

RESOLUTION NO. 2022-07

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF SANTA CLARA COUNTY AFFIRMING THE COUNTYWIDE URBAN DEVELOPMENT POLICIES

WHEREAS, the Local Agency Formation Commission of Santa Clara County (LAFCO) adopted the landmark Countywide Urban Development Policies on December 1, 1971; and

WHEREAS, the County of Santa Clara adopted the Countywide Urban Development Policies on January 12, 1972; and

WHEREAS, the 15 cities in Santa Clara County adopted the Countywide Urban Development Policies between December 1971 and April 1972; and

WHEREAS, the Countywide Urban Development Policies were incorporated and interwoven into various LAFCO policies over the years, forming an inseparable part of LAFCO law and policy for Santa Clara County; and

WHEREAS, the Countywide Urban Development Policies have been a major cornerstone of the county's growth and development over these past five decades; and

WHEREAS, the Countywide Urban Development Policies serve as a foundation for the urban development and rural area land use policies of the County's General Plan; and

WHEREAS, the Countywide Urban Development Policies have played a major role in helping to protect the county's scenic hillsides, farmlands, and other open space lands, promote efficiency in the delivery of local government services and infrastructure – resulting in savings to taxpayers, make possible the growth and development of our county's outstanding regional parks and public open space lands systems; and

WHEREAS, the Countywide Urban Development Policies remain important and relevant today in helping to: prevent additional urban sprawl, protect our remaining farmlands from loss to urban development, mitigate the impacts of climate change by preventing automobile-dependent urban sprawl which increases greenhouse gas emissions that contribute to climate change, and supporting the array of environmental services that natural areas provide to the county's residents.

NOW, THEREFORE, BE IT RESOLVED, that LAFCO affirms the "Countywide Urban Development Policies" and comprehensively documents their history and ongoing beneficial impacts, as presented in Attachment 1.

RESOLUTION NO. 2022-07

PASSED AND ADOPTED, by the Local Agency Formation Commission of Santa Clara County, State of California, on April 6, 2022, by the following vote:

AYES: CONSTANTINE, ELLENBERG, JIMENEZ, KISHIMOTO, LEZOTTE,
WASSERMAN, VICKLUND WILSON

NOES: None

ABSENT: None

ABSTAIN: None

DocuSigned by:
Rich Constantine
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Rich Constantine, Chairperson
LAFCO of Santa Clara County

ATTEST:

DocuSigned by:
Emmanuel Abello
43C41738CE194CA...

Emmanuel Abello, LAFCO Clerk

APPROVED AS TO FORM:

DocuSigned by:
Malathy Subramanian
0BF2DA8CFE254DA...

Malathy Subramanian, LAFCO Counsel

Attachment to Resolution No. 2022-07

1. Countywide Urban Development Policies

Attachment to Resolution No. 2022-07**COUNTYWIDE URBAN DEVELOPMENT POLICIES****1.1 INTRODUCTION**

In the early 1970s, LAFCO, the County, and the 15 cities adopted¹ a set of fundamental growth management policies known as the Countywide Urban Development Policies (CUDPs). This pioneering and cooperative effort to guide future growth and development in Santa Clara County established jurisdictional roles, responsibilities, and regulatory systems for the timing and location of urban development. Its most central policy required urban growth and development to be located within cities and for unincorporated lands outside cities to remain rural.

Today, the CUDPs remain the foundation of all LAFCO policies, and of the cities' and County general plans. Furthermore, they serve as a living example of how collaboration between LAFCO, the County, and the cities, built on sound planning and growth management principles, help to discourage urban sprawl, preserve agricultural and open space lands, and promote efficient urban services delivery.

In the years immediately following their adoption, the CUDPs were documented in various adopted plans. These included the County's 1973 Urban Development/Open Space Plan, a countywide element of its general plan, and various general plans of the cities. The CUDPs formed the fundamental basis for the County's first consolidated 1980 County General Plan, and today, these policies are carried forward in the current Santa Clara County General Plan, the Envision San Jose 2040 General Plan, and are reflected in portions of most other cities' general plans.

These fundamental policies were incorporated and interwoven into various LAFCO policies over the years, forming an inseparable part of LAFCO law and policy for Santa Clara County. Given their long-term significance and ongoing applicability to planning and decision making in the future, this chapter provides an authoritative definition of the oft-referenced CUDPs, and comprehensively documents their history and their ongoing beneficial impacts.

1.2 HISTORY

When LAFCO was created in 1963, Santa Clara County was experiencing dramatic growth in population and economic development; however, it lacked a system to plan for the needs of the rapidly growing population and to manage the unbridled competition between the cities and County for territory and tax base. Annexation wars raged as cities competed with each other for land to meet growth needs exclusively by means of expansion, while the County, which still had a major percentage of the territorial jurisdiction of the North Valley, also allowed subdivisions and commercial development wherever possible. Cities

¹ LAFCO adopted the CUDPs on December 1, 1971; the County Board of Supervisors adopted them on January 12, 1972; and the cities adopted them between December 1971 and April 1972.

leapfrogged over undeveloped lands and annexed long, narrow strips of land along public roads in order to annex farmlands whose owners were seeking to develop.

This period of the county's history caused significant jurisdictional fragmentation and transformed the natural landscape. Some cities pursued defensive annexations in order to block other cities from annexing lands in their vicinity. Seeking to avoid annexation by nearby cities, many landowners and residents incorporated as new cities. In the decade leading up to 1963, seven new cities were formed, and by 1963 there were 63 special districts in existence (not including school districts). The proliferation of special districts provided specialized municipal services (e.g. sewer/sanitation, water, fire protection) to new urban development, with resultant fragmentation and duplication of utilities and urban services.

This disorderly, unmanaged growth also resulted in rapid conversion of productive farmland to urban and suburban land uses, and by the early 1960s much of the farmland in the northern part of the county was urbanized. The county once known as the "Valley of Heart's Delight," with fruit orchards and farms spanning the valley floor, could best be described as a sprawling patchwork of development, with fragmented services and illogical jurisdictional boundaries that were difficult and costly to serve.

As the economic and environmental costs of sprawl began to be better understood, a cooperative, solution-oriented approach was sought. LAFCO took the lead, and in 1967 adopted "boundary agreement lines" that served as a "cease fire" solution to the annexation wars. These boundary agreement lines, (originally called Spheres of Influence) as agreed to by the cities, divided the entire county into 15 separate areas and defined which lands could potentially be annexed into each of the cities. These agreements, now superseded by the function of Urban Service Areas (USA) and Spheres of Influence, provided a stable foundation for LAFCO, the 15 cities and the County to then discuss how to manage urban development in the county for the long term. Those discussions soon led to the development of a countywide policy framework through an unprecedented system of intergovernmental planning and cooperation, when LAFCO, the County and the 15 cities jointly adopted the Countywide Urban Development Policies.

1.3 COUNTYWIDE URBAN DEVELOPMENT POLICIES

The intent of adopting the CUDPs was for LAFCO, the County, and cities to establish a mutually agreed upon and long-term system to sustainably manage growth on a countywide basis. The CUDPs identify the distinct roles and expectations regarding the service responsibilities of the cities versus the county. They allow for urbanization in a manner that will accommodate the development goals of individual communities while conserving the natural resources of the county as a whole. They promote efficient and effective delivery of community services for existing and future residents/taxpayers, and they provide a stable and predictable foundation that allows for cooperative intergovernmental relations.

In brief, the fundamental CUDPs are stated as follows:

1. Urban development should occur, and urban services should be provided only on lands annexed to cities – and not within unincorporated areas, urban or rural.
2. Urban expansion should occur in an orderly, and planned manner – with cities responsible for planning and providing services to urban development within

explicitly adopted Urban Service Areas (USA) whose location and expansion is subject to LAFCO approval authority.

3. Urban unincorporated islands within USAs should eventually be annexed into their surrounding cities, so that cities have the responsibility for urban services and land use authority over all lands within their USA boundaries.

1.4 IMPLEMENTATION OF THE COUNTYWIDE URBAN DEVELOPMENT POLICIES

The CUDPs established important mutual commitments between the County and the 15 cities regarding timing and location of urban development. Implementation of these policies occurred by means of an evolving collaborative partnership between cities, the County, and LAFCO.

The **County** agreed to no longer compete with the cities for new urban development and undertook a series of actions to fulfill its commitment to the CUDPs. For lands outside city USAs, the County adopted its 1980 General Plan with land use plan designations and zoning districts that significantly limited allowable uses and densities of development, typically with minimum lot sizes of 20 acres per parcel up to 160 acres per parcel.

For lands within USAs, as early as in 1975, the County approved ordinances and adopted referral procedures that provided the opportunity for a city to annex lands within unincorporated islands as a pre-requisite to proposed new urban development. The County also amended its development ordinances and policies to require that discretionary land use approvals such as subdivisions, zone changes, and use permits within city USAs conform to the general plans of the cities.

The **cities** assumed full responsibility to plan for and accommodate needed urban growth and prepared USA maps identifying lands they intended to annex in order to develop and provide urban services within 5 years. The cities submitted their proposed USA boundaries to LAFCO for approval and committed to annex lands within the USA, including unincorporated islands, which were generally the result of past annexation practices and the annexation wars.

LAFCO conducted hearings and adopted the USA boundaries for each of the 15 cities on the following dates.

Campbell	November 1, 1972
Cupertino	March 4, 1973
Gilroy	December 6, 1972
Los Altos	June 6, 1973
Los Altos Hills	January 3, 1973
Los Gatos	April 4, 1973
Milpitas	December 6, 1972
Monte Sereno	December 6, 1972
Morgan Hill	October 4, 1972
Mountain View	February 7, 1973
Palo Alto	April 4, 1973

San Jose	October 4, 1972
Santa Clara	November 1, 1972
Saratoga	March 4, 1973
Sunnyvale	December 6, 1972

LAFCO then became responsible for decision-making regarding future modifications to the cities' USA boundaries, in order to achieve the mutual goals that these policies established, such as agricultural land preservation, hillside preservation, and orderly, efficient and sustainable growth patterns. LAFCO's role in this regard is unique to Santa Clara County and is codified in state law.

From their inception to today, the CUDPs are essential and integral to all other LAFCO goals and policies. Therefore, LAFCO formally recognizes and affirms the CUDPs as the foundation of land use planning in Santa Clara County and all related policy and decision-making.

1.5 LASTING BENEFITS OF THE COUNTYWIDE URBAN DEVELOPMENT POLICIES

Collaborative implementation of and steadfast commitment to these policies have made Santa Clara County a much more livable, sustainable place than it would otherwise have become. The CUDPs and their systematic approach to managing urban growth have benefited the county as a whole and all its residents in multiple and mutually-reinforcing ways to promote:

- **Sustainable Growth:** ensuring sustainability and livability of communities by ensuring quality of life is not sacrificed to disorderly growth;
- **Fiscal Responsibility and Resiliency:** minimizing costs to taxpayers for public infrastructure and services through compact growth;
- **Environmental Stewardship:** safeguarding air and water quality, wildlife habitat, and water supply reservoir watersheds, and preventing loss of public open space assets critical to ecological balance;
- **Affordable and Responsibly-Located Housing:** promoting complete and efficient use of existing urbanized lands within cities, building within rather than outward, resulting in more cost efficient housing opportunities close to transit and services;
- **Transportation Options:** reducing sprawl and promoting compact development to reduce traffic demand generated by outward growth, emissions and pollution from vehicles, reduce longer commute distances, and encouraging urban densities supportive of transit solutions;
- **Open Space and Farmland Preservation:** protecting open space, parklands, hillsides and farmlands from premature and/or unwarranted development.

Taken together, all of these beneficial outcomes are part of the future-oriented approach recognized as being necessary to address the potentially disastrous effects of increasing greenhouse gas emissions and climate change.

For example, the CUDP's framework focuses urban development within cities, while preserving non-urban, open space areas such as the mountains that ring the north and

south valley, as well as the remaining agricultural lands outside cities. In the last few decades, many cities' policies have evolved to accommodate tens of thousands in population growth within their existing boundaries rather than covering vast areas of land with low density sprawl. As a result, even with substantial growth in the county's population and economy since the CUDPs were adopted, the county's urban footprint has remained largely unchanged.

The CUDPs have been critical to the county's ability to protect and preserve open space. Only 23% of the county's total land area is within cities' USAs, while accounting for an overwhelming majority (95%) of the county's 2 million residents. This growth pattern has allowed open space districts and conservation agencies to better protect open space lands outside the urbanized areas. Nearly 30% of the county's land area is now comprised of protected open space lands or land that is under conservation easements.

Implementing the CUDPs has significantly contributed to fiscal efficiency and cost savings to taxpayers. Over the years, LAFCO, the cities, and the County have facilitated the annexation of hundreds of unincorporated islands to their surrounding cities. Today there are far fewer islands and far fewer special districts providing services, reducing the inefficiencies of fragmented service and land use responsibilities, and resulting in more efficient delivery of public services at lower costs to taxpayers.

Furthermore, the CUDPs form the foundation of the plans and functions of many local and regional agencies working to create sustainable communities and landscapes. For example, the CUDP concepts continue to inform countywide climate resiliency and sustainability planning, as well as the work of the following:

- the land acquisition and preservation strategies of many agencies involved in open space and farmland preservation, such as the Santa Clara Valley Open Space Authority, Midpeninsula Regional Open Space District, Peninsula Open Space Trust, and others;
- the transportation planning and investment strategies of the Metropolitan Transportation Commission and the County's Valley Transportation Authority;
- the regional housing needs allocations made by the Association of Bay Area Governments;
- the Santa Clara Valley Water District's water supply planning; and
- the work of many non-profit organizations to promote social equity, affordable housing, and environmental justice.

When created nearly five decades ago, Santa Clara County's growth management system was recognized widely as a national pioneer and paradigm of cooperative regional planning for growth management, and its policies and successes have been adopted elsewhere with local variations. Today, the CUDP's systematic planning principles are crucial to and consistent with climate-smart growth policy and climate resiliency concepts that have taken shape in the last 20 to 30 years. They form the critical foundation of most regional planning and decision-making in Santa Clara County, not just for today but into the foreseeable future, as originally intended.