest in annexing them, it would seem extremely unlikely that the County will ever significantly increase its services and programs to urban pockets.

### **Annexation Benefit #2: Political Empowerment**

Another major advantage to residents and property owners in pockets that annex is that they will gain greater influence over the decisions that most directly impact the quality of life in their communities, i.e. the decisions of the city council of the city that surrounds them. So long as they remain unincorporated, they remain largely disenfranchised from those decisions.

Residents of unincorporated areas do not have the ability to vote in city council elections and other city elections. Consequently, when they go to city council hearings on matters that will affect their communities, their voices and opinions do not always carry the same weight as they would if they were residents of the city.

Similarly, when they call city agencies to seek assistance concerning issues within the city that are affecting their neighborhood, they may not receive the same level of attention that they would if they were city residents.

On a purely statistical basis, it is more likely that a concerned resident will be able to get the attention of a city councilperson than a County Supervisor, no matter how committed that Supervisor may be to serving her or his constituents. Each County Supervisor represents approximately 360,000 people in his/her district. By comparison, even in San Jose, our county's largest city, each city councilperson represents about 90,000 people – or about 1/4 the number of constituents of a County Supervisor. In smaller cities, the ratio of constituents to elected city officials is even smaller.

**Annexation Benefit #3:  
Increased Governmental Accountability**

The third major advantage to residents and property owners in pockets that annex is the potential for greater governmental accountability for providing services and meeting the needs of their neighborhoods.

Many residents of urban pockets live in areas where incorporated and unincorporated parcels are intermixed – like a checkerboard. Because of these complicated jurisdictional boundaries, residents often experience problems of decreased governmental responsiveness and accountability when they seek to have their neighborhood's needs addressed.

If they call a County department, they may be told that it is a city problem. If they call a city department, they may be told that it is a County problem.

When these pockets are annexed this problem of jurisdictional uncertainty is resolved, since there is no question about whether it is the city or the County that is responsible for the provision of services.



# HOW TO CAPITALIZE ON THIS OPPORTUNITY

## PART 6: FIVE ELEMENTS OF SUCCESSFUL POCKET ANNEXATION EFFORTS

### Five Basic Elements for Success

Each project to seek to annex larger, developed urban pockets will have its own issues and its own individual stakeholders and participants that make it different from all others. Nonetheless, there appear to be several key factors that can greatly increase the potential for success.

These are:

- City, County, and LAFCO cooperation
- Extensive outreach and public information
- Sensitivity to community concerns
- Supportive leadership within the community
- Active support on the city council

### City, County, and LAFCO Cooperation

Under the streamlined island annexation process, the power to annex certain developed pockets inside city urban service areas (USAs) rests with the city council. Although resident and property owner support is not required, it is helpful if residents and property owners support the annexation.

Under California state law, the County of Santa Clara Board of Supervisors and Santa Clara LAFCO have no official vote in the annexation process within city urban service areas. Nonetheless, close city, County, and LAFCO cooperation is an essential ingredient of any successful annexation effort.

Close cooperation is necessary; first of all, in order to provide the community with accurate information to enable it to make comparisons between the services and programs it is currently receiving from the County and those it can expect to receive from the city, if the city decides to annex the island.

City and County cooperation is also important as a reminder to pocket residents that it is longstanding policy of the fifteen cities and the County that unincorporated urban pockets should eventually be annexed into the city – and that the County is not in competition with the city to retain control over urban pockets.

### Outreach and Public Information Program Recommended

The two fundamental questions that residents and property owners have when they learn that a city is considering whether to annex their area are:

1. “Will I and my family be better off if the city annexes my area or if my area remains in the county?” and
2. “Will my neighborhood be better served by the city or the county?”

Given the likelihood that the community may not have another opportunity to annex for twenty years or more if it wholly objects to being annexed, it is critical that those residents’ viewpoints are based on accurate information and a realistic view toward their community’s future.

An effective community outreach program is key to aiding residents and property owners in making informed judgments that will have long term consequences for them and their neighborhood.

This effort should provide accurate information concerning the potential impacts of annexation on taxes, public services and facilities, development within the community, and a variety of other topics likely to be of concern.

The outreach effort can and should include community meetings (with staff of both the city and the County present to answer questions), newsletter, fact sheet(s), telephone numbers to call for information, e-mail addresses to send inquiries to, etc.

It may also be helpful to include surveys about issues of concern to the community. However, given the widespread misinformation and mythology that commonly exists concerning annexation, it is very important not to force residents and property owners to make premature, uninformed decisions concerning annexation before they have the facts and have had an opportunity to get answers to their questions.

Consequently, surveys asking residents and property owners whether they support or oppose annexation should be circulated only after extensive community outreach, not at the beginning of the process.

### **Sensitivity to Community Concerns**

Residents of unincorporated pockets commonly approach the prospect of annexing into the city with reservations and concerns. Since they have probably never gone through an annexation process before, they are not quite certain what to expect.

In such situations, their basic instincts are probably to hang on to what they are familiar with – and remain unincorporated.

To overcome this natural reaction, cities need to be particularly sensitive and, whenever possible, responsive to those concerns. While there may be some city policies that are not negotiable with regard to annexation (e.g. payment of special fees or taxes that all other residents of the city must pay), there are some aspects of annexation where pockets residents' concerns can be addressed and accommodated.

One issue that is commonly of concern to pockets residents is the city's zoning and related development standards that will be applied to their property if they annex. This is normally addressed through the pre-zoning process.

Most of the remaining unincorporated pockets in Santa Clara County were developed many years ago under County zoning and development standards that were different from those of the surrounding city development.

In some instances, for example, the County-approved development may have created larger parcels than those of the city. As a result, the standard city zoning currently applied to the surrounding city neighborhoods may have unintended, undesirable consequences if applied unmodified to parcels in the pocket.

It may, for example, allow for re-subdivision of existing, developed lots – and thus pose a potential threat to the preservation of existing community character. This possibility can become a major concern to pocket residents and property owners.

Providing flexibility to accommodate unique conditions within the pocket, possibly through special “overlay” zoning districts, may be a reasonable accommodation to legitimate community concerns and increase the potential for a successful outcome.

### **Leadership and Organized Support Within the Community**

Although annexation of developed residential pockets has impacts on city and County governments, ultimately it is the impacts that annexations have on the people in the community that matter the most. For this reason, active leadership and organized support within the community can be a critical element in a successful annexation effort.

Campaigns to annex developed residential pockets are most often led by individuals or groups of individuals who have a strong commitment to their community and its future. These are people who can listen to all viewpoints and assist their community in taking an objective look at the alternatives.

Some of these people may already be leaders within the community, active in neighborhood associations, local school groups, or youth organizations.

Others may not previously have been so active in community affairs but may decide to get involved because they feel it is important for their community to consider annexation as a means of meeting its current and future needs.

### **Active Support on the City Council**

A fifth element that is critical to pocket annexation efforts is having active support among the members of the city or town council that ultimately must conduct the public hearing and make the decision

to annex the pocket. The city or town council may want to form an annexation subcommittee (consisting of 2 or 3 Council Members) to work closely with City, County and LAFCO staff, as well as with neighborhood groups.





## PART 7: DISPELLING MYTHS ABOUT POCKET ANNEXATIONS

Because annexation of existing, developed neighborhoods is a relatively infrequent phenomenon, most people know very little about how it occurs and what its impacts are on properties that are annexed. As a consequence, there is substantial opportunity for misinformation and mythology when it comes to the topic annexation.

A number of myths have evolved around annexation that cause some people to automatically oppose it. These myths are obstacles to successful annexation efforts. Listed below are some of the more common myths that exist with regard to annexation – and factual information that refutes them.

### **Myth #1: Annexation Triggers Reassessment of Property (FALSE)**

Some people believe that if their property is annexed from the county into a city that Assessor will automatically reassess its value for property tax purposes and that, as a result, their property taxes may increase dramatically. **This is not true.**

Proposition 13 determines the conditions under which a property may be reassessed for property tax purposes, and annexation is not one of them. The assessed value of property remains the same following annexation.

(The only exception is when a property is developed or substantially redeveloped, which can trigger a requirement that a property must be annexed into a city. In such cases, the property is likely to be

reassessed. But the reassessment is triggered by the development, not the annexation. The property would have been reassessed when it was developed, even if it had not annexed.)

### **Myth #2: City Taxes Are Much Higher Than County Taxes (FALSE)**

Another common annexation myth is that taxes in a city are much higher than taxes in the unincorporated area. **This is not true.**

The total taxes that a residential property owner would pay if their property were annexed are generally very similar to those they are already paying in the county.

The most common difference between city and County taxes is that most cities have a utility tax, and the County does not. However, this tax is offset to a large extent by the fact that residents in county pockets are likely to pay for a lighting assessment district for streetlights, which they would no longer have to pay if they annexed into the surrounding city.

The other relatively common difference between city and County taxes is that some cities may have parks and/or library bonds that annexed properties would have to pay. Again, the amount of these additional taxes is generally quite small, especially when compared to the value of the improved services and programs that the pocket residents would receive from the city.

In some cities or towns, which do not have utility taxes or assessments for bonds, residents' overall taxes would actually decrease if they were annexed.

**Myth #3: Annexation Triggers Requirement to Install Sidewalks, Curbs, and Gutters (FALSE)**

Some pockets property owners believe that they will have to install sidewalks, curbs, and/or gutters if they annex. **This is not true.**

Most cities require that such facilities be installed only when there is substantial redevelopment of the property, and even then it may not be required if the property is not along a designated safe route to school or if it is in a neighborhood that generally does not have such facilities. (Some cities have large, annexed neighborhoods that do not have these facilities and where the city does not require them.)

**Myth #4: Annexation Affects School District Boundaries (FALSE)**

Some people believe that if they are annexed into a city that may change the school district they are in and the schools their children attend.

**This is not true.**

Annexation of property from the county into a city has no impact on school district boundaries or the schools that children in the annexed area attend.



# USEFUL BACKGROUND INFORMATION

## PART 8: CHANGING CONDITIONS FOR URBAN POCKETS

### **Never Before So Few Pockets**

The number of unincorporated pockets in Santa Clara County has decreased substantially over the last several decades as pockets have been annexed into cities. Never before have there been so few remaining urban pockets in Santa Clara County, nor has the pockets population been such a small percentage of the countywide and unincorporated area populations. Most of the remaining urban pockets in Santa Clara County now contain fewer than 20 parcels.

### **Remaining Pockets Widely Scattered**

The remaining pockets are not concentrated in any one location, where it might be possible for the County to serve them efficiently. Instead, they are scattered widely around the county from Los Altos to Los Gatos, and from all parts of San Jose to Gilroy.

### **Pockets Population is Small Part of Countywide Population**

Several decades ago, the population living within unincorporated urban pockets constituted a significant portion of Santa Clara County's population. Today it accounts for less than 3% of the total countywide population. The total population of all unincorporated urban pockets throughout Santa Clara County is currently less than 49,000 (which is smaller than the population of Cupertino).

Aside from the declining percentage of the unincor-

porated area population, the remaining urban pockets have little in common with one another. Not only are they not in close geographic proximity to one another but they also vary widely in their demographic and socio-economic characteristics. Some have large single-family homes are very affluent, while others contain overcrowded, higher density housing and have substantial numbers of persons living below or near poverty level.

Because of their lack of geographic proximity and their diverse socio-economic characteristics, the pockets have little in common with one another. In fact, they generally have far more in common with their nearby city neighbors that they do with one another.

### **Pockets Conditions Unlikely to Improve**

Residents of unincorporated urban pockets should understand that there is little likelihood that urban services and infrastructure serving their neighborhoods will ever improve significantly, so long as they remain unincorporated.

As the pockets continue to decline as a percentage of the county population and it becomes increasing more inefficient for the County to serve the remaining pockets, it becomes less likely that County will allocate substantially increased resources to provide improved services and facilities to the pockets – especially since they can be provided more efficiently by the cities and County has many other competing funding priorities.

## PART 9: WHY THE COUNTY SUPPORTS ANNEXATION OF POCKETS

The County supports annexation of urban pockets because it provides a number of benefits to residents in unincorporated pockets and nearby city neighborhoods, to County and city governments and other local service providers, and to residents throughout Santa Clara County – including those who live in cities where there are few or no remaining urban pockets.

Annexation of unincorporated urban pockets into their surrounding cities:

- Eliminates existing inefficiencies and unnecessary expenses in the delivery of urban services to developed areas throughout Santa Clara County
- Makes city and County governments more accountable to local neighborhoods by eliminating mixed jurisdictional situations in which problem solving responsibilities are ambiguous.
- Enables pockets residents to receive more and generally higher quality services and programs to benefit their neighborhoods than the County is able (or will ever be able) to provide.
- Allows County staff and decision makers to focus their efforts and County resources on addressing the countywide issues and services for which County government is primarily responsible, including health care, social services, courts and criminal justice functions.
- Empowers pockets residents to have more influence over the decisions that most directly impact the quality of life in their neighborhoods, by

enabling them to participate in the decision-making processes of the cities that surround them.

- Contributes to greater sense of community by eliminating the psychological “distance” between pockets residents and residents of surrounding city neighborhoods.



## PART 10: WHY LAFCO SUPPORTS ANNEXATION OF POCKETS

The Local Agency Formation Commission of Santa Clara County (LAFCO) is encouraging cities to annex the remaining unincorporated pockets in order to:

- Fulfill the intent of the State Legislature,
- Implement the Joint Urban Development Policies of the Cities, County and LAFCO that were adopted in early 1970's, and
- Encourage the efficient provision of services and orderly growth and development.

### **Fulfill the Intent of the State Legislature**

In 2004, the State Legislature, in recognition of the inherent inefficiencies of unincorporated islands, passed legislation aimed at assisting cities in their efforts to annex unincorporated islands throughout the state. The legislation provides a two-year window (January 1, 2005 through December 31, 2006) of opportunity for cities to annex urban unincorporated pockets through a streamlined process that does not require protest proceedings or elections, provided the island ("pocket") meets specific criteria and is 150 acres or less.

### **Implement the Joint Urban Development Policies of the Cities, County and LAFCO That Were Adopted in the Early 1970's**

This legislation provides a unique opportunity for cities, the County and LAFCO to work together to fulfill the joint urban growth management policies

that form the foundation of land use planning in this County. The policies include the following fundamental policy agreements and obligations:

- Cities, not the County, are responsible for managing and accommodating urban population growth and development;
- Urban forms and densities of development may occur only within cities' Urban Service Areas (USAs);
- Outside USAs, the County will prohibit urban forms, densities, and intensities of development;
- Inside USAs, development occurring on unincorporated lands will be according to city's general plan, regarding type of use and density of development allowed;
- Inside USAs, islands or pockets of unincorporated lands should be annexed to the applicable city.

### **Encourage the Efficient Provision of Services and Orderly Growth and Development**

From a practical perspective, the existence of scattered unincorporated pockets in the midst of cities is inherently inefficient for both the city and the County. Some of the inefficiencies arise in conjunction with the delivery of basic urban services, where there are often two different departments – on city, one County – providing the same kinds of services to different portions of the same neighborhood, and crisscrossing each other's territory on their way to provide the services.

Other inefficiencies result from the cumulative daily effort required just to determine whether customers calling in to a city or County department seeking assistance in an area where urban pockets exist actually live in the city or the County. These inefficiencies can sometimes have potentially life-threatening consequences particularly when they involve confusion over the provision of emergency services. The existence of pockets in cities also means that city and County staffs need to spend considerable time in coordination activities (e.g. administering inter-jurisdictional referral processes related to land development proposals within urban pockets) that would be unnecessary if the pockets were annexed to the city.

Lastly, annexation of unincorporated islands would also result in a more efficient and effective provision of land use planning and development services within a community. County development standards and other regulations are often less rigorous than those of the cities. These differences result in local land use conflicts. Annexation is the best way for cities to assure that development within the unincorporated islands, which are in the midst of city neighborhoods, is consistent with basic city policies and standards.

