



Staff Report

Coalville City
Community Development Director

To: Coalville City Council and Mayor
From: Don Sargent, Community Development Director
Date of Meeting: September 28, 2026
Re: Updated City Annexation Policy Plan
Action: Continued Public Hearing and Possible Adoption

Updated City Annexation Policy Plan

This item is scheduled for a continued public hearing and possible adoption.

Request

The City Council is asked to review and discuss the updated draft Annexation Policy Plan as revised, conduct a public hearing, and consider adopting the policy plan as Ordinance No. 2026-7.

BACKGROUND

Earlier this year, the Mayor and City Council directed staff to research and prepare updates to the City's existing Annexation Policy Plan. The current plan was adopted in 1995 and no longer reflects current state statutes, guidelines, or processing requirements for annexations. It also does not reflect the City's current direction and priorities when considering annexation petitions.

Staff requested assistance from the Mountainland Association of Governments (MAG) in preparing an updated plan. The updated draft Annexation Policy Plan, as revised, is included as Attachment A as Ordinance No. 2026-7. The update is intended to align the plan with current state statutes, reflect the City's policy direction, and make the document straightforward, readable, and easy to understand.

The review process has included the following steps:

- On June 22, 2026, the City Council held a work session on the draft policy plan and directed staff to begin the Planning Commission review and recommendation process.
- On July 21, 2026, the Planning Commission held a work session to review and discuss the draft policy plan in preparation for the public hearing. The Planning Commission supported several revisions as discussed by the City Council in their work session as redlined in the attached draft policy plan.

- On August 18, 2026, the Planning Commission conducted a public hearing and unanimously recommended approval of the draft policy plan to the City Council.
- On September 14, 2026, the City Council conducted a public hearing and directed Staff to make several revisions to the policy plan.

ANALYSIS

Chapter 03-040 of the Development Code requires annexation policy plans to be reviewed by the Planning Commission through a public hearing and recommendation to the City Council. The City Council must then conduct a public hearing and consider adoption of an ordinance approving the plan.

RECOMMENDATION

Staff recommend that the City Council review and discuss the updated draft Annexation Policy Plan as revised, conduct a continued public hearing, and consider adopting the policy plan as Ordinance No. 2026-7.

Attachments:

- A.** Draft Updated Annexation Policy Plan (revised in "Track Changes") - Ordinance No. 2026-7

ORDINANCE NO. 2026-7

**AN ORDINANCE ADOPTING AN UPDATED ANNEXATION
POLICY PLAN FOR COALVILLE CITY, UTAH; REPEALING
ORDINANCE NO. 1995-4; AND PROVIDING AN EFFECTIVE
DATE**

WHEREAS, Coalville City adopted Ordinance No. 1995-4 establishing an Annexation Policy Declaration;
and

WHEREAS, Utah annexation statutes have since been amended and are currently codified at Utah Code §10-2-401 et seq. including §10-2-403 requiring municipalities to adopt an Annexation Policy Plan; and

WHEREAS, Coalville City desires to update its annexation policy to comply with current Utah law and to ensure consistency with the Coalville City General Plan.

NOW THEREFORE, be it ordained by the City Council of Coalville City, Utah as follows:

ARTICLE 1 – PURPOSE AND AUTHORITY

Section 1 - Authority. This Annexation Policy Plan is adopted pursuant to Utah Code §10-2-403 and related provisions governing municipal annexations.

Section 2 - Purpose. The purposes of this Annexation Policy Plan are to:

1. Guide future annexation decisions;
2. Promote orderly, contiguous municipal growth;
3. Ensure alignment with the Coalville City General Plan;
4. Protect public health, safety, and welfare;
5. Maintain fiscal sustainability;
6. Coordinate growth with Summit County and neighboring jurisdictions.

ARTICLE 2 – ANNEXATION POLICY PLAN AREA

Section 1 – Expansion Area Map. The Coalville City Annexation Policy Plan Area is illustrated on the official Annexation Policy Plan Map, attached as **Exhibit A** and incorporated herein by reference.

The Map:

- Identifies areas outside but adjacent to existing City boundaries;
- Represents the City’s ~~intended-potential~~ future growth area;
- May be maintained in GIS format;

- Controls in the event of discrepancy.

Inclusion within the Annexation Policy Plan Area does not guarantee annexation approval.

Section 2 – Amendments. The Annexation Policy Plan Area may be amended by ordinance following public hearing as required by Utah Code.

ARTICLE 3 – ANNEXATION CRITERIA

All annexation petitions shall be evaluated consistent with Utah Code §10-2-402 and the following:

Section 1 – General Criteria.

- The area must be contiguous to existing municipal boundaries;
- The annexation shall not create unincorporated islands or peninsulas unless agreed upon by Summit County;
- The annexation shall not conflict with a pending annexation petition;
- The City shall attempt to avoid gaps or overlaps with expansion areas of other municipalities;
- The annexation shall fall within the adopted Annexation Policy Plan boundary unless amended.

Section 2 – Discouraged Annexations. The City does not favor annexation that:

- Creates isolated islands or irregular boundaries;
- Is pursued solely for revenue generation;
- Cannot reasonably be provided municipal services;
- Interferes with the logical growth of neighboring municipalities;
- Is inconsistent with adopted planning documents.

Section 3 – Environmental and Open Space Consideration. The City may consider annexation of environmentally sensitive lands, floodplains, steep slopes, or agricultural lands where annexation serves a public purpose, including preservation or coordinated planning.

ARTICLE 4 – CHARACTER OF THE COMMUNITY

Coalville City is a historic Summit County community characterized by:

- A traditional downtown core;
- Residential neighborhoods;
- Commercial and light industrial uses;
- Proximity to recreational amenities including Echo Reservoir;
- Agricultural lands and open space surrounding the developed core.

Coalville seeks to maintain;

- Its small-town character;
- Historic integrity;

- Rural-urban transition areas;
- Responsible recreational and tourism-related development;
- Fiscal sustainability.

Future annexations should complement these community values and be consistent with the Coalville City General Plan.

ARTICLE 5 – GENERAL PLAN CONSISTENCY

All annexations shall be evaluated for consistency, as applicable, with:

- The Coalville City General Plan;
- The Future Land Use Map;
- Transportation Planning;
- Capital Facilities Planning;
- Moderate-Income Housing requirements;
- Applicable interlocal agreements.

Zoning shall be assigned concurrent with annexation pursuant to Utah Code and City land use ordinances including appropriate transitional zoning.

ARTICLE 6 – MUNICIPAL SERVICES AND FINANCING

Section 1 – Service Capability. Prior to annexation, the City shall evaluate its ability to provide municipal services, including but not limited to:

- Culinary water;
- Wastewater;
- Roads and transportation infrastructure;
- Police protection;
- Fire protection;
- Parks and recreation;
- Stormwater management.

Prior to approving an annexation, the City shall evaluate whether sufficient culinary water supply, water rights, source capacity, storage capacity, distribution capacity, and wastewater capacity exist or can reasonably be provided to serve the anticipated development of the annexed property without materially impairing service to existing City residents.

Section 2 – Extension of Services. Where services are not presently available, extensions shall ;

- Be constructed at the expense of the developer or property owner;
- Comply with all City standards;
- Be phased consistent with capital improvement planning.

Section 3 – Service Financing. Municipal services in annexed areas ~~shall~~may be financed through:

- Developer-funded infrastructure improvements;
- Impact fees pursuant to Title 11, Chapter 36a;
- Property tax and sales tax revenue increases;
- Other legally authorized financing tools.

Fiscal sustainability shall be considered prior to annexation approval.

ARTICLE 7 – ESTIMATE OF FISCAL IMPACTS AND TAX CONSEQUENCES

Section 1 – Fiscal Impacts. The City shall consider fiscal impacts associated with annexation, including:

- Anticipated revenues;
- Service costs;
- Infrastructure obligations;
- Long-term municipal sustainability.

A fiscal impact study shall be prepared by the petitioner addressing the items above for consideration by the city council. The City reserves the right to retain a third-party consultant to review and confirm the findings of the fiscal impact study.

Section 2 – Tax Consequences. Annexed properties shall be subject to Coalville City’s municipal tax rate.

Property owners within the annexation area may experience:

- An increase in property tax reflecting the City’s municipal levy; or
- A change in service area tax obligations, depending on Summit County service districts.

Other taxing entities, including school districts and special districts, will continue to levy taxes as provided by law.

Tax rates are subject to annual adjustment by respective taxing entities.

ARTICLE 8 – INTERESTS OF AFFECTED ENTITIES

In evaluating annexation petitions, the City ~~shall~~may consider:

- Summit County interests;
- Special service districts;
- School district boundaries;
- Utility providers;
- Emergency service providers;
- Existing interlocal agreements.

Petitioners may be required to coordinate with affected entities.

ARTICLE 9 – LONG-TERM GROWTH CONSIDERATIONS

In evaluating annexations, the City ~~may~~shall consider:

- Population growth projections for Coalville and Summit County over the next 20 years;
- The need for additional residential, commercial, or industrial land;
- Infrastructure capacity and capital facility costs;
- Agricultural lands, open space, recreational lands, and environmentally sensitive areas;
- Fiscal impacts associated with full buildout of annexed territory.

ARTICLE 10 – ANNEXATION CONDITIONS AND DEVELOPMENT AGREEMENTS

Section 1 – Annexation Conditions. As permitted by law, the City ~~may~~reserves the right to require reasonable annexation conditions including:

- Dedication or transfer of water rights consistent with City ordinance;
- Construction or participation in public infrastructure improvements;
- Payment of impact fees pursuant to Title 11, Chapter 36a, Utah Code;
- Dedication of public rights-of-way;
- Floodplain management or environmental mitigation;
- Compliance with subdivision standards;
- Execution of a Development Agreement;
- Fiscal impact analysis;
- Phasing of development;
- Housing requirements consistent with state law.

Section 2 – Legal Standards. All exactions and conditions shall comply with constitutional requirements of:

- Essential nexus; and
- Rough proportionality.

ARTICLE 11 – JUSTIFICATION FOR EXCLUDING LANDS

The City may exclude land from the Annexation Policy Plan Area where:

- Service extension is impractical;
- Environmental constraints exist;
- Lands are more logically served by another municipality;
- Annexation would conflict with long-term planning objectives.

ARTICLE 12 – ANNEXATION PROCEDURES

Annexation petitions shall be processed in accordance with Utah Code §10-2-401 et seq. including:

1. Petition certification and acceptance for further discussion and consideration;
2. Statutory notice requirements;
3. Public hearing before the Planning Commission;
4. Public hearing before the City Council;
5. Adoption by ordinance.

Any timelines stated in prior ordinances are hereby superseded by current statutory requirements.

ARTICLE 13 – REVIEW AND AMENDMENT

This Annexation Policy Plan shall be reviewed at least every five (5) years, upon substantial amendment of the General Plan, or upon significant annexation activity. Amendments shall be adopted by ordinance following public hearing as required by law.

ARTICLE 14 – REPEALER

Ordinance No. 1995-4 and the prior Annexation Policy Declaration are hereby repealed and replaced in their entirety.

ARTICLE 15 – EFFECTIVE DATE

This Ordinance shall take effect upon publication as required by Utah law.

EXHIBIT A – ANNEXATION POLICY PLAN MAP

