Local Agency Formation Commission of Napa County
Subdivision of the State of California

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We Manage Local Government Boundaries, Evaluate Municipal Services, and Protect Agriculture

Agenda Item 9a (Action)

TO: Local Agency Formation Commission

PREPARED BY: Brendon Freeman, Executive Officer B F

MEETING DATE: August 3, 2026

SUBJECT: Consider Approval of Amendment to the Policy on Unincorporated Islands

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RECOMMENDATION

It is recommended the Commission adopt the Resolution of the Local Agency Formation Commission of Napa County Amending the *Policy on Unincorporated Islands*, included as Attachment 1.

SUMMARY

On August 4, 2025, the Commission established an ad hoc Policy Committee and appointed Commissioners Gallagher and Ramos to advise staff in the review of local policies. The Policy Committee met and agreed amendments are needed to the Commission's *Policy on Unincorporated Islands*.

The Committee's recommended amendments would align the Commission's local definition of an "island" with state law. The amendments would also adjust the definition of "substantially surrounded" from "50% or more" to "75% or more" based on a review of several other similar and nearby LAFCOs paired with the Commission's recent decision not to make island annexations a priority in the foreseeable future.

A clean version of the proposed amendment is provided as an exhibit to the draft resolution, included as Attachment 1. A tracked change version of the amendment is included as Attachment 2.

ATTACHMENTS

1) Draft Resolution Amending the *Policy on Unincorporated Islands*
2) Proposed Amendment to *Policy on Unincorporated Islands* (Tracked Changes)

RESOLUTION NO. _______

**RESOLUTION OF
THE LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY
AMENDING THE POLICY ON UNINCORPORATED ISLANDS**

WHEREAS, on February 3, 2020, the Local Agency Formation Commission of Napa County (the "Commission") adopted a *Policy on Unincorporated Islands*; and

WHEREAS, the Commission considered a proposed amendment to the *Policy on Unincorporated Islands* at its regular meeting on August 3, 2026, and invited public comment at that meeting; and

NOW, THEREFORE, BE IT RESOLVED that the Commission hereby amends the *Policy on Unincorporated Islands* as attached hereto.

This Resolution shall take effect immediately.

The foregoing resolution was duly and regularly adopted by the Commission at a public meeting held on August 3, 2026, after a motion by Commissioner___________, seconded by Commissioner _______________, by the following vote:

AYES: Commissioners ________________________________

NOES: Commissioners ________________________________

ABSENT: Commissioners ________________________________

ABSTAIN: Commissioners ________________________________

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Beth Painter
Commission Chair

ATTEST: ______________________
Brendon Freeman
Executive Officer

Recorded by: Charlie Livingston
Commission Clerk

LOCAL AGENCY FORMATION COMMISSION OF NAPA

Policy on Unincorporated Islands
(Adopted: February 3, 2020; Last Amended: August 3, 2026)

I. Background

Unincorporated islands (hereinafter "islands") are areas of unincorporated territory that are completely or substantially surrounded by an incorporated city or town. The Cortese-Knox-Hertzberg Local Government Reorganization (CKH) Act of 2000 includes provisions for streamlining the annexation of islands to cities and towns (California Government Code (G.C.) §56375.3). CKH prohibits creation of new islands unless the Commission determines the prohibition would be detrimental to the orderly development of the community and that the area is located such that it could not reasonably be annexed to another city or town, or incorporated as a new city or town (G.C. §56744). As a condition of annexation to a city or town that includes territory located within an island, the Commission may require that the annexation include the *entire* island (G.C. §56375(a)(5)).

II. Purpose

It is the intent of the Commission to establish a policy that clearly defines the characteristics of islands in Napa County to allow for their streamlined annexation to cities and towns. This is consistent with the intent of the California Legislature when it enacted special legislation, originally adopted in 1977 and subsequently expanded, that made it possible for certain islands to be annexed *without* a protest hearing or election. In approving this legislation, the Legislature recognized the following:

A) Islands represent a statewide governmental inefficiency that could be resolved if these islands were annexed into the appropriate surrounding city or town.

B) Property owners' ability to vote on boundary changes is a statutory privilege and not a constitutional right.

C) Islands are inherently inefficient, and these inefficiencies affect not just residents within islands, but also those residing throughout the city or town and the county.

III. Annexation Procedures

In order to utilize the streamlined annexation provisions codified under G.C. §56375.3, a city or town is required to initiate the process by adopting a resolution of application and submit the adopted resolution to the Commission. The Commission shall approve the annexation at a noticed public hearing and waive protest proceedings. The Commission may not disapprove the annexation. A property tax sharing agreement between the County and the affected city or town is required before the Commission may take final action on annexation consistent with Revenue and Taxation Code §99. The Commission encourages any city or town to enter into tax sharing agreements for affected islands prior to adoption of a resolution of application.

IV. Local Policy Definition of "Island"

The Commission defines an "island" in Napa County to include unincorporated territory that meets all of the following criteria:

A) Located entirely within a city or town's sphere of influence;

B) Does not exceed 150 acres in size;

C) Does not contain prime agricultural land as defined in the Cortese-Knox-Hertzberg Act (G.C. §56064);

D) Designated for urban development in the general plan of the annexing city or town;

E) Surrounded or substantially surrounded by the annexing city or town. Substantially surrounded territory is unincorporated territory with a perimeter that is 75% or more contiguous to the annexing city or town's jurisdictional boundary;

F) The territory is developed or developing. This determination is based on the availability of public utilities, the presence of public improvements, or the presence of physical improvements on the parcels within the area; and

G) The territory is currently receiving municipal service benefits from the annexing city or town, or would benefit from the city or town following annexation.

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~~D) Does not contain lands subject to Measure P or has a General Plan designation of Agricultural Resource or Agriculture, Watershed and Open Space as reflected in the County of Napa General Plan Land Use Map~~;

~~E)~~D) Designated for urban development in the general plan of the annexing city or town;

~~F)~~E) Surrounded or substantially surrounded by the annexing city or town. Substantially surrounded territory is unincorporated territory with a~~n outer boundary~~ perimeter that is ~~50~~75% or more contiguous to the annexing city or town's jurisdictional boundary;

~~G) The outer boundary is the annexing city or town's jurisdictional boundary, the annexing city or town's sphere of influence, and/or property owned by the State of California;~~

~~H)~~F) The territory is developed or developing. This determination is based on the availability of public utilities, the presence of public improvements, or the presence of physical improvements on the parcels within the area; and

~~I)~~G) The territory is currently receiving municipal service benefits from the annexing city or town, or would benefit from the city or town following annexation.