

# ANNEXATION POLICY PLAN

Stockton must go through a special process to adopt an Annexation Policy Plan, in accordance with §10-2-Part 4 of Utah Code. The materials drafted in this section are meant to help the Town along in this process. Before a policy plan is adopted and implemented, it must be brought before all affected entities, as defined by Utah Code. These affected entities may include Tooele County, and other entities with jurisdiction over future expansion areas.

An annexation policy plan is subject to a public hearing first by the planning commission, and then by the town council after the commission has given its recommendation. Once adopted, this plan will guide Stockton's decision-making process for any annexation petitions that are submitted to the Town. The Town may not annex any land that is not included within one of the possible future expansion areas defined in the adopted policy plan.

## What is an Annexation Policy Plan?

Annexation is the process by which "land is transferred from one unit of government to another" (American Planning Association 2017). In Stockton, this would mean expanding boundaries to include parts of currently unincorporated Tooele County. As determined by Utah Code §10-2-401.5, a municipality may not annex any unincorporated area without first formulating and adopting an annexation policy plan. Stockton's adoption of an annexation policy plan does not result in any land being annexed but lays out the guidelines under which annexation could occur in the future.

Government bodies typically choose to annex to increase the local tax base and expand the local authority over planning and zoning. The adoption of an annexation policy plan gives Stockton a voice in any development that occurs within the proposed expansion areas (defined in the plan). Tooele County must notify Stockton before approving any development in these proposed expansion areas and must respond to any objection Stockton expresses. Such a policy plan weighs the costs and benefits of possible annexation and establishes guidelines for determining whether or not to grant future annexation petitions. While benefits may include an increased tax base and more local control over development patterns, Stockton must consider the potential costs of expanding city services.

## The Annexation Process

An area may petition to be annexed into Stockton if it is a contiguous, unincorporated area of Tooele County that is also contiguous to the boundaries of Stockton and is included in Stockton's potential expansion areas as defined in the Annexation Policy Plan.

Before filing a petition, the applicant must send a notice of intent to file a petition to the Town of Stockton and to all affected entities, as defined in Utah Code. Notice shall include an accurate map of the area proposed to be annexed.

The Town will provide an applicant with the official annexation petition form in keeping with Utah State Code §10-2-403. Once the official annexation petition form has been provided to the applicant, the applicant shall obtain all the signatures and provide the information required by Utah State Code §10-

2-403(3). The applicant shall file the petition with the Town Clerk and mail a copy to the County Clerk.

The completed petition will be reviewed at a meeting of the Stockton Town Council. The Council may deny the petition, providing the applicant with a written statement, or the Council can approve the petition for further consideration under Utah Code §10-2-405.

As a part of an annexation petition, an Applicant must submit a study of the impacts of annexation on the Town's: cost of providing services, tax revenue, infrastructure capacity, community character, and any other consideration(s) deemed necessary by the Commission or Council at the applicant's expense.

### Annexation Limitations

Utah Code §10-2-402 places limitations on a municipality's authority to annex. In compliance with state code, Stockton must follow these policies.

1. The town shall not annex an area that is not contiguous to the current boundaries at the time of annexation.
2. The town shall not annex an area if annexation results in an unincorporated island or unincorporated peninsula (with exception as provided by §10-2-402).
3. The town shall not annex any area which is not included in a potential expansion zone as described in the adopted annexation policy plan.
4. The town shall not annex an unincorporated area for the sole purpose of expanding the tax base (acquiring municipal revenue) or to prevent another municipality from annexing the same area or a related area, unless the town can and intends to benefit the annexed area through the provision of services.
5. The town shall always annex the entirety of a parcel (not a partial part) unless the owner of parcel has signed an annexation petition in accordance with Utah State Code §10-2-403.

### Possible Future Expansion Areas

Stockton occupies only 1.69 square miles of land. Most incorporated parcels suitable to residential, commercial, or industrial uses have already been developed. Thus, annexation provides an opportunity for Stockton to acquire room to grow. However, the town faces constraints even outside of its boundaries. To the north of town, much of the land is used for extraction, with Peak Management LLC owning nearly 140 acres. To the east, land is owned by Kennecott, the State of Utah, and the Bureau of Land Management (representing a mix of extractive and recreational uses). The region to the south of Stockton is primarily owned by independent households, with the exception of the water conservancy area surrounding Rush Lake. The most developed area surrounding Stockton lies to the west of town, at South Rim. This subdivision currently occupies 975 acres (development agreement with Tooele County). But South Rim additionally owns nearly 3,500 acres surrounding the current subdivision; it is unclear whether or not South Rim has intentions to eventually develop this land.

The map on page 10 defines Stockton's possible future expansion area.



## Possible Future Expansion Area #1: Southern Corridor

Possible Future Expansion Area #1 encompasses 325 acres along Highway 36 on Stockton's southern border. This area currently features low-density residential and agricultural land uses. It offers opportunities for future residential development for the Town of Stockton. In addition, annexing land along this stretch of Highway 36 may provide space for commercial growth. The Highway connects Stockton residents to Vernon and Lehi, and is the main route through town for outdoor recreation enthusiasts.

Extensions to current services could possibly be provided from the west (across Highway 36) or from the east, along Copper Street.

## Stockton Town Annexation Policy Plan Preliminary Analysis for Possible Future Expansion Area #1

The Stockton Town Council desires to adopt an Annexation Policy Plan ("Plan") as an element of the Stockton Town General Plan. At the same time, SEP Stockton has asked Stockton Town to adopt a Plan and to include in that Plan a 325-acre area of land known as Possible Future Expansion Area #1 ("Area 1").

UCA Section 10-2-401.5 requires the Plan to include consideration of the following criteria:

- Community character
- Need for municipal services
- Stockton's plan for extending municipal services to possible future expansion areas identified in the Plan
- Financing of those municipal services
- Estimate of tax consequences
- Interests of affected entities

### Community Character

When deciding on a petition for annexation, the Town Council shall consider the character and needs of the existing community and the expected impact of annexation. Stockton prides itself on its small-town feel, but that does not mean that no growth should occur. In fact, to provide housing to the next generation of children and to provide room for the small businesses that residents desire, it may be beneficial to annex land in specific areas. Stockton may consider the goals of the general plan and the expected impact an annexation will have on community character in its decision on an annexation petition.

By 2025, the population of Stockton is expected to grow to 945. Current zoning patterns would not allow the Town to develop the housing, amenities, and services necessary to accommodate this increased population. Stockton may at times consider annexation a favorable alternative to re-zoning. An annexation petition should be denied when such annexation would lead to negative consequences for Stockton's character.

Area 1 is contiguous to Stockton Town's existing southern boundary. Area 1's western boundary is

the current Town boundary that west of the railroad tracks that parallel SR-36. The current Tooele County zoning designations for Area 1 include the following: MU-40, RR-10, and RR-5.

Annexing Area 1 with a residential zoning designation would allow the creation of about 80 four-acre residential lots in the A4 zoning district, about 150 two-acre lots in the A2 zoning district, and about 300 one-acre residential lots in the A1 zoning district. Development under the R residential zoning district, which allows lots as small as 12,000 square feet, would allow approximately three residential lots per acre (1 acre = 43,560 square-feet). All developments, residential and otherwise, would be required to include an adequate network of public streets, removing some development area from the gross acreage of the eventual development design.

Stockton would not want to see the entirety of Area 1 developed with any single zoning designation, but instead would want to see a mix of zoning to allow a variety of housing product types, as well as some commercial land (e.g., for highway or neighborhood retail) and institutional land (e.g., for elementary school, public parks).

As a general rule, the Town Council should require a portion or percentage of all annexed properties to be donated to the Town for public parks and other open space and recreational uses (e.g., trails), and otherwise set aside for education and other institutional uses (e.g., schools, churches).

In considering the possible future annexation of Area 1, Stockton should consider requiring a mix of residential densities similar to those found in the existing Stockton Town limits, and should also consider a mix of commercial and institutional uses that would support both Area 1 and the Town at large and that would create consistency with existing community character. Community character is discussed in greater detail in the 2020 Stockton Town General Plan.

At this point in Stockton's history, it may be ill-advised to consider large portions of Area 1 for both very rural densities (i.e., of lots greater than four acres) and very high densities (i.e., for large apartment projects). Large portions of either would consume more municipal services than Stockton Town may desire. For example, the larger the lot, the longer the water and sewer main lines and public streets the Town needs to operate and maintain, and the less property tax Stockton Town would receive to the general fund to provide that operation and maintenance. On the other extreme, the larger the apartment complex, the greater the demand for municipal services, the most scarce of which is water. However, some appropriate mix of R-M zoned land for a relatively small number of apartment and attached single family dwelling units (e.g., townhome) may be desirable to provide a greater diversity of housing options and more affordable and attainable housing for the children and grandchildren, or parents and grandparents, of Stockton area residents looking to live closer to home and family.

### Impact on Municipal Services and Taxes

Stockton residents currently receive fire and police protection, planning and zoning services, snow removal and street maintenance (on paved roads), curbside garbage collection, and culinary water and wastewater services. Residents also have access to the Town's cultural and recreational amenities. No annexation should be approved if the annexation results in the loss of those services for current Stockton residents, or in the inability for Stockton to provide those services to annexed residents.



Services are primarily paid for through property taxes and usage fees. Garbage pick-up costs a base fee of \$25.00 per can, with an additional monthly fee of \$12.00 per can. Sewer service costs \$43.50 per month. Additionally, water costs \$25.00 per month, with an added fee based on water usage (costs current as of April 2020, according to Stockton Utilities Webpage).

Newly annexed areas shall immediately receive the following Town Services: police and fire protection, culinary water and wastewater service, planning and zoning service, snow removal and street maintenance (on paved roads) garbage collection, and parks and recreation services. No annexation should be approved if Stockton is unable to provide the above services to existing and new residents. The Town may deny an annexation if the cost of providing these services places too heavy a burden on existing or future residents.

This portion of this Plan will address the three bullet points above related to municipal services. For purposes of this Plan, the term "municipal services" will include the following services provided by Stockton Town: culinary water treatment, storage, and distribution, sewer collection and treatment, street maintenance including snow plowing, garbage collection, and parks. Other municipal services not enumerated should be studied and treated in a manner similar to that described below.

### Water

Water has consistently been one of the most unreliable Town services. Stockton's supply of culinary water depends largely on the rain fall that accumulates in the surrounding mountains each year. In 2018, supply was so limited that a watering schedule had to be imposed on residents. Any annexation petition must consider water supply in its analysis. Where an annexed area is expected to use significant amounts of culinary water, the Commission and Council may ask that the Applicant addresses mitigation efforts.

Water is the greatest municipal services concern when contemplating possible new development anywhere in the state of Utah, including in Stockton Town. Water is a finite resource facing exponential demands from new development. Stockton Town owns adequate water rights, water sources (e.g., wells, springs), water treatment facilities (e.g., chlorinator), water storage (e.g., tanks), and water distribution network (collectively the "Water Facilities") to serve the existing and projected buildout population in the existing Town limits. However, the Water Facilities are aging, some are deteriorating, and some are at capacity. Any annexation would be required, by annexation agreement and exaction, to upgrade the Water Facilities, including providing additional water rights, improving existing sources and providing new sources, improving treatment, and upgrading transmission and distribution. Stockton should require that these upgrades serve not only property proposed for annexation, but also existing residents, so that the annexation is a benefit not only to the land owner but to the general Stockton Town resident and taxpayer. The precise nature of Water Facilities upgrades and improvements would be determined at the time a future annexation and development plan are proposed. The development plan would be the basis for determining demands upon the Town's water system. The annexation petitioner would be required to provide a detailed analysis, at the petitioner's cost, using an engineering firm acceptable to the Town, regarding the precise water demands of the proposed development and the repairs, improvements, and upgrades needed. Those improvements would be made at the petitioner's/land owner's expense.

## Sewer

Stockton Town's sewer treatment facility ("Sewer Facility") is a lagoon system approved by the state of Utah. Capacity in the Sewer Facility needs to be reserved for existing Town users, including future users developing within the Town's existing boundaries. Any annexation would be required, by annexation agreement and exaction, to upgrade the Sewer Facility and to install sewer collection facilities connecting the annexed land to the Sewer Facility. Stockton should require that these upgrades serve not only property proposed for annexation, but also existing residents, so that the annexation is a benefit not only to the land owner but to the general Stockton Town resident and taxpayer. The precise nature of Sewer Facility upgrades and improvements would be determined at the time a future annexation and development plan are proposed. The development plan would be the basis for determining demands upon the Town's sewer system. The annexation petitioner would be required to provide a detailed analysis, at the petitioner's cost, using an engineering firm acceptable to the Town, regarding the precise sewer demands of the proposed development and the repairs, improvements, and upgrades needed. Those improvements would be made at the petitioner's/land owner's expense.

Stockton Town Code Section 8-3-2 requires properties located within 300 feet of a town sewer line to connect to that line at owner expense. This is an important policy to avoid septic tanks in the midst of new residential developments served by Town sewer. However, it may be impractical to require the owners of some annexed properties with preexisting homes to connect to Town sewer due to disadvantageous slope and soil conditions, and where a property line may be 300 feet from the sewer line but the house is much farther away, and other policy and practical considerations. Such considerations should be evaluated on a case-by-case basis by the Mayor and Town Administration.

## Streets

Any development in a future proposed annexation would be required to lay out and construct new streets in public rights-of-way, at the developer's expense. Once completed to Town standards, these streets would become public streets owned and maintained by Stockton Town at Town expense. The streets would include pavement, sidewalk, park strips, street lights, street signs, traffic control signs, etc. ("Street Improvements"). Property taxes generated by new development would be received by the Town general fund and utilized for street maintenance and other government purposes. Street maintenance includes snow plowing, with the associated equipment, materials, and employees. Stockton should require the annexation petitioner to retain a qualified traffic engineer to study the traffic and other transportation impact of new development on annexed land. The tax analysis discussed below would identify any financing gap between general fund property tax revenues and sales tax revenues and the Town's cost to provide municipal services, including streets maintenance. The gap should be filled by developer contributions. For example, the analysis may provide a basis for requiring the developer to purchase for the Town an additional equipped snow plow truck.

## Garbage

The Town provides residential garbage pickup service using Town equipment and personnel.



(Commercial and other properties arrange for private garbage pickup.) Stockton should require an annexation petition to provide a detailed analysis of the affect new developments on annexed property would have on the Town's garbage pickup efforts. If garbage service cannot be provided to the new development without an additional garbage truck and operator, the analysis should determine what rate should be assessed to the new development, and what new equipment will be needed to provide residential garbage service. New developments on annexed land should not result in a rate increase for existing Town residents. To equalize the rate between that charged in the existing Town boundaries and what should be charged in a boundary expansion area, a developer equalization contribution may be necessary. The study would identify these issues.

### Parks

Parks and open space are valuable amenities contributing to the quality of life of Town residents. Any proposed annexation should require a study of the Town's existing level of service for parks, and should be required to meet or exceed that level of service at developer cost. The study should identify land dedications and improvements, and should study the extent to which park impact fees and impact fee credits are appropriate.

### Estimate of Tax Consequences

It is not possible at the present time to estimate the tax consequences to Stockton Town of a future unknown development plan in annexed areas such as Area 1 without a detailed development plan, which plan is premature at this time. Such a plan would be provided at the time of annexation petition, at which time a detailed tax consequence analysis would be required at petitioner expense. However, an analysis of the property taxes that would be received by the Town should Area 1 (or any other area) be annexed with zoning similar to the current County zoning designations would be possible by applying the Town's current certified or adopted tax rate to Area 1's acreage at a given assumed value per acre. A good starting point would be Tooele County's current assess valuation of Area 1. Stockton Town's current certified/adopted tax rate is 0.004798. Assuming Area 1 is zoned R1 upon annexation, Stockton Town can determine the assessed valuation for unimproved R1 property located in the existing Town boundaries and apply the known tax rate to property values to determine anticipated new property tax revenue to the Town. It must be stressed, however, that a more detailed tax analysis is only possible once a development plan is known. At that point, a qualified financial analyst can determine the various property valuations on a per-acre or per-lot basis based on proposed uses and lot sizes, and calculate more precisely anticipated property tax payments and revenues.

Taxes and utility costs for Stockton are already high relative to the income of current residents. The anticipated financial outcomes for both current and future residents will strongly guide annexation decisions.

### The Interests of Affected Entities

Feedback from affected entities must be gathered prior to the first public hearing on the draft annexation policy plan. Affected entities are defined in Utah Code. Stockton will address all the concerns of these affected entities within this policy plan and future revisions to this plan.

The term “affected entity” is defined in UCA 10-2-401(1), and in the case of Stockton Town and the proposed Area 1 would include the Mosquito Abatement District, the Rush Valley Water Conservancy District, and Tooele County. The Tooele County School District is not an affected entity because the possible future annexation of Area 1 would not alter the boundaries of the District. Tooele City is not an affected entity because its corporate limit is farther away than one-half mile from Area 1. The affected entities were invited to a public meeting on the Stockton Town Planning Commission on January 5, 2021. Affected entity representatives asked questions and provided comments, and did not express opposition to the possible future annexation of Area 1, or to this Plan. Affected entities will be notified of all future public meetings and public hearings regarding this Plan and including Area 1 in this Plan.

### Regional Considerations

The potential future expansion area included in Stockton’s annexation policy plan does not overlap with the potential expansion areas of any other municipality. Tooele City shows potential expansion to the north of Stockton. Lands currently used for extraction separate Tooele City’s expansion areas from the Town boundary. Stockton is not interested in annexing this land to the north due to its preponderance of heavy industrial extractive uses.

No annexation policy plan is available for Rush Valley Town. Rush Valley may have an interest in annexing the South Rim Development at a later date, but that interest has not been expressed. Silver Avenue, running through Stockton, is the subdivision’s current route to major destinations. This means Stockton is the most prepared of any other nearby municipality to provide services to these residents in the event of a future annexation.

Other not-for-profit business and governmental entities are not defined as “affected entities” by Utah statute but nonetheless may be affected, directly or indirectly, by annexations into Stockton Town. One such entity is the Soldier Canyon Water Company. The Town owns substantial shares of stock in the SCWC, and the SCWC provides a secondary water service to areas of the Town. Stockton Town should work cooperatively with these entities to address their concerns and to explore solutions that, to the extent possible, are mutually advantageous.

### Conclusion

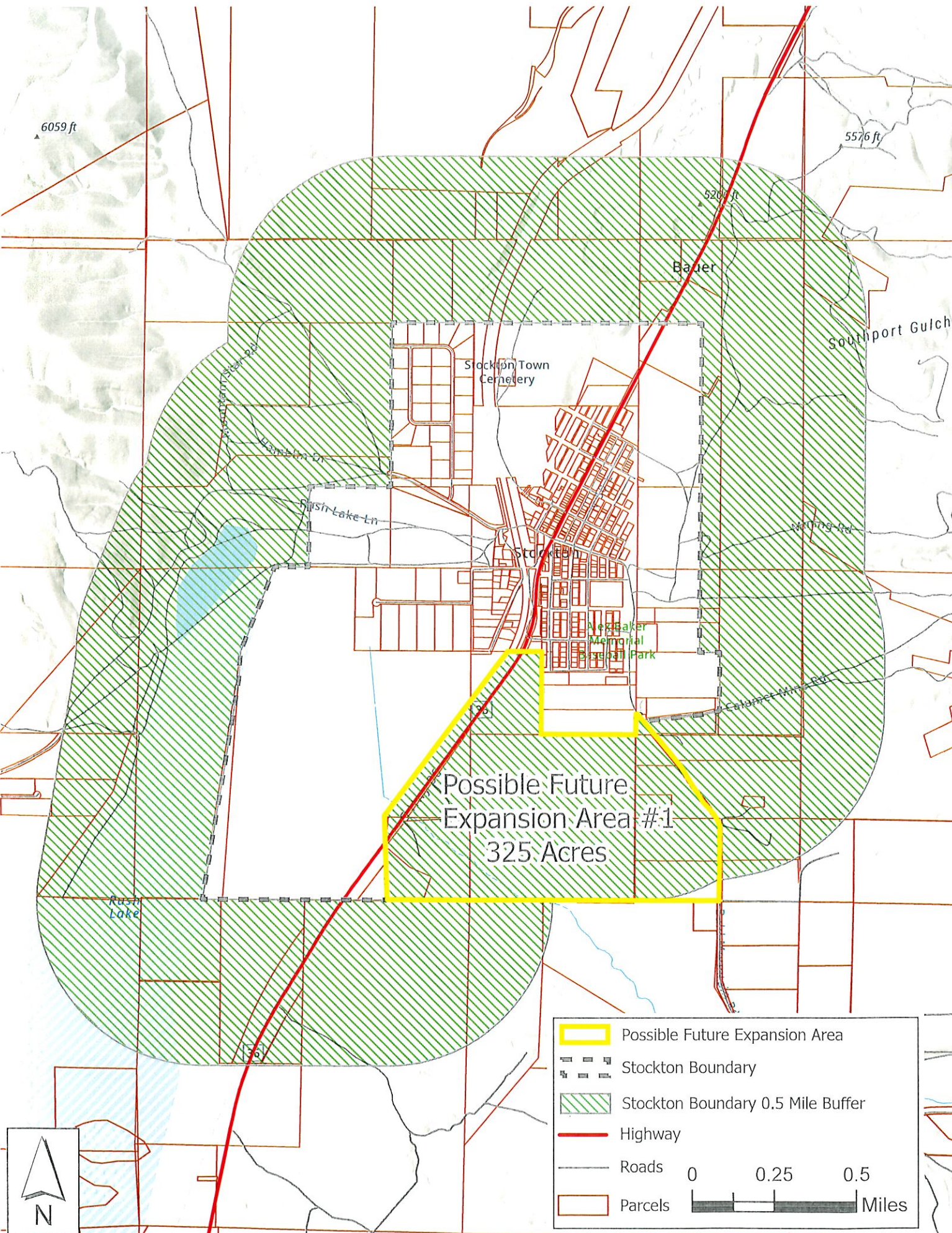
An Annexation Policy Plan can be as succinct or as detailed as the Town Council wishes. However, a plan that is too brief would not comply with state law requirements and would not provide sufficient policy guidance to land owners, the Planning Commission, and future Town Councils. On the other hand, a plan that attempts too much detailed analysis of a host of future hypothetical variables is likely to miss the mark, to consume disproportionate resources toward an uncertain objective, and to attempt to perform the detailed analyses that should come later at the time a specific property with a specific development plan is proposed for annexation. This Plan is intended to strike a balance between these two ends of the spectrum, to provide sufficient policy guidance to allow thorough discussion of the policy implications by all involved, and to provide a foundation upon which future possible annexations can be thoroughly evaluated.









Adopted by Stockton Town Ordinance 2021-\_\_\_\_on\_\_\_\_\_, 2021

DRAFT





Possible Future  
Expansion Area #1  
325 Acres

	Possible Future Expansion Area
	Stockton Boundary
	Stockton Boundary 0.5 Mile Buffer
	Highway
	Roads
	Parcels

0 0.25 0.5 Miles

