1	ANNEXATION OF ISLANDS WITHIN CITIES
2	2017 GENERAL SESSION
3	STATE OF UTAH
4	Chief Sponsor: D. Gregg Buxton
5	House Sponsor: Gage Froerer
6 7	LONG TITLE
8	General Description:
9	This bill addresses municipal annexation of unincorporated islands.
10	Highlighted Provisions:
11	This bill:
12	 clarifies provisions regarding municipal annexation of certain unincorporated
13	islands;
14	 modifies annexation procedures to allow a municipality to annex certain
15	unincorporated islands without allowing or considering protests under certain
16	circumstances;
17	 provides for a recommendation of annexation from a county legislative body; and
18	 makes technical and conforming changes.
19	Money Appropriated in this Bill:
20	None
21	Other Special Clauses:
22	None
23	Utah Code Sections Affected:
24	AMENDS:
25	10-2-402, as last amended by Laws of Utah 2015, Chapters 352 and 462
26	10-2-418, as last amended by Laws of Utah 2015, Chapter 352
27	10-2a-402, as enacted by Laws of Utah 2015, Chapter 352



3	
)	Be it enacted by the Legislature of the state of Utah:
)	Section 1. Section 10-2-402 is amended to read:
	10-2-402. Annexation Limitations.
	(1) (a) A contiguous, unincorporated area that is contiguous to a municipality may be
	annexed to the municipality as provided in this part.
	(b) An unincorporated area may not be annexed to a municipality unless:
	(i) it is a contiguous area;
	(ii) it is contiguous to the municipality;
	(iii) annexation will not leave or create an unincorporated island or unincorporated
	peninsula:
	(A) except as provided in Subsection [10-2-418(2)(b);] <u>10-2-418(3);</u> or
	(B) unless the county and municipality have otherwise agreed; and
	(iv) for an area located in a specified county with respect to an annexation that occurs
	after December 31, 2002, the area is within the proposed annexing municipality's expansion
	area.
	(2) Except as provided in Section 10-2-418, a municipality may not annex an
	unincorporated area unless a petition under Section 10-2-403 is filed requesting annexation.
	(3) (a) An annexation under this part may not include part of a parcel of real property
	and exclude part of that same parcel unless the owner of that parcel has signed the annexation
	petition under Section 10-2-403.
	(b) A piece of real property that has more than one parcel number is considered to be a
	single parcel for purposes of Subsection (3)(a) if owned by the same owner.
	(4) A municipality may not annex an unincorporated area in a specified county for the
	sole purpose of acquiring municipal revenue or to retard the capacity of another municipality to
	annex the same or a related area unless the municipality has the ability and intent to benefit the
	annexed area by providing municipal services to the annexed area.
	(5) The legislative body of a specified county may not approve urban development
	within a municipality's expansion area unless:
7	(a) the county notifies the municipality of the proposed development; and

(b) (i) the municipality consents in writing to the development; or

58

01-30-17 4:41 PM S.B. 140

(ii) (A) within 90 days after the county's notification of the proposed development, the municipality submits to the county a written objection to the county's approval of the proposed development; and

(B) the county responds in writing to the municipality's objections.

- (6) (a) An annexation petition may not be filed under this part proposing the annexation of an area located in a county that is not the county in which the proposed annexing municipality is located unless the legislative body of the county in which the area is located has adopted a resolution approving the proposed annexation.
- (b) Each county legislative body that declines to adopt a resolution approving a proposed annexation described in Subsection (6)(a) shall provide a written explanation of its reasons for declining to approve the proposed annexation.
- (7) (a) As used in this Subsection (7), "airport" means an area that the Federal Aviation Administration has, by a record of decision, approved for the construction or operation of a Class I, II, or III commercial service airport, as designated by the Federal Aviation Administration in 14 C.F.R. Part 139.
- (b) A municipality may not annex an unincorporated area within 5,000 feet of the center line of any runway of an airport operated or to be constructed and operated by another municipality unless the legislative body of the other municipality adopts a resolution consenting to the annexation.
- (c) A municipality that operates or intends to construct and operate an airport and does not adopt a resolution consenting to the annexation of an area described in Subsection (7)(b) may not deny an annexation petition proposing the annexation of that same area to that municipality.
- (8) (a) A municipality may not annex an unincorporated area located within a project area described in a project area plan adopted by the military installation development authority under Title 63H, Chapter 1, Military Installation Development Authority Act, without the authority's approval.
- (b) (i) Except as provided in Subsection (8)(b)(ii), the Military Installation Development Authority may petition for annexation of a project area and contiguous surrounding land to a municipality as if it was the sole private property owner of the project area and surrounding land, if the area to be annexed is entirely contained within the boundaries

S.B. 140 01-30-17 4:41 PM

90 of a military installation	90	of a	military	instal	lation
-------------------------------	----	------	----------	--------	--------

- (ii) Before petitioning for annexation under Subsection (8)(b)(i), the Military Installation Development Authority shall provide the military installation with a copy of the petition for annexation. The military installation may object to the petition for annexation within 14 days of receipt of the copy of the annexation petition. If the military installation objects under this Subsection (8)(b)(ii), the Military Installation Development Authority may not petition for the annexation as if it was the sole private property owner.
- (iii) If any portion of an area annexed under a petition for annexation filed by a Military Installation Development Authority is located in a specified county:
 - (A) the annexation process shall follow the requirements for a specified county; and
 - (B) the provisions of Subsection 10-2-402(6) do not apply.
 - Section 2. Section 10-2-418 is amended to read:

10-2-418. Annexation of an island or peninsula without a petition -- Notice -- Hearing.

- (1) [For] As used in Subsection (2)(b)(ii), for purposes of an annexation conducted in accordance with this section of an area located within a county of the first class, "municipal-type services" [for purposes of Subsection (2)(a)(ii)(B)] does not include a service provided by a municipality pursuant to a contract that the municipality has with another political subdivision as "political subdivision" is defined in Section 17B-1-102.
- (2) [(a)] Notwithstanding Subsection 10-2-402(2), a municipality may annex an unincorporated area under this section without an annexation petition if:
- [(i) (A)] (a) (i) the area to be annexed consists of one or more unincorporated islands within or unincorporated peninsulas contiguous to the municipality;
- [(B)] (ii) the majority of each island or peninsula consists of residential or commercial development;
- [(C)] (iii) the area proposed for annexation requires the delivery of municipal-type services; and
- [(D)] (iv) the municipality has provided most or all of the municipal-type services to the area for more than one year;
- [(ii) (A)] (b) (i) the area to be annexed consists of one or more unincorporated islands within or unincorporated peninsulas contiguous to the municipality, each of which has fewer

121	than 800 residents; and
122	[(B)] (ii) the municipality has provided one or more municipal-type services to the area
123	for at least one year; [or]
124	[(iii) (A)] (c) (i) the area consists of:
125	[(1)] (A) an unincorporated island within or an unincorporated peninsula contiguous to
126	the municipality; and
127	[(H)] (B) for an area outside of the county of the first class proposed for annexation, no
128	more than 50 acres; and
129	[(B)] (ii) the county in which the area is located, subject to Subsection [$(3)(b)$] $(4)(b)$,
130	and the municipality agree that the area should be included within the municipality[-]; or
131	(d) (i) the area to be annexed consists of one or more unincorporated islands in a
132	county of the second class;
133	(ii) the area to be annexed is located in the expansion area of a municipality; and
134	(iii) the county legislative body in which the municipality is located provides notice to
135	each property owner within the area to be annexed that:
136	(A) the county legislative body will hold a public hearing, no less than 15 days after the
137	day on which the county legislative body provides the notice; and
138	(B) after the public hearing the county legislative body may make a recommendation of
139	annexation to the municipality whose expansion area includes the area to be annexed.
140	[(b)] (3) Notwithstanding Subsection 10-2-402(1)(b)(iii), a municipality may annex a
141	portion of an unincorporated island or unincorporated peninsula under this section, leaving
142	unincorporated the remainder of the unincorporated island or unincorporated peninsula, if:
143	[(i)] (a) in adopting the resolution under Subsection $[(4)(a)(i),]$ (5)(a) the municipal
144	legislative body determines that not annexing the entire unincorporated island or
145	unincorporated peninsula is in the municipality's best interest; and
146	[(ii)] (b) for an annexation of one or more unincorporated islands under Subsection
147	$[\frac{(2)(a)(ii)}{(2)(b)}$, the entire island of unincorporated area, of which a portion is being annexed,
148	complies with the requirement of Subsection $[\frac{(2)(a)(ii)(A)}{(2)(b)(i)}$ relating to the number of
149	residents.
150	[3] $[4]$ (a) This Subsection $[3]$ $[4]$ applies only to an annexation within a county of
151	the first class.

S.B. 140 01-30-17 4:41 PM

(b) A county of the first class shall agree to [the] <u>an</u> annexation if the majority of private property owners within the area to be annexed [has indicated in writing, subject to Subsection (3)(d), to the city or town recorder of the annexing city or town the private property owners' consent to be annexed into the municipality.] give written consent to the annexation, in accordance with Subsection (4)(d), to the recorder of the annexing municipality.

- (c) For purposes of Subsection [(3)(b)] (4)(b), the majority of private property owners is property owners who own:
- (i) the majority of the total private land area within the area proposed for annexation; and
- (ii) private real property equal to at least one half the value of private real property within the area proposed for annexation.
- (d) [(i)] A property owner consenting to annexation shall indicate the property owner's consent on a form which includes language in substantially the following form:

"Notice: If this written consent is used to proceed with an annexation of your property in accordance with Utah Code Section 10-2-418, no public election is required by law to approve the annexation. If you sign this consent and later decide you do not want to support the annexation of your property, you may withdraw your signature by submitting a signed, written withdrawal with the recorder or clerk of [name of annexing municipality]. If you choose to withdraw your signature, you must do so no later than the close of the public hearing on the annexation conducted in accordance with Utah Code Subsection [10-2-418(4)(a)(iv)] 10-2-418(4)(d).".

- (e) A private property owner may withdraw the property owner's signature indicating consent by submitting a signed, written withdrawal with the recorder or clerk no later than the close of the public hearing held in accordance with Subsection [(4)(a)(iv)] (5)(d).
- [(4)(a)] (5) The legislative body of each municipality intending to annex an area under this section shall:
- [(i)] (a) adopt a resolution indicating the municipal legislative body's intent to annex the area, describing the area proposed to be annexed;
 - [(ii)] (b) publish notice:

[(A) (I)] (i) (A) at least once a week for three successive weeks in a newspaper of general circulation within the municipality and the area proposed for annexation; or

183	[(H)] (B) if there is no newspaper of general circulation in the areas described in
184	Subsection $[(4)(a)(ii)(A)]$ $(5)(b)(i)(A)$, post at least one notice per 1,000 population in places
185	within those areas that are most likely to give notice to the residents of those areas; and
186	[(B)] (ii) on the Utah Public Notice Website created in Section 63F-1-701, for three
187	weeks;
188	[(iii)] (c) send written notice to:
189	(i) the board of each local district and special service district whose boundaries
190	contain some or all of the area proposed for annexation; and [to]
191	(ii) the legislative body of the county in which the area proposed for annexation is
192	located; and
193	[(iv)] (d) hold a public hearing on the proposed annexation no earlier than 30 days after
194	the adoption of the resolution under Subsection $[\frac{(4)(a)(i)}{2}]$ (5)(a).
195	(6) The legislative body of the annexing municipality shall ensure that:
196	[(b) Each] (a) each notice under Subsections [(4)(a)(ii) and (iii) shall] (5)(b) and (c):
197	(i) [state] states that the municipal legislative body has adopted a resolution indicating
198	its intent to annex the area proposed for annexation;
199	(ii) [state] states the date, time, and place of the public hearing under Subsection
200	$[\frac{(4)(a)(iv)}{(5)(d)};$
201	(iii) [describe] describes the area proposed for annexation; and
202	(iv) except for an annexation that meets the property owner consent requirements of
203	Subsection [(5)(b), state] (7)(b) or the recommendation of annexation requirements of
204	Subsection (7)(c), states in conspicuous and plain terms that the municipal legislative body will
205	annex the area unless, at or before the public hearing under Subsection [(4)(a)(iv)] (5)(d),
206	written protests to the annexation are filed by the owners of private real property that:
207	(A) is located within the area proposed for annexation;
208	(B) covers a majority of the total private land area within the entire area proposed for
209	annexation; and
210	(C) is equal in value to at least 1/2 the value of all private real property within the
211	entire area proposed for annexation[-]; and
212	[(c) The] (b) the first publication of the notice required under Subsection [(4)(a)(ii)(A)
213	shall be] (5)(b)(i) occurs within 14 days of the municipal legislative body's adoption of a

S.B. 140 01-30-17 4:41 PM

resolution under Subsection [(4)(a)(i)] (5)(a).

[(5) (a) Upon] (7) (a) Except as provided in Subsections (7)(b)(i) and (7)(c)(i), upon conclusion of the public hearing under Subsection [(4)(a)(iv)] (5)(d), the municipal legislative body may adopt an ordinance approving the annexation of the area proposed for annexation under this section unless, at or before the hearing, written protests to the annexation have been filed with the [city recorder or town clerk, as the case may be,] recorder or clerk of the municipality by the owners of private real property that:

- (i) is located within the area proposed for annexation;
- (ii) covers a majority of the total private land area within the entire area proposed for annexation; and
- (iii) is equal in value to at least 1/2 the value of all private real property within the entire area proposed for annexation.
- (b) (i) [Upon] Notwithstanding Subsection (7)(a), upon conclusion of the public hearing under Subsection [(4)(a)(iv),] (5)(d) a municipality may adopt an ordinance approving the annexation of the area proposed for annexation under this section without allowing or considering protests under Subsection [(5)(a)] (7)(a) if the owners of at least 75% of the total private land area within the entire area proposed for annexation, representing at least 75% of the value of the private real property within the entire area proposed for annexation, have consented in writing to the annexation.
- (ii) Upon the effective date under Section 10-2-425 of an annexation approved by an ordinance adopted under Subsection $[\frac{(5)(b)(i)}{(7)(b)(i)}]$, the area annexed $[\frac{shall be}{shall be}]$ is conclusively presumed to be validly annexed.
- (c) (i) Notwithstanding Subsection (7)(a), upon conclusion of the public hearing under Subsection (5)(d), a municipality may adopt an ordinance approving the annexation of an area that the county legislative body proposes for annexation under this section without allowing or considering protests under Subsection (7)(a) if the county legislative body has formally recommended annexation to the annexing municipality and has made a formal finding that:
- (A) the area to be annexed can be more efficiently served by the municipality than by the county;
- (B) the area to be annexed is not likely to be naturally annexed by the municipality in the future as the result of urban development;

245	(C) annexation of the area is likely to facilitate the consolidation of overlapping
246	functions of local government; and
247	(D) annexation of the area is likely to result in an equitable distribution of community
248	resources and obligations.
249	(ii) The county legislative body may base the finding required in Subsection
250	(7)(c)(i)(B) on:
251	(A) existing development in the area;
252	(B) natural or other conditions that may limit the future development of the area; or
253	(C) other factors that the county legislative body considers relevant.
254	(iii) A county legislative body may make the recommendation for annexation required
255	in Subsection (7)(c)(i) for only a portion of an unincorporated island if, as a result of
256	information provided at the public hearing, the county legislative body makes a formal finding
257	that it would be equitable to leave a portion of the island unincorporated.
258	(iv) If a county legislative body has made a recommendation of annexation under
259	Subsection (7)(c)(i):
260	(A) the relevant municipality is not required to proceed with the recommended
261	annexation; and
262	(B) if the relevant municipality proceeds with annexation, the municipality shall annex
263	the entire area that the county legislative body recommended for annexation.
264	(v) Upon the effective date under Section 10-2-425 of an annexation approved by an
265	ordinance adopted under Subsection (7)(c)(i), the area annexed is conclusively presumed to be
266	validly annexed.
267	[(6) (a) If] (8) (a) Except as provided in Subsections (7)(b)(i) and (7)(c)(i), if protests
268	are timely filed that comply with Subsection $[(5)]$ $(7)(a)$, the municipal legislative body may
269	not adopt an ordinance approving the annexation of the area proposed for annexation, and the
270	annexation proceedings under this section shall be considered terminated.
271	(b) Subsection [(6)(a) may not be construed to] (8)(a) does not prohibit the municipal
272	legislative body from excluding from a proposed annexation under Subsection [(2)(a)(ii)]
273	(2)(b) the property within an unincorporated island regarding which protests have been filed
274	and proceeding under Subsection [(2)(b)] (3) to annex some or all of the remaining portion of
275	the unincorporated island.

S.B.	140	01-30-17	4:41 P	V

276	Section 3. Section 10-2a-402 is amended to read:
277	10-2a-402. Application.
278	(1) The provisions of this part:
279	[(a) apply to the following located in a county of the first class:]
280	[(i)] (a) apply to a planning township that is:
281	(i) located in a county of the first class; and
282	(ii) established before January 1, 2015; and
283	[(ii) subject to Subsection (2), an unincorporated island located in a county of the first
284	class on or after May 12, 2015, and before November 4, 2015; and]
285	(b) do not apply to a planning advisory area, as defined in Section 17-27a-103, or any
286	other unincorporated area located outside of a county of the first or second class.
287	(2) (a) The provisions of Part 2, Incorporation of a City, and Part 3, Incorporation of a
288	Town, apply to an unincorporated area described in Subsection (1) for an incorporation as a
289	city after November 3, 2015.
290	(b) The provisions of Chapter 2, Part 4, Annexation[:] apply to an unincorporated
291	island that is not annexed at an election under this part for purposes of annexation on or after
292	November 4, 2015.
293	[(i) do not apply to an unincorporated island for purposes of annexation before
294	November 4, 2015, unless:]
295	[(A) otherwise indicated; or]
296	[(B) before July 1, 2015, an annexation petition is filed in accordance with Section
297	10-2-403 or an intent to annex resolution is adopted in accordance with Subsection
298	10-2-418(2)(a)(i); and]
299	[(ii) apply to an unincorporated island that is not annexed at an election under this part
300	for purposes of annexation on or after November 4, 2015.]

Legislative Review Note Office of Legislative Research and General Counsel