

## **HOW URBAN DEVELOPMENT POLICIES HAVE MADE A DIFFERENCE IN SANTA CLARA COUNTY 40 Years Later, Policies Still Cutting-Edge and Vital**

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This year marks the anniversary of two important events in Santa Clara County, the first being the 50<sup>th</sup> anniversary of the creation of Local Agency Formation Commissions (LAFCOs) throughout California and the second being the 40<sup>th</sup> anniversary of the adoption of countywide urban development policies and the creation of Urban Service Areas for cities.

These groundbreaking policies continue to serve as example of how collaboration between LAFCO, the County, and cities on planning and growth management principles can help discourage urban sprawl, preserve agricultural lands and open space, and promote efficient service provisions. Collaborative implementation of these policies fundamentally changed the growth and development trajectory of Santa Clara County from what it was 50 years ago – and made it a much more livable, sustainable place than it would otherwise have become.

### **NEED FOR URBAN DEVELOPMENT POLICIES Santa Clara County in the 50s and the 60s**

During the 1960s, growth and development in Santa Clara County – and much of California – was reminiscent of the “Wild West” of the 1800s, when new towns sprang up overnight, there were relatively few rules, and there was no sheriff in town to resolve disputes and enforce order. Rapid population growth following World War II was fueled by a combination of a robust economy, a benign climate, an attractive physical setting, the post War Baby Boom, and affordable housing. Many workers who came to California to work in defense industries during the War chose to remain. And many soldiers from throughout the United States who were stationed in or passed through California chose to relocate here after the War. All of these factors combined to create a housing and real estate boom in Santa Clara County – and many other counties throughout California.

Back then, agriculture was California’s largest industry. But flat, fertile, farmlands could easily and rapidly be converted to sprawling, suburban subdivisions – and many of them were.

The laws governing the annexation of land into cities, the incorporation of new cities, or the creation and expansion of new special purpose districts – such as sanitation districts providing sewer services – were mostly adopted years before the boom in California’s population began. These laws were not designed to deal with the conditions of explosive urban growth that arose in many parts of California during the 1950s and 60s.

Many cities – competing to increase their property tax bases – pursued aggressive annexation policies to take in as much land as possible as quickly as possible. In some cases, they even annexed long, narrow strips of land along public roads – past intervening farmlands – in order to reach farmlands whose owners were seeking to develop them and wanted to annex into the city. In the absence of clear rules regarding which city the land in a particular location could be

annexed to, two or more cities would sometimes compete to get a landowner to annex to their city. The County further contributed to inefficient development patterns and confusing, irrational jurisdictional boundaries by acting like a city and approving urban development on unincorporated lands not annexed to any city. Developers took advantage of this relatively lawless, “Wild West” environment by playing competing jurisdictions off against one another.

The jurisdictional landscape of Santa Clara County was also impacted during these years of rapid growth, aggressive annexations, and annexation wars. Residents and landowners in some areas, seeking to avoid annexation by a nearby city, would sometimes incorporate as a new city. Irrational, inefficient city boundaries also resulted from some cities pursuing annexation strategies intended to block other cities from annexing lands in their vicinity.

The result of the annexation wars and the County’s approval of urban development was an almost random pattern of irregularly-shaped city boundaries, and discontinuous patterns of urban development that leapfrogged over productive farmlands to reach farmlands farther out, whose owners were more willing to sell their land for development.

Another consequence of the rapid growth and annexation wars in Santa Clara County in the 1960s was the loss of prime agricultural lands – some of the most productive farmlands in the world – that had given the county its reputation as “The Valley of Heart’s Delight.” State farmland protection laws were virtually non-existent. And local policies to protect farmland were no match for the economic pressures that rapid urbanization of the Valley created. These pressures made it difficult for farmers to continue farming in northern Santa Clara County. Agriculture, California’s largest industry at that time, was rapidly being eroded and endangered by unplanned suburban sprawl.

Facing the loss of the state’s largest industry, and the costly and inefficient urban development and urban service delivery patterns of many cities, the State Legislature adopted a law in 1963 requiring all 58 counties in California to establish Local Agency Formation Commissions (LAFCOs). LAFCOs were given the responsibility to encourage the orderly formation of local governmental agencies, preserve agricultural land resources, and discourage urban sprawl.

## **CREATION OF URBAN DEVELOPMENT POLICIES “Home Grown” by the Local Cities and the County**

The first thing that Santa Clara County’s LAFCO set about doing was to put an end to the annexation wars. It did so by encouraging the cities to work together to reach agreements regarding “boundary agreement lines” – which sometimes were referred to as the “cease fire” lines for the annexation wars. The boundary agreement lines divided up the entire county and defined which lands could potentially be annexed into each of the cities. Nearby cities were encouraged to reach agreement voluntarily regarding the location of these boundary agreement lines.

In the few instances where the cities were unable to reach agreement regarding the locations for portions of their boundary agreement lines, LAFCO had to decide which of the conflicting

proposals to adopt. But the vast majority of the boundaries were agreed to voluntarily by the cities, and LAFCO simply adopted what the cities had agreed to.

Once the boundary agreement lines were adopted and the annexation wars were ended, LAFCO, the County, and the fifteen cities began the process of working together to reach agreement on a set of basic countywide urban development policies.

The cities and the County took the lead in this effort. A draft set of countywide urban development policies was prepared by a committee composed of city and County planning staff, working under the auspices the Santa Clara County Association of Planning Officials (SCCAPO). The committee's proposal, reviewed and endorsed by SCCAPO, was then submitted to the Santa Clara County Planning Policy Committee (PPC) for review and endorsement.

The PPC was an influential intergovernmental organization whose membership consisted of one city councilmember from each of the fifteen cities, one planning commissioner from each of the cities, one member of the County Board of Supervisors, and one member of the County Planning Commission. After the PPC had reviewed and endorsed the proposed countywide urban development policies, LAFCO adopted these policies in 1971. These policies were subsequently adopted by the County and by each of the cities.

Important contributions were also made by the City of San Jose – Santa Clara County's largest city – which was reviewing its own urban development policies as these other activities were taking place. The result was the publication and adoption by San Jose of a set of urban development policies that were very similar to the policies adopted by the County, cities and LAFCO, and provided additional support to these policies.

These basic policies developed through a locally-controlled process, driven by the cities and the County and adopted by LAFCO, the County, and the cities can be summarized as follows:

1. Urban development should occur only on lands annexed to cities – and not within unincorporated areas, urban or rural
2. Urban expansion should occur in an orderly, planned manner – with the cities responsible for planning and providing services to urban development, within explicitly adopted “urban service areas” whose expansion is subject to LAFCO approval
3. Urban unincorporated islands should eventually be annexed into their surrounding cities – so that the cities have urban service responsibilities and land use authority over all lands within their urban service area boundaries.

## **IMPLEMENTATION OF THE POLICIES**

### **Unique Partnership between the Cities, County and LAFCO**

These basic urban development policies involved important mutual commitments by the County and the cities.

The County agreed, in essence, to get out of the “urban development business” and

1. No longer compete with the cities by approving new urban development in urban unincorporated islands, and
2. Limit development within rural unincorporated areas to rural land uses and densities

The County fulfilled this latter commitment through a series of major rezonings of rural unincorporated areas that significantly increased the minimum parcels sizes required for new subdivisions. As a result, the vast majority of Santa Clara County’s rural unincorporated areas now have zoning designations that require a minimum parcel size of 20 acres or more for new subdivisions. Over the past four decades, since these rezonings took place, the County has kept its commitment by consistently rejecting proposals for privately-initiated General Plan amendments that would have allowed significant changes in allowable uses or densities in rural unincorporated areas.

In return, the cities agreed to:

1. Plan for orderly urban development and expansion, within explicitly adopted “urban service area” boundaries, which they proposed and LAFCO adopted. Changes to those boundaries require LAFCO approval.
2. Annex the urban unincorporated islands – which were generally the result of past annexation practices and the annexation wars

The City of San Jose’s commitment to countywide urban development policies is demonstrated by its own General Plan policies that, over several decades, have directed its urban growth into existing urban areas. So, while San Jose’s population has grown substantially, its urban footprint has remained essentially the same – unlike cities like Phoenix and Atlanta that grew by similar amounts, but covered vast areas of land with low density sprawl over the same time period. San Jose’s recently revised General Plan accommodates all its new development over the next twenty years within its existing urban area – thus continuing its longstanding commitment to pursue more efficient, compact urban development patterns.

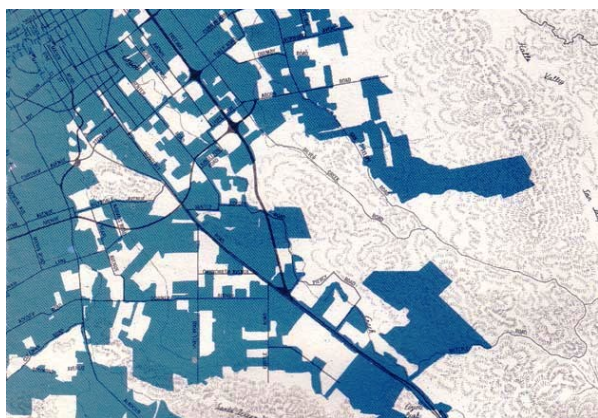
LAFCO became responsible for enforcing the urban development policies that the cities and the County had developed and agreed to.

Through its careful review of city proposals for Urban Service Area expansions, LAFCO ensures that future urban development in Santa Clara County occurs only when and where it is needed, can be serviced efficiently, and does not result in premature conversion of agricultural or open space lands. LAFCO’s recently adopted agricultural mitigation policy

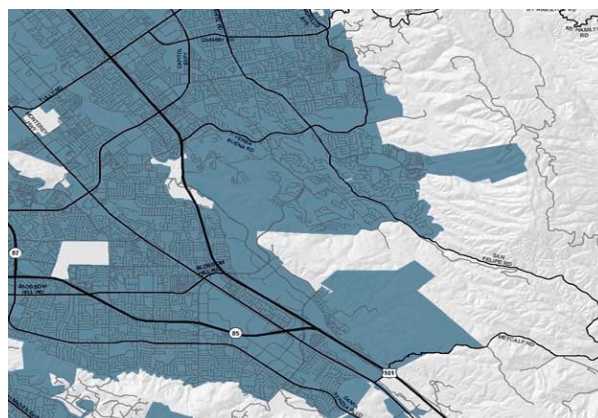
discourages inclusion of agricultural lands in city proposals for Urban Service Area expansions and recommends permanent protection for other farmlands if the proposal involves development of farmland. In the last 14 years, LAFCO, working with the County, has facilitated annexation of 88 unincorporated islands containing nearly 25,000 people, into surrounding cities which are better situated to serve their needs.

## CONCLUSION

If not for the countywide urban development policies and LAFCO, Santa Clara County would be a very different place today. In all likelihood, the County would have continuous urban development extending all the way from Palo Alto to the San Benito County border, many more homes on its scenic hillsides, no agricultural land left undeveloped, many fewer acres of publicly-owned open space preserves and parks, an irrational and inefficient, crazy quilt pattern of city, County, and special district jurisdictional and service boundaries and further fragmented local land use planning and regulation and service delivery responsibilities.



1960s land development pattern in Santa Clara County



2013 land development pattern in Santa Clara County

Working cooperatively with the County and the fifteen cities, LAFCO served as a catalyst for the adoption of the countywide urban development policies which helped prevent these things from happening. Forty years later, these policies continue to guide urban development in Santa Clara County and have made a significant, positive impact on the economic, social and environmental well-being of Santa Clara County.

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**This article was written by Don Weden, Retired Principal Planner, Santa Clara County, and published in the August 2013 edition of "The Sphere", Journal of the California Association of Local Agency Formation Commissions.**