

Proposed Annexation Project

Community Workshop

June 11, 2026

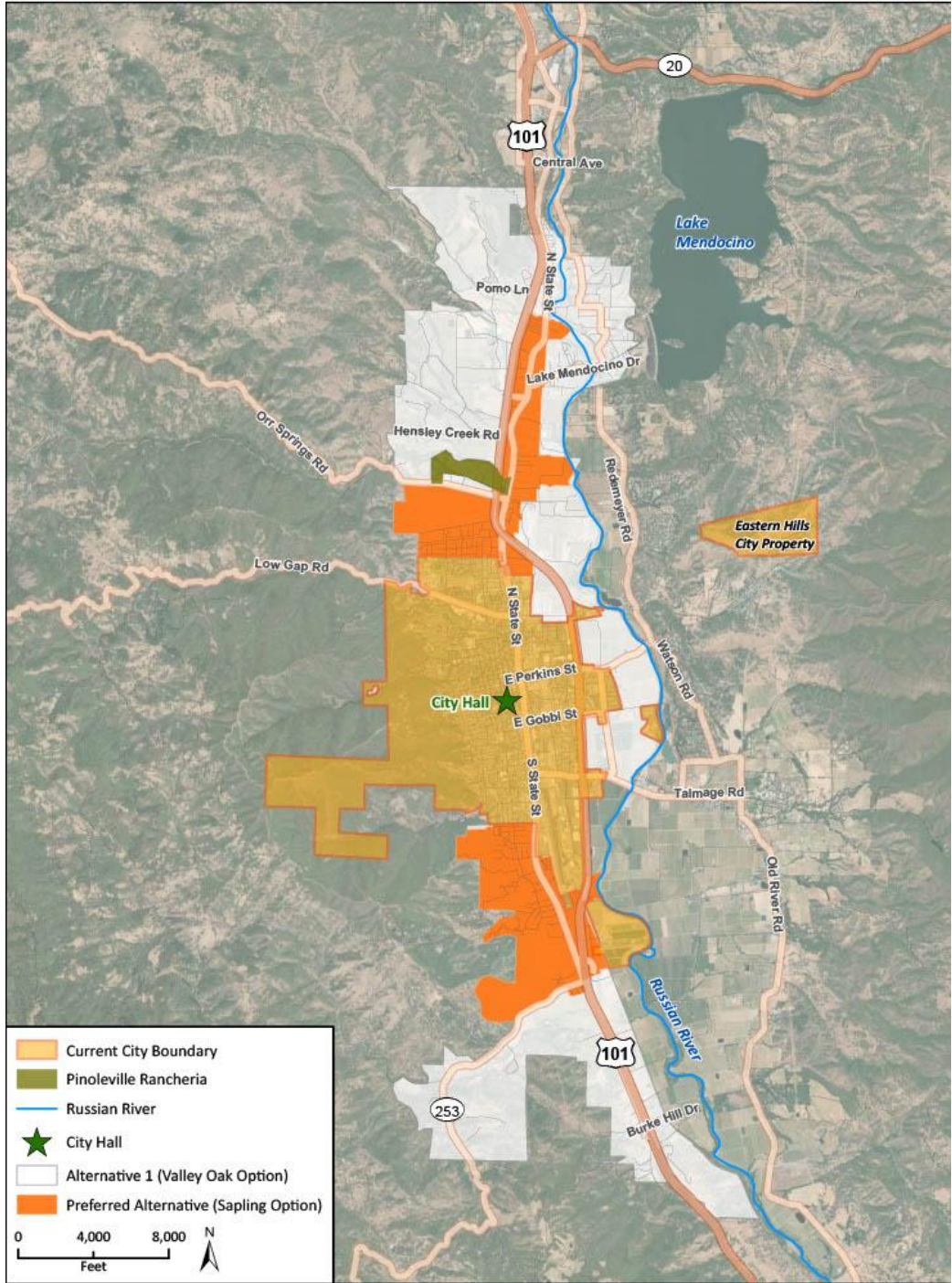


City of Ukiah

Proposed Annexation Community Workshop

Welcome

Councilmember Mari Rodin



“Sapling”

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 Additional data provided by the City of Ukiah, 2025.

Ukiah Valley Fire Authority

Fire Chief Doug Hutchison

City of Ukiah Police Department

Police Chief Tom Corning

City of Ukiah Finance Department

Finance Director Dan Buffalo

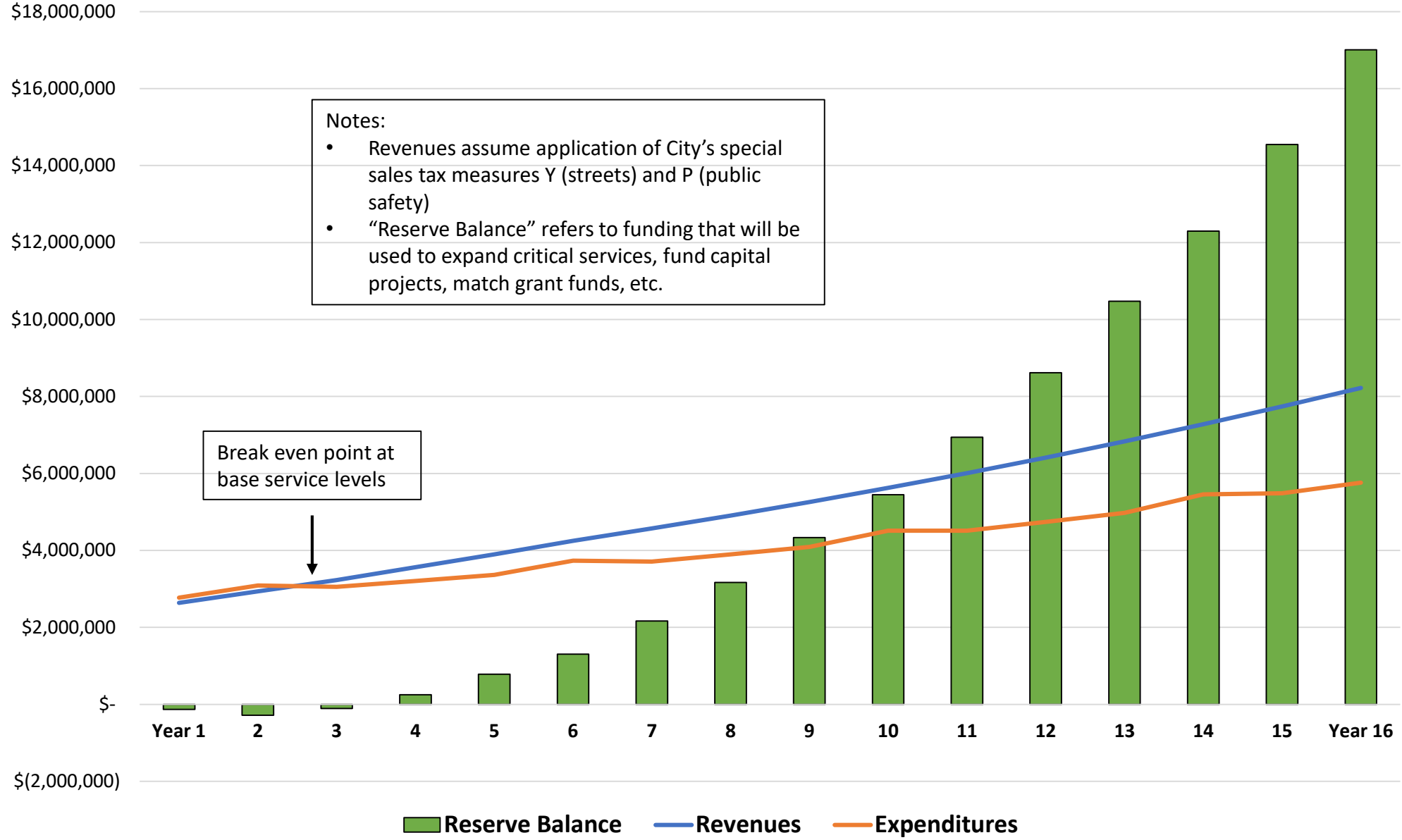
What does the tax sharing agreement cover?

- Property tax: As properties in the annexed areas increase in value, a portion of the value of the increment will shift to the City, with a maximum amount. The base amount that the County receives remains unchanged, and as properties continue to gain in value, the County will also benefit from those gains (after the City has reached its cap).
- Sales tax: After annexation, in the first year, the City will give 100% of the Bradley Burns 1% to the County, but will collect special taxes Measures P and Y from the newly annexed areas. For each year thereafter, the amount of Bradley Burns tax given to the County will be reduced by 1/15.
- TOT: In year one, the County will continue to receive 100% of the TOT collected. After that, the amount given to the County will be reduced by 1/5.

What does the tax sharing agreement cover?

- Housing: The City and the County will work together to shift a proportionate share of the required housing development from the County to the City.
- Balance: In order to prevent “cherry-picking” of higher revenue areas, annexations in Ukiah and Fort Bragg must be “balanced” by including a proportionate share of disadvantaged areas.

Revenues, Expenditures, and Reserve Balances over 16 years with Master Tax Sharing Agreement



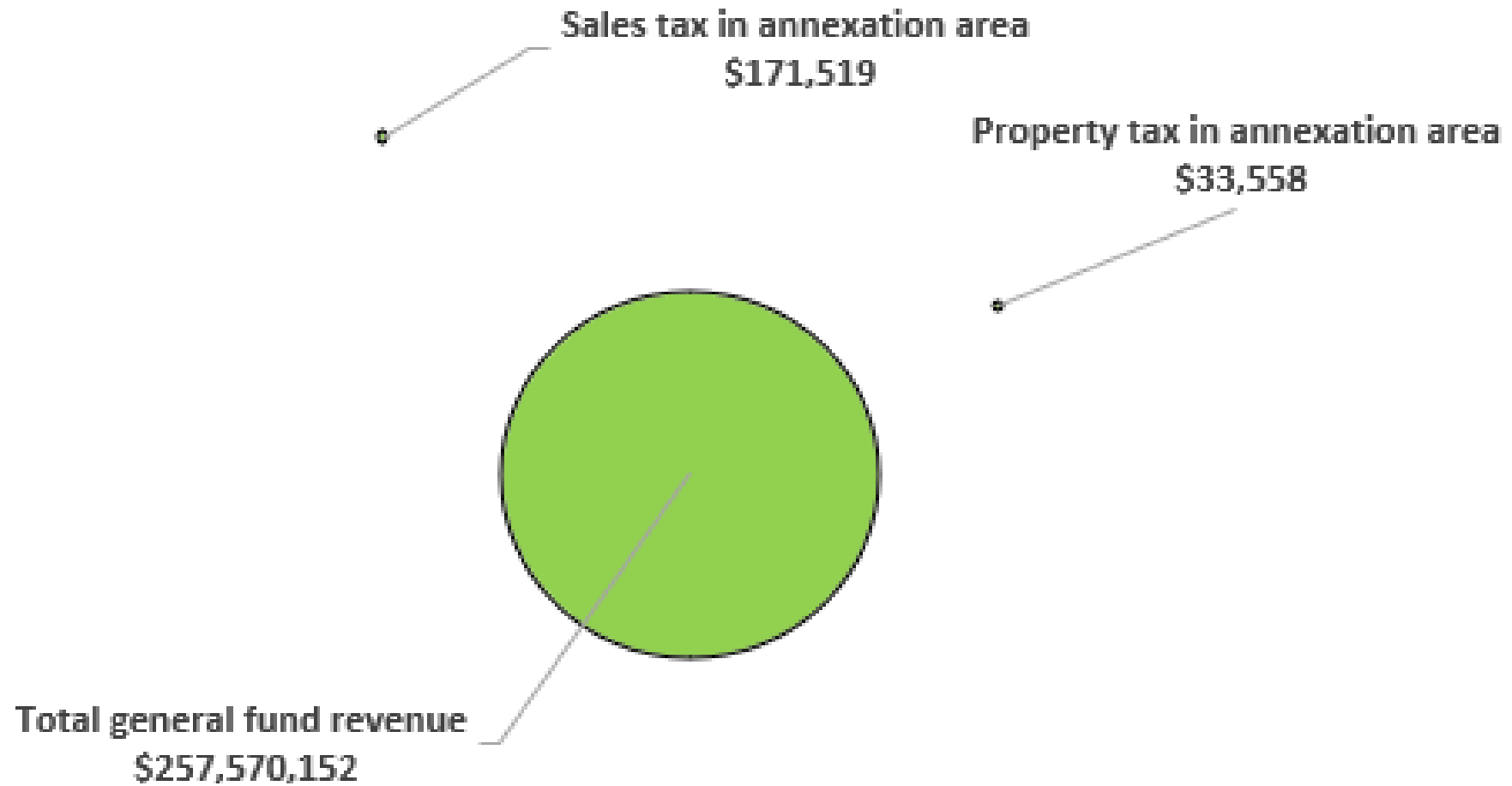
City of Ukiah, California
Annexation Pro Forma
COA 3 - Sapling

	Annual Growth Assumptions	Year 1	Year 16	Total
REVENUES				
Property tax	2.00%	\$ 32,900	\$ 44,280	\$ 613,241
Sales tax:				
Bradley-Burns	3.00%	-	3,891,561	27,264,596
Measure P	3.00%	1,248,926	1,945,786	25,174,453
Measure Y	3.00%	1,248,926	1,945,786	25,174,453
Transient occupancy	0.50%	-	245,562	3,097,574
Business license tax	4.00%	24,264	43,698	529,550
Charges for service ¹	2.50%	33,333	48,276	646,001
Licenses, permits, and franchises	1.00%	50,000	58,048	862,893
Total revenues		<u>2,638,349</u>	<u>8,222,997</u>	<u>83,362,761</u>
EXPENDITURES				
Current:				
General government	4.00%	273,790	493,080	5,975,329
Public safety	5.25%	1,052,303	2,267,109	25,406,268
Public works	5.00%	1,373,500	2,855,408	32,493,565
Community development	5.00%	70,000	145,525	1,656,024
Parks and recreation	5.00%	-	-	-
Capital outlay:				
Public safety ²		-	-	823,163
Public works		-	-	-
Parks and recreation		-	-	-
Total expenditures		<u>2,769,593</u>	<u>5,761,121</u>	<u>66,354,350</u>
Excess (deficiency) of revenues over expenditures		<u>(131,243)</u>	<u>2,461,876</u>	<u>17,008,411</u>
Capital reserve, beginning		-	14,546,535	17,008,411
Capital reserve, ending		<u>\$ (131,243)</u>	<u>\$ 17,008,411</u>	<u>\$ 34,016,822</u>
Capital reserve accounts:				
Police car		-	(1,409,737)	(2,464,715)
Street and rights-of-way projects		-	(6,849,458)	(14,168,570)
Park development		-	-	-
Unfunded loss		(131,243)	25,267,606	50,650,107
Total reserve		<u>\$ (131,243)</u>	<u>\$ 17,008,411</u>	<u>\$ 34,016,822</u>

Notes:

- Charges for service include business license application fee and subsequent renewal fee, and fee for services on Planning cost, full cost recovery.
- Initial purchase of 2 police vehicles in Year 2 and 2 patrol vehicle replacements cycle starting in year-6.

County General Fund Revenue Sources



City of Ukiah Community
Development Department

Chief Planning Manager Jesse Davis

Questions and Public Comment