



# PLAN FOR SERVICES

## Corporation Yard Annexation

LAFCo File No. A-2025-06



### PROJECT DETAILS

**PROJECT NAME**

City of Ukiah – Corporation Yard Annexation

**APPLICANT**

City of Ukiah

**SITE ADDRESS**

1 Carousel Lane, Ukiah, CA 95482

**ACREAGE**

±7.9 Acres

**APN**

167-280-15

**EXISTING FACILITY**

98,000 SF Industrial Warehouse

**PROPOSED USE**

Corporation Yard

**PREZONING**

Public Facilities (PF) / Public (P)

## PLAN FOR SERVICES CITY OF UKIAH CORPORATION YARD ANNEXATION

**Project Name:** City of Ukiah – Corporation Yard Annexation

**Applicant(s):** City of Ukiah

**Site Address | APN:** 1 Carousel Lane, Ukiah, CA 95482 | APN 167-280-15

**Acreage:** ±7.9 acres

**Existing Facility:** 98,000-square-foot industrial warehouse

**Proposed Use:** Municipal Corporation Yard for the City of Ukiah and Ukiah Valley Water Authority to support infrastructure maintenance and operations.

### **PURPOSE AND SUMMARY OF SERVICES - BACKGROUND**

This Plan for Services is submitted in accordance with California Government Code §56653, which requires a local agency proposing annexation to describe how municipal services will be provided to the affected area.

In accordance with California law:

1. When a local agency submits a resolution of application for a change of organization, it must also provide a plan for delivering services to the affected territory. LAFCO must review this plan and evaluate the City's ability to maintain existing service levels.
2. The plan must include the following elements, as well as any additional information required by the commission or executive officer:
  - A list and description of services to be provided to the area.
  - The expected level and scope of those services.
  - A timeline for when services can be feasibly provided.
  - Any upgrades or improvements to infrastructure or facilities required by the City.
  - A summary of how the services will be financed.

### **EXISTING SITE**

Per the Phase I Environmental Site Assessment (ESA) performed by EBA Engineering (EBA) for 1 Carousel Lane, Ukiah, CA 95482 | APN 167-280-15, the property is described as such:

*The project site contains a single commercial structure that is approximately 98,000 square feet in size and generally segregated into three units, herein described as Suites 1A, 1B, and 1C. The structure was reportedly built in three phases over several*

*decades starting in 1969. The structure consists of a steel framed building with steel siding and roof and there is no wall separating Suites A and 1B. A concrete slab on grade floor extends throughout the structure. Most of the structure is open warehouse...Areas of the subject property not covered with the site buildings consist primarily of asphalt surfaces used for employee and customer parking and [Distribution Center] shipping and receiving trucks. A fenced gravel parking area is present on the eastern side of the subject property that is used for parking trucks by the [Distribution Center].*

### **EXISTING AND PROPOSED SERVICE PROVIDERS (1 CAROUSEL LANE)**

The City of Ukiah provides the following overview of existing and proposed service providers, should annexation be approved:

#### **General Government**

Upon annexation, planning, building, business licensing, and code enforcement services for the subject parcel will transition from Mendocino County to the City of Ukiah. Given the site's continued operation as a public facility, City involvement is anticipated to be limited in scope, primarily the issuance of business licenses for occupants utilizing existing commercial warehouse or yard areas, and the review and permitting of tenant improvements as required by applicable building, fire, and municipal codes.

Certain countywide functions will remain under County jurisdiction and are unaffected by this action, including Environmental Health (Land Use), Public Health, Air Quality, and the Certified Unified Program Agency (CUPA).

#### **Law Enforcement**

The Ukiah Police Department (UPD) will assume primary law enforcement jurisdiction over the subject territory following annexation. Existing mutual-aid agreements with surrounding agencies will remain in full force and effect. Based on current information, no material increase in service-call volume is anticipated as a result of this action.

#### **Fire Protection and Emergency Medical Services**

Fire protection and emergency medical services (EMS) will continue without change. The property is already served by the Ukiah Valley Fire Authority (UVFA), and service will continue pursuant to existing dispatch, automatic-aid, and mutual-aid protocols. No new stations, apparatus, or personnel are required, and no changes to response districts or standards of coverage are anticipated.

### **Water**

The subject property is currently served by existing water connections operated by the Ukiah Valley Water Authority (UVWA) per the Millview County Water District, and this arrangement will remain unchanged following annexation. No new main extensions, service laterals, or capacity upgrades are required, and service is expected to continue without interruption.

### **Wastewater**

Wastewater service will remain with the Ukiah Valley Sanitation District (UVSD) with no change in provider or service-area boundaries. Existing sewer connections and conveyance and treatment capacity are sufficient to accommodate this action. No new laterals, main extensions, upsizing, or additional capacity reservations are required. Consistent with previous City-owned annexation proposals, detachment from the UVSD is neither necessary nor requested.

### **Stormwater**

Stormwater management responsibility will transition from the County of Mendocino's Municipal Separate Storm Sewer System (MS4) to the City of Ukiah's MS4 program. The City's existing stormwater regulations, which are similar in nature to those currently in effect, will apply going forward. No new impervious area is proposed in connection with this action.

### **Solid Waste**

Solid waste collection, recycling, and disposal services will continue to be provided by C&S Waste Solutions under the County's existing franchise agreement with Redwood Waste Solutions. No change in provider, service levels, routes, or service-area boundaries is required. Regulated materials and recyclables will continue to be managed in accordance with existing permits, local agreements, and all applicable state and local regulations.

### **Transportation and Streets**

Primary site access will continue via Carousel Lane, a 60-foot private road and public utility easement for which the City maintains partial responsibility for maintenance and repair. No new roads, signalization, parking facilities, or easements are required to support the site's continued use as a corporation yard.

### **Parks, Library, and Recreation**

This annexation does not involve new employment generation or proposed residential uses. The action concerns the transfer of existing employees assigned to the current corporation yard adjacent to the Ukiah Municipal Airport. Accordingly, no new demand for parks, library, or recreational services is anticipated.

### **Public Utilities**

Electric and gas service will continue to be provided by Pacific Gas and Electric Company (PG&E), and telecommunications service will remain with AT&T and Comcast. No change in providers, service-area boundaries, or facilities is proposed. Franchise utilities will continue operating under existing agreements, easements, and rights-of-way. No new connections, relocations, or capacity upgrades are anticipated. Given the site's operation as a corporation yard, no material increase in utility demand is expected, as the operational intensity is generally consistent with that of existing businesses in the surrounding area.

### **INFRASTRUCTURE & SITE STATUS**

The subject property appears to have been undeveloped open grasslands as late as 1941. This is evidenced by an aerial photograph from that year. The subject property is indicated to have been developed as a commercial property with construction of the initial phase of the site building by Carousel Carpet Mill in 1969 which operated at the site until 2010. The building subsequently underwent two expansions in 1981 and 1989 and has been occupied by several commercial tenants to the present day. While initially developed with a septic system, the site is now connected to the UVSD.

The site is currently occupied by an agricultural sales and service company, which the City will replace, and a shipping distribution center, which will remain under City jurisdiction. The property's use is well documented through County permits, with no major gaps in the record.

### **FISCAL EFFECTS & IMPACTS**

Operating costs for the Corporation Yard and Water Authority activities will be funded through existing City budgets, departmental funds, and the UVWA, consistent with the City's adopted cost allocation plan as part of the JPA. Operating costs will also be offset by the closure of the existing Corporation Yard facility at 1320 Airport Rd. and transfer of services to 1 Carousel Lane. Further considerations are detailed below:

Land Acquisition, Capital and Tenant Improvements: Financed through a combination of City bond proceeds, Capital Improvement Program (CIP) funds, and competitive grants, the property was acquired by the City of Ukiah for \$7.6 million. The City has allocated up to \$6 million for tenant improvements to City facilities as part of the bond proceeds.

- **Taxes and Assessments:**
  - The property is City-owned and therefore exempt from ad valorem property tax. Commercial or joint-use operations remain subject to possessory interest tax that will be addressed as a separate tax share agreement with the County of Mendocino.
  - On June 19, 2024, the City Council adopted Resolution No. 2024-32, approving participation in the Mendocino County Master Tax Sharing

Agreement (MTSA). The MTSA does not preclude one or more of the associated cities from entering separate agreements regarding particular Annexations; provided, however, that nothing in any separate agreement shall affect the rights and obligations of those Parties not party to that separate agreement.

- Given the municipal function of this parcel and the limited number of parcels identified for this annexation, the City will request a separate tax share agreement to more appropriately evaluate the site-specific considerations of this request, and the applicability of the previously adopted MTSA to a single parcel.
- After additional conference, the City of Ukiah progress a Zero Tax Share agreement with the County of Mendocino, specific to this application. The City of Ukiah adopted Resolution 2026-13 on March 25, 2026 at a Special Meeting.
- **Permits and Fees:** Building and encroachment permits will be processed internally; related costs are budgeted within the project. Existing permits and records will be transferred to the City of Ukiah and integrated into the City's permit system.
- **Utility Rates:** Water and sewer services funded by user fees per Proposition 218 cover the cost associated with operation and maintenance of the facility. If necessary, future rate changes will follow statutory noticing and hearing procedures.
- No new municipal taxes or special assessments are proposed as part of this annexation to cover the cost of acquisition, relocation or upgrades to the facility.

### **LAND USE CONSISTENCY**

The City adopted Ordinance No. 1263 on November 19, 2025, rezoning the property to Public Facilities (PF) with a Public (P) General Plan land use designation, to take effect upon annexation pursuant to Government Code §65859. The project site consisted of a large commercial building of approximately 98,000 square feet, divided into three main suites. As described by the Phase 1 Evaluation, the structure functioned primarily as a warehouse facility with supporting office and utility spaces. The western portions were used for office operations, employee amenities, package storage, and limited light industrial activity such as packaging and distribution. The eastern portion operated as a distribution hub, where goods were transferred directly between transport vehicles with minimal long-term storage. The surrounding development along Carousel Lane followed a similar industrial and commercial pattern, characterized by storage, distribution, and light manufacturing uses.

The existing site operations and surrounding development were compatible with a municipal corporation yard, both in function and intensity of use, as they shared similar industrial and logistical characteristics and were unlikely to create land use conflicts.

**Current (County of Mendocino):**

- Zoning: Limited Industrial (I-1) (Mendocino County Code Ch. 20.09)
- Existing Limited Industrial Land Uses: “Wholesaling, Storage and Distribution—Light”; “Agricultural Sales and Services”” Minor Impact Utilities”

**Proposed (City of Ukiah):**

- Zoning: Public Facilities (PF) (Ukiah Municipal Code, Ch. 2, Art. 15)
- General Plan: Public (P) (Ukiah 2040 General Plan)
- Proposed Public Facility Land Uses: “Corporation yards”; “Quasi-public land uses”; “Light manufacturing and industrial uses”

**CONCLUSION**

While the proposed annexation of 1 Carousel Lane would create an incorporated island, it represents a logical and cost-effective location for extending the City of Ukiah’s municipal service responsibilities within the Ukiah Valley, particularly regarding water and wastewater service delivery through the Ukiah Valley Water Authority (UVWA) and on behalf of the Ukiah Valley Sanitation District. The property will serve as a municipal corporation yard and water authority facility within an existing industrial warehouse complex surrounded by compatible uses, requiring only limited improvements that can be completed concurrently with ongoing operations. All essential municipal and utility services are already available to the site, and no new infrastructure extensions, staffing increases, or public-facing functions are anticipated. The annexation is consistent with the City’s General Plan, rezoning actions, and adopted Capital Improvement Program identifying the relocation of the Corporation Yard to a new facility, and it will improve operational efficiency by consolidating municipal and water maintenance activities within a modernized, centrally located facility.