



Date: September 22, 2021
To: Affected Agencies, City of Ukiah
Mendocino County Board of Supervisors
From: Chamise Cubbison, Acting Auditor-Controller
Re: LAFCo File A-2021-01 City of Ukiah Annexation of City of Ukiah owned properties

Per Revenue and Taxation Code 99(b)(3) the Auditor shall notify the governing body of each local agency whose service area or service responsibility will be altered by the jurisdictional change of the amount of, and allocation factors with respect to, property tax revenue estimated pursuant to paragraph (2) that is subject to negotiated exchange.

The estimated amount of property tax revenue generated in the Tax Rate Areas associated with the identified parcels, based on the 2020-21 assessed values is \$62,966.

The estimated revenue impact affects all agencies in the related Tax Rate Areas as the likelihood that the parcels will become exempt or zero tax is high. The estimated remaining revenue would come from unsecured assessed property and the value of that estimated tax revenue is \$11,356. Please see page 2 for breakdown of impact to affected entities.

There may be possible additional revenue due to possessory interests, roughly estimated to be \$7,343. The possessory related revenue is not included in the above remaining revenue estimate as that is dependent on long term leases.

It should be noted that this is an estimate and that there may be additional factors to consider should tax sharing negotiation take place.

Per Revenue & Taxation Code 99(b)(4) Upon receipt of the estimates pursuant to paragraph (3), the local agencies shall commence negotiations to determine the amount of property tax revenues to be exchanged between and among the local agencies. Except as otherwise provided, this negotiation period shall not exceed 60 days. If a local agency involved in these negotiations notifies the other local agencies, the county auditor, and the local agency formation commission in writing of its desire to extend the negotiating period, the negotiating period shall be 90 days.

If you have any questions regarding this process, please refer to Revenue & Taxation Code, Section 99 for procedures.

Cc: Mendocino County Counsel
Mendocino LAFCo

Auditor's Estimate of Property Tax Revenue

LAFCo File A-2021-01 Annexation of City of Ukiah

Tax Authority	Total Estimated Tax Revenue	Estimated Unsecured Portion	Estimated Difference	Overall Factor All TRAs
County	19,460	3,505	(18,514)	0.30904865
Russian River Cemetery	507	91	(415)	0.008044144
Ukiah Valley Fire	1,361	250	(1,111)	0.021614578
Mendocino County FC & WC Improvement District	82	15	(67)	0.001297519
Mendocino County RRFC & WCID	96	18	(78)	0.001525737
Ukiah Valley Sanitation	238	53	(185)	0.003783452
ERAF-Education Revenue Augmentation Fund	10,686	1,925	(8,761)	0.169704588
Mendocino County Office of Education	2,810	506	(2,304)	0.044631811
Mendocino Community College District	4,379	789	(3,590)	0.069542597
Ukiah Unified School District	23,348	4,205	(19,143)	0.370806924
Total Tax Revenue from PINs	62,966	11,356	(54,169)	1.00